

5131  
04.07.2003

Updater Services

THE COMPANIES ACT 1956  
COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

UPDATER SERVICES PRIVATE LIMITED

1. (a) Subject as hereinafter provided the regulations contained in table A in the First Schedule to Companies act 1956 shall apply to the Company.

(b) Regulations bearing Nos.23, 24 and 66 of the said table shall not apply to the Company.

2. In these regulations:

(a) "The Act" means the Companies Act, 1956.

(b) "The Company" or "This Company" shall means **UPDATER SERVICES PRIVATE LIMITED**

(c) "The Seal" means the Common Seal of the Company.

(d) "Section" means Section of the COMPANIES ACT, 1956.

(e) "Board" means the Board of Directors of the Company.

(f) "Directors" means the Directors of the Company.

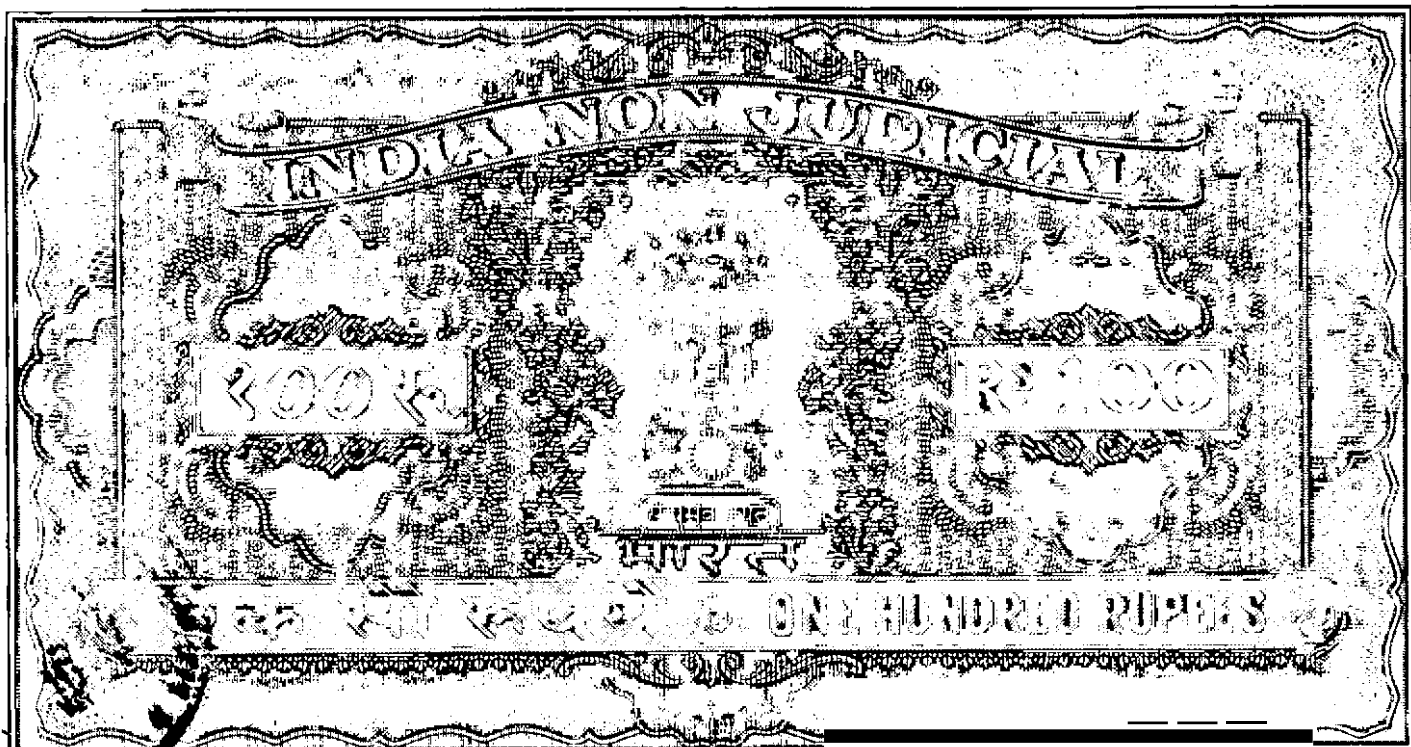
(g) Words importing the masculine gender include also the feminine gender and vice-versa.

REC. NO.  
REG. NO.  
18-001302R  
A.O.-A-  
N 06/11/2003  
300  
T\*\*\*300  
DRAFT 5829/11/2003  
OK

B N  
Harish

T. Shanthi  
[T. Shanthi]

[T. Raghunadana]



5132  
04.07.2003

Updater Services

r. .6')

N. A. RAMAKRISHNA  
STAMP VENDOR  
L No 36 B 3 2000  
(5/23. E"4AN AMI,l),t,  
BHEEMANNAN E 1  
CHE:NN... - 6Cil0 u 11:

(h) "Share Capital" means the Capital for the time being raised or authorized to be raised for the purposes of the Company.

(i) Members' has the meaning assigned thereto by Section 41 of the Act

(j) 'Dividend' includes bonus paid in cash but does not include any share issued in satisfaction of capital bonus upon capitalization of undistributed profits or share premium account

(k) 'General Meeting' means a meeting of Members.

(l) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provisions of Section 166 of the Act and any adjourned holdings thereof.

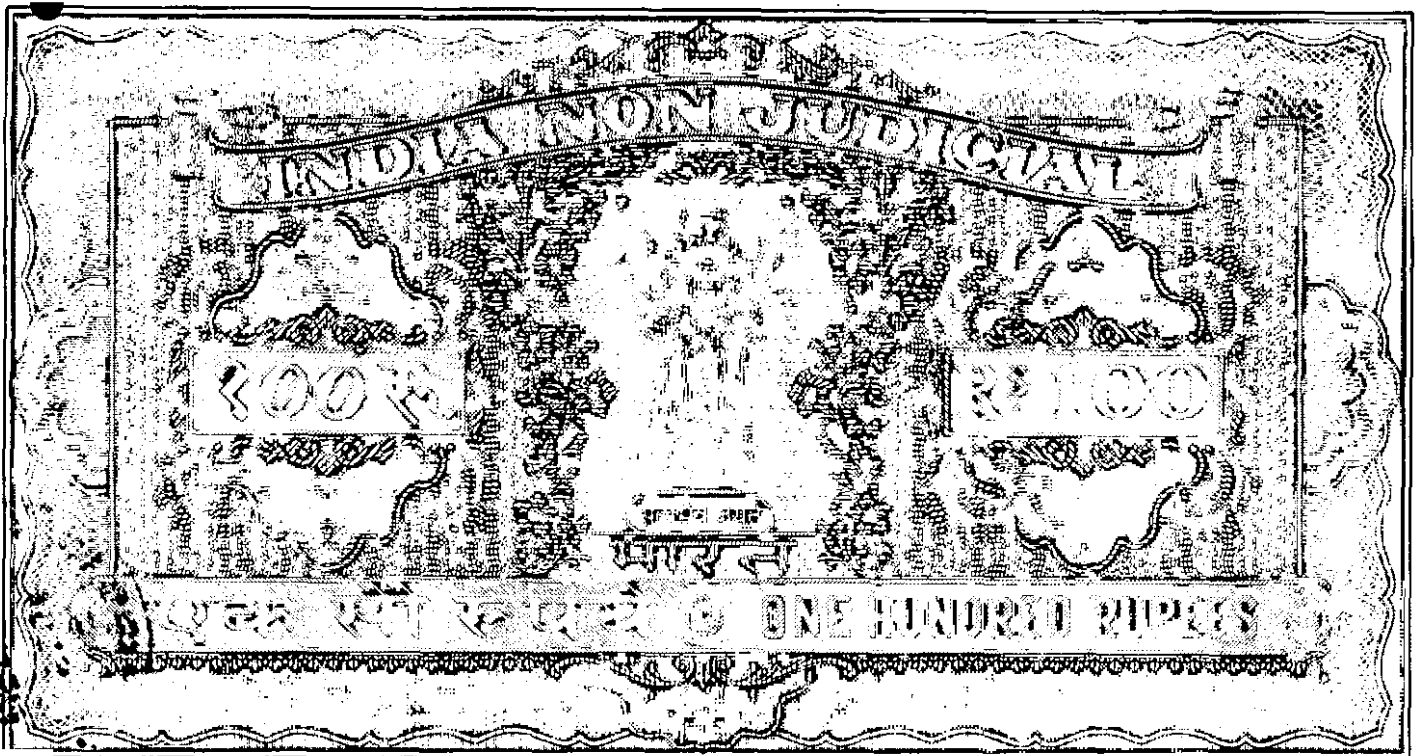
(m) 'Extraordinary General Meeting' means a General Meeting of the Members other than Annual General Meeting duly called and constituted and any adjourned holdings thereof.

(n) 'Ordinary Resolution' and 'special Resolution' have the meanings assigned thereto respectively by Section 189 of the Act.

(J-S /,...

G. SW>J' J

[T. Raghuram]



5133

Updater Services

04.07.2003

N.A. Ramakrishnan

N. A. RAMAKRISHNAN  
STAMP VENDOR

L NO 36 B3 2000

15/23 SHEEMANNAMUDAI - ST.

SHEEMANNANPET.

CHENNAI - 600 018.

(o) 'Month' means a Calendar Month.

{p}'Paid-up' includes credited as paid-up.

(q)'In Writing' and 'Written' include printing, lithography and other modes of representing or reproducing words in a visible form.

### PRIVATE COMPANY

3. The Company is a Private Company within the meaning of Section 3(1) (iii) of the Companies Act, 1956 and accordingly.

The Minimum paid up Capital of the Co.mpany shall be **Rs.1,00,000/-** or such amount as be Prescribed AND *it* **f**

(1. 1,00,000/-)

r-

(a) The right to transfer the shares inf6ie Company is restricted in the manner hereinafter appearing;

1/4S -

0

. &gt; \, \_ , , - ! &lt; ; )

3  
[T. Raghunandan]

one corrected  
(in last)

(b) The number of members of the Company shall be limited to fifty; not including:

- 1) Persons who are in the employment of the Company; and
- 2) Persons who, having been formerly in the employment of the Company were members of the Company while in that employment and have continued to be members after the employment ceased; and provided that where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this paragraph be treated as a single member.
- (c) Prohibits any invitation to the public to subscribe for any shares in or debentures of the Company.
- (d) prohibits any invitation or acceptance of deposits from persons other than its members, directors or their relatives.

### **BUSINESS**

4. The Company will carry on the business for which it was incorporated and any other business or businesses or lines of business or activity which the Company is authorized to carry on under its Memorandum of Association.

### **SHARE CAPITAL**

5. (a) The Share Capital of the Company is **Rs. 10,00,000/-** (Rupees Ten Lakhs only) divided into 1,00,000 Equity shares of Rs.10/- each.
- (b) The Paid up Capital of the Company Shall be minimum of **Rs.1 lakhs** or such higher amount shall be prescribed.
- (c) The shares in the Capital of the Company shall be under control of the Directors who may allot or otherwise dispose of the same or any of them to such persons (whether already members or not in such proportion and on such terms and conditions and at such times as the Board may think fit provided however the Board shall comply with the provisions of the Sections 42 and 75 of the Act.
- (d) The Company shall have power to issue shares at a premium or at par or at a discount against payment of cash or kind and at such time as they may from time to time think fit and proper and it shall comply with the provisions of Sections 78 and 79 of the Act.
- (e) The Company shall have power to issue at any time preference shares including redeemable preference shares.

### **ISSUE OTHER THAN FOR CASH**

6. The Directors *may* allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods, or machinery and appliances supplied, or for services rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business, and any shares which may be so allotted, may be issued as fully paid-up shares and if so issued shall be deemed to be fully paid-up shares.



### LIABILITY OF JOINT HOLDERS OF SHARES

7. The joint-holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share.

### TRANSFER OF SHARES

8. (a) The Directors may in their absolute and uncontrolled discretion and without assigning any reason decline to register or acknowledge any transfer of shares.
- (b) No share shall be transferred to any person who is not a member of the Company so long as any member or any persons selected by the Directors is willing to purchase the same at a value determined by the Directors in their absolute discretion to be fair.

### INCREASE AND REDUCTION OF CAPITAL

9. The Company in General Meeting may, from time to time by Special Resolution increase the capital by the creation of new shares of such amount as may be deemed expedient.

### DIRECTORS

10. There shall be a minimum of two Directors and a maximum of twelve Directors. *I*

11. (a) The first Directors of the Company are:-  
/

1. **Mr. T.RAGHUNANDANA.**
  2. **Mrs. T.SHANTHI**
- /

(b) The First Directors shall hold office for life until they resign on their own accord.

12. The Directors of the Company need not hold any qualification shares.
13. Additional Directors or Alternate Directors or Directors in the Casual vacancy may be appointed by the Board of Directors subject to the maximum number of Directors prescribed in Article No.16.
14. Subject to the provisions of the Act, a Director may resign his office at any time after giving notice to the Board of Directors and the Company.
15. Every Director shall be paid a sitting fee for each meeting of the Board, committee or General meeting or other meetings of the Company, attended by him, as may be decided by the Board from time to time.
16. The Directors of the Company shall be paid such remuneration whether as salary and /or commission and/or share of net profits and in any other form or in one or more the above forms as may be decided by the Board from time to time.
17. The Board may appoint any person by whatever name called as Executive Director, Technical Director, Finance Director or Director in charge of any specific function or functions, upon remuneration or otherwise and delegate all or any powers to all or any of them.

18. A Director of the Company may be or become a Director of any other Company promoted by this Company or in which it may be interested as a member, Shareholder or otherwise and no such Director shall be accountable for any benefits received as a Director or member of such Company.
19. The Company may appoint as Director(s) such person or persons as may be nominated to the Board by Financial Institutions either as a part of their lending package or otherwise.

### **PROCEEDINGS OF DIRECTORS**

20. The Board shall meet at least once every three calendar months for the dispatch of business in accordance with the provisions of Section 285 of the Act and may adjourn and otherwise regulate its meetings and proceedings as it thinks fit provided that at least four such meetings shall be held every year. Notices in writing of every meeting of the Board shall be given to every director for the time being in India and at his usual address in India to every other Directors.
21. A director may, at any time, and the Manager or Secretary shall, upon the request of a Director made at any time, convene a meeting of the Board.
22. The Board may appoint one of their body to be the Chairman of the Board and determine the period for which he is to hold office.
23. (a) If no such Chairman of the Board is appointed or if at any meeting of the Board the Chairman is not present within 15 minutes after the time appointed for holding the same, the Directors present may choose one of their members to be Chairman of that Meeting.  
  
 (b) If a Director who is neither a Whole time Director nor a Managing Director is appointed as Chairman, the Board may request the said Chairman to be whole time Chairman and perform any special duties and confer on him such powers on such terms and conditions as they may deem fit.  
  
 (c) The Chairman shall exercise all such powers and perform all such duties subject to the supervision and directions of the Board of Directors and subject to such conditions and restrictions as the Board may from time to time impose.
24. A meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by or under these Articles or the Act for the time being vested in or exercisable by the Board.

The Board may, subject to the provisions of the to Act, from time to time and at any time delegate any of its powers to a committee consisting of such Director or Directors as it thinks fit, and may from time to time, revoke such delegation. Any Committees formed shall, in the exercise, of the powers s-o delegated, conform to any regulations that may from time to time be imposed upon it by the Board.

25. The meeting and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto, and are not superseded by any regulations made by the Board under the last preceding Article.

## **POWERS OF DIRECTORS**

26. (a) The Board may exercise all such powers of the Company and to do all such acts things as are not, by the Act or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

(b) Subject to the powers of the Companies Act, 1956, the Board of Directors may from time to time, at their discretion, borrow or raise funds for the purpose of the Company. The board of Directors may raise or secure the repayment of such sums may think fit and other security on the under taking of the Company, both present and future, including its uncalled capital for the time being.

## **GENERAL MEETING**

27. (a) A General Meeting of the Company may be called by giving not less than seven day notice in writing.

(b) Provisions contained in section 171 and section 173 of the Companies Act, 1956 shall not apply to the Company.

## **CAPITALISATION OF RESERVES**

28. The Company in General Meeting may, upon recommendations of the Board, Resolve

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

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

(b) The sum aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in sub-clause (c) either in or towards:-

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

(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or

(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).

(c) A share premium account and a capital redemption reserve account may, for the purpose 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.

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

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

(i) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issue of fully paid shares, if any. and

(ii) to authorized any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively credited as fully paid up of any further shares to which they may be entitled upon such capitalization or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.

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

#### **VOTING**

30. Subject to any right or restrictions for the time being attached to shares:

(a) On a show of hands, every member holding Equity Shares or share and present in person shall have one vote;

(b) On a poll every member shall have the same number of votes as the number of Equity Shares held by him.

#### **BOOKS AND DOCUMENTS**

31. The Board shall cause proper books of accounts to be kept in accordance with Section 209 of the Act.

32. The books of account shall be kept at the office or such other place in India as the Board may decide and when the Board so decides, the Company shall, within seven days of the decision, file with the Registrar of Companies the notice in writing giving the full address of that other place.

33. (a) The Books of Accounts shall be open to inspection by any Director during business hours.

(b) The Board shall, from time to time, determine whether and to what extent, and at what times and places, and under what conditions or regulations, the books of accounts and books and documents of the Company, other than Minute Books relating to Board Meeting and General Meetings shall be open to the inspection of the members not being Directors and no member (not being a Director) shall have any right of inspecting any books of accounts or books or documents of the Company except as conferred by Law or authorized by the Board or by the Company in General Meeting. •

#### **BALANCE SHEET AND ACCOUNTS**

34. At every Annual General Meeting the Board shall lay before the Company a Balance Sheet and Profit and Loss Account made up in accordance with the provisions of Section 210 of the Act and such Balance Sheet and Profit and Loss Account shall comply with the requirements of Sections 210, 211, 212, 215, and 216 and of Schedule VI to the Act so far as they are applicable to the Company, but, save as aforesaid, the Board shall not be bound to disclose greater details of the result or extent of the trading and transactions of the Company than it may deem expedient.

35. There shall be attached to every Balance sheet laid before the Company in General Meeting a report by the Board complying with Section 217 of the Act.

#### **AUDIT**

36. Once at least in every year the books of all accounts of the Company shall be examined by one or more Auditor or Auditors.
37. The appointment, powers, rights, remuneration and duties of the Auditors shall be regulated by Sections 224 to 229 of the Act.

#### **SEAL**

38. The Company shall have a Common Seal and the Board shall provide for the safe custody thereof. The Seal shall not be applied to any instrument except by the authority of a resolution of the Board and in the presence of one Director or such other person aforesaid, shall sign every instrument to which the seal of the Company is so affixed in his presence.

#### **WINDING UP**

39. If the Company shall be wound up and the assets available for distribution among the members are such as shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding-up on the shares held by them respectively. And if in a winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up paid-up or which ought to have been paid-up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.
40. If the Company shall be wound up, whether voluntarily or otherwise the liquidators may with the sanction of a special resolution divide among the contributors, in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trust for the benefit of the contributories, or any of them, as the liquidators, with the like sanction shall think fit.

#### **INDEMNITY AND RESPONSIBILITY**

41. (a) Subject to the provisions of Section 201 of the Act every Director, manager or officer of the Company shall be indemnified by the Company against all costs, losses and expenses which any such person may incur or become liable to by reason of any contract entered into or act or deed done by him as such director, manager, or officer or in anyway in the discharge of his duties, including traveling allowances, and the amount for which such indemnity is provided shall be immediately attached as a lien on the property of the Company and have priority as between the memberS over other claims.

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

42. No Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other director or officer, or for joining in any receipt or other act for conformity, or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the directors or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, Company or corporation with whom any moneys, securities, or effects may be entrusted or deposits, or for any loss occasioned by any error or judgment or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duty of his office or in relation thereto, unless the same happens through his own dishonesty.

### **SECRECY CLAUSE**

43. (a) Subject to the provisions of the Act, no member shall be entitled to inspect the Company's books without the permission of the Directors, or to require discovery of or any Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process, which may relate to the conduct of the business of the Company which in the opinion of the members of the Company to be communicated to the public.


(b) Every Director, Manager, Officer, Servant, Agent, Accountant, or any other person employed in the business of the Company, shall if so required by the Directors before entering upon his duties or at any time during his term of office, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of Accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required to do so by the Board or by a Court of law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions contained in these Articles and by the provisions of the Act.



Sl. No.	Signature, Name, Father /Husband name, address description, occupation and PAN No. of each of the subscribers	Signature, Name, Father /Husband name, Address & of Witness
1.	<p>(/ )), -</p> <p><i>r f, £UD\ 14V N 14-N) ft-N A .</i></p> <p>A- ,l. I J..tA} Av "«...t. I</p> <p><i>MtJ e.cy} I (.,WJAVO&lt;A.,_ b&lt;f3 Ot.&gt;y •</i></p> <p><b>PAN AAbP'To((2-1:C.. /</b></p>	All Subscribers Signed Before me
2.	<p><i>T-Shanthi.</i></p> <p><b>T-SHANTHI</b></p> <p><b>N/O. T-RAHU NANDANA</b></p> <p><b>42- LV2 AVENUE</b></p> <p><b>MYLAPORE - CHENNAI - 600 004</b></p> <p><b>PAN: AA VPS 5245-C</b></p>	<p><i>m. Dandapani.</i></p> <p><b>DAMODARAN.</b></p> <p><i>28, Barman Road,</i></p> <p><i>1st Street,</i></p> <p><i>.....1, 51. &lt;f.. ;,;..</i></p> <p><i>&lt;. 4.,...,..., \ - .....o &lt;04.</i></p> <p><b>C° "-""1 e.c&gt;-c 4.</b></p> <p><i>(-p -Alii. •, C, cg.,</i></p>
3.	<p><b><u>Pf</u></b></p> <p><i>7- /( =Sr:/vfti'</i></p> <p><i>:S/o. p, TI'HtTI\0PPI}(I)'</i></p> <p><i>F4-. 2om/?ic 1JIN 1\1..filk.</i></p> <p><i>21.- LEELf\JM'lt&lt;j /rNIIVI'.IL R f,</i></p> <p><i>rft4Jl fi} t.Ju1M • CJ!-€NNIH • qI</i></p> <p><b>PN AJHP 6156oE</b></p>	
4.	<p><i>4002</i></p> <p><b>J. W. Lyons</b></p> <p><b>S/o Mr. V. T. Lyons (Late)</b></p> <p><b>63 Foxen Street</b></p> <p><b>PERAMBUR - CHENNAI - 600 011</b></p> <p><b>PAN - Applied For.</b></p>	

5.	<u>H Edward</u> JOSEPH FULBERT EDWARD S/o Late A.J. EDWARD No 17, 7th STREET, THIRUVALLUVAR NAGAR. ERRUKKENCHERRY CHENNAI - 600 118 PAN No: ADUPJ 5877D	1 ONE	Agg subscribers Signal before m. Dada. m DAmoDARAN. 28, Bhandan Road 11th Street mylapur, Chennai - 600 004 Contd of Secretary C-P. No: 5081.
6.	<u>Roy.</u> C. Roy SURGEN KUMAR., S/o Late S.C. COLUMBUS., No 33 N.G.O. COLONY, SRIPPRUMBUDUR. 602 105. PAN: APPLIBD.FOR	1 ONE	
	<u>-"-1</u> ."-4 A-<Lt A-PPA-N :(0 S. <,,,,-N R..AcN A-IIAV1M j. 4-b, P A-N. >1 A-1W J:T T_ At.YvA-f2- --n-1 f2-D TrfL . L H-eIVN'fl-1 - boo bIJ 1 I "1i-1'-0: Alic.PM ""i°!b8 L	1 ONE	
Total			

Place : Chennai  
::\_ate : '---11• O;,.  
'--

L R ES	
51955	S. No: 2
Reg. on 11/11/03	
checked by	
	KAV
	ADDL ASST. REC.

**THE COMPANIES ACT 1956**  
**COMPANY LIMITED BY SHARES**  
**AMENDED AND RESTATED ARTICLES OF ASSOCIATION**  
**OF**  
**UPDATER SERVICES PRIVATE LIMITED**

THE COMPANIES ACT 1956  
COMPANY LIMITED BY SHARES  
AMENDED AND RESTATED ARTICLES OF ASSOCIATION  
OF  
UPDATER SERVICES PRIVATE LIMITED

*(Substituted the Existing set of Articles by this revised set of Articles vide special resolution passed at the EGM held on January 29, 2008)*

1.
  - (a) Subject as hereinafter provided the regulations contained in Table "A" in the First Schedule to Companies Act 1956 shall apply to the Company.
  - (b) Regulations bearing Nos.23, 24 and 66 of the said table shall not apply to the Company.
2. In these regulations:
  - (a) "Act" means the Companies Act, 1956.
  - (b) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provisions of Section 166 of the Act and any adjourned holdings thereof.
  - (c) "Best Security Services Private Limited" shall mean Best Security Services Private Limited a private limited company existing under the Act and having its registered office at 42, Luz Avenue, Mylapore, Chennai - 600 004.
  - (d) "Company" means UPDATER SERVICES PRIVATE LIMITED.
  - (e) "Dividend" includes bonus paid in cash but does not include any share issued in satisfaction of capital bonus upon capitalization of undistributed profits or share premium account.
  - (f) "Extraordinary General Meeting" means a General Meeting of the Members other than an Annual General Meeting, duly called and constituted and any adjourned holdings thereof.
  - (g) "Fully Diluted" shall mean with respect to Securities, all outstanding equity shares and all Securities issuable in respect of, Securities convertible into or exchangeable for equity shares, stock appreciation rights or options, warrants and other irrevocable rights to purchase or subscribe for equity shares or securities convertible into or exchangeable for equity shares.

CERTIFIED TRUE COPY  
PAGE 1 to 46  
For UPDATER SERVICES (P) LTD.

Managing Director

- (h) **“General Meeting”** means a meeting of Members.
- (i) **“Shareholder” or “Member”** means every person holding shares of the company and whose name is entered in the Register of Members and includes a person holding shares of the company and whose name is entered as Beneficial Owner in the records of the Depository and also includes a subscriber to the Memorandum of Association of the Company but does not include a bearer of a share warrant of the company issued in pursuance of section 114 of the Act.”
- (j) **“Month”** means a calendar month
- (k) **“Ordinary Resolution”** shall have the meaning ascribed to it under Section 189 of the Act.
- (l) **“Paid Up”** includes credited as paid-up
- (m) **“Seal”** means the Common Seal of the Company.
- (n) **“Section”** means Section of the COMPANIES ACT, 1956
- (o) **“Securities”** shall have the meaning provided to the term under Section 2(h) of the Securities Contract (Regulation) Act, 1956, and shall include equity shares and preference shares.
- (p) **“Senior Management”** shall “include Samita Rao, Vivek Phadke and D. Sadasivam.
- (q) **“Share Capital”** means the Capital for the time being raised or authorized to be raised for the purposes of the Company.
- (r) **“Special Resolution”** shall have the meaning ascribed to it under Section 189 of the Act.
- (s) Words importing the masculine gender include also the feminine gender and vice-versa.
- (t) **“In Writing”** and **“Written”** include printing, lithography and other modes of representing or reproducing words in a visible form.
- (u)
  - a) **“Beneficial Owner”** shall mean beneficial owner as defined in clause (a) of sub-section (1) of section 2 of Depositories Act, 1996.
  - b) **“Depositories Act, 1996”** shall include any statutory modification or re-enactment thereof.
  - c) **“Depository”** shall mean a Depository as defined under clause (e) of sub-section (1) of section 2 of Depositories Act, 1996.
  - d) **“SEBI”** means Securities and Exchange Board of India established under section 8 of the SEBI Act, 1992.

## **PRIVATE COMPANY**

3. The Company is a Private Company within the meaning of Section 3(1)(iii) of the Companies Act, 1956 and accordingly;

The Minimum paid up Capital of the Company shall be Rs.1,00,000/- or such amount as may be prescribed by its Articles.

- (h) The right to transfer the shares in the Company is restricted in the manner hereinafter appearing;
- (i) The number of members of the Company shall be limited to fifty, not including:
  - (1) Persons who are in the employment of the Company, and
  - (2) Persons who, having been formerly in the employment of the Company were members of the Company while in that employment and have continued to be members after the employment ceased; and provided that where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this paragraph be treated as a single member.
- (j) Prohibits any invitation to the public to subscribe for any shares in or debentures of the Company.
- (k) Prohibits any invitation or acceptance of deposits from persons other than its members, directors or their relatives.

## **BUSINESS**

4. The Company will carry on the business for which it was incorporated and any other business or businesses or lines of business or activity which the Company is authorized to carry on under its Memorandum of Association.

## **SHARE CAPITAL**

5. (a) The Authorised Share Capital of the Company is Rs.15,00,000/- (Rupees Fifteen Lakhs only)divided into 1,50,000 Equity shares of Rs.10/- each.
- (b) The Paid up Capital of the Company shall be a minimum of Rs. 1 lakhs or such higher amount that shall be prescribed.
- (b) The shares in the Capital of the Company shall be under control of the Directors who may allot or otherwise dispose of the same or any of them to such persons (whether already members or not) in such proportion and on such terms and conditions and at such times as the Board may think fit provided however the Board shall comply with the provisions of the Sections 42 and 75 of the Act.



- (c) The Company shall have power to issue shares at a premium or at par or at a discount against payment of cash or kind and at such time as they may from time to time think fit and proper and it shall comply with the provisions of Sections 78 and 79 of the Act.
- (d) The Company shall have power to issue at any time preference shares including redeemable preference shares.

#### **ISSUE OTHER THAN FOR CASH**

- 6. The Directors may from time to time issue shares for consideration received in kind, or otherwise than for cash, in compliance with the provisions of the Act.

#### **LIABILITY OF JOINT HOLDERS**

- 7. The joint-holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares.

#### **DIRECTORS**

- 8. The first Directors of the Company are:-

Mr. T. RAGHUNANDANA

Mrs. T. SHANTHI

- 9. The Directors of the Company need not hold any qualification shares.
- 10. Subject to the provisions of the Act, a Director may resign his office at any time after giving notice to the Board of Directors and the Company.
- 11. Alternate Director. In the event that any Director (an “Original Director”) is away for a continuous period of more than (3) months from the state in which the meetings of the Board are ordinarily held, the Board shall appoint another Director (an “Alternate Director”) for and in place of the Original Director. The Board shall only appoint such Alternate Director nominated by the shareholder that nominated the Original Director who shall be deemed to be nominated by the Original Director for this purpose. Such Alternate Director shall be entitled to receive all materials supplied to Directors and shall also be entitled to attend all meetings of the Board and committees thereof in the absence of the Original Director.
- 12. Vacancies. If any Director resigns, vacates or is removed from office before his term expires, the resulting casual vacancy may be filled by a nominee of the shareholder who originally nominated the Director vacating office, but any person so nominated, shall retain his office only so long as the vacating Director would have retained the same, if no vacancy had occurred.
- 13. Every Director shall be paid a sitting fee for each meeting of the Board, committee or General Meeting or other meetings of the Company, attended by him, as may be decided by the Board from time to time.

14. The Directors of the Company shall be paid such remuneration whether as salary and/ or commission and/or share of net profits and in any other form or in one or more the above forms as may be decided by the Board from time to time.
15. The Board may appoint any person by whatever name called as Executive Director, Technical Director, Finance Director or Director in charge of any specific function or functions, upon remuneration or otherwise and delegate all or any powers to all or any of them.
16. A Director of the Company may be or become a Director of any other Company promoted by this Company or in which it may be interested as a member, Shareholder or otherwise and no such Director shall be accountable for any benefits received as a Director or member of such Company
17. The Company may appoint as Director (s) such person or persons as may be nominated to the Board by Financial Institutions either as a part of their lending package or otherwise.

#### **PROCEEDINGS OF DIRECTORS**

18. Convening meetings of the Board. Any Director may, and the secretary of Company, if so appointed, shall on the requisition of a Director, summon a meeting of the Board, in accordance with the notice and other requirements set out in these Articles.

#### **POWERS OF DIRECTORS**

19. (a) The Board may exercise all such powers of the Company and to do all such acts things as are not by the Act or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act and Applicable Law.
- (b) Subject to the powers of the Companies Act, 1956, the Board of Directors may from time to time, at their discretion, borrow or raise funds for the purpose of the Company. The board of Directors may raise or secure the repayment of such sums as they may think fit and other security on the under taking of the Company, both present and future, including its uncalled capital for the time being.

#### **GENERAL MEETING**

20. General Meetings. An Annual General Meeting of the shareholders of Company shall be held within six (6) months of the end of each financial year of Company. Subject to the foregoing, the Board or the Parties may convene an Extraordinary General Meeting of the shareholders of Company whenever they deem appropriate.
21. Contents of Notice. The notice to shareholders shall specify the place, date and time of the meeting. Every notice convening a meeting of the shareholders

shall set forth in full and sufficient detail the business to be transacted thereat, and no business shall be transacted at such meeting unless the same has been stated in the notice convening the meeting.

22. Proxies. Any shareholder of Company may appoint another Person as his proxy (and in case of a corporate shareholder, an authorized representative) to attend a meeting and vote thereat on such shareholder's behalf, provided that the power given to such proxy must be in writing.
23. Decision Making. Except as otherwise required by the Applicable Law, all decisions of the shareholders of Company shall be made by simple majority of the shareholders at a duly convened meeting at which a quorum is present.

#### **CAPITALISATION OF RESERVES**

24. The Company in General Meeting may, upon recommendations of the Board, resolve
  - (a)
    - (i) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and
    - (ii) that such sum be accordingly set free for distribution in the manner specified in sub-clause (b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
  - (b) The sum aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in sub-clause (c) either in or towards:-
    - (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
    - (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to amongst such members in the proportions aforesaid; or
    - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
  - (c) A share premium account and a capital redemption reserve account may, for the purpose 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.
  - (d) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
25. (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall

- (i) Make all appropriations and applications of the of the undivided profits resolved to be capitalised thereby and all allotments and issue of fully paid shares, if any, and
  - (ii) authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively credited as fully paid up of any further shares to which they may be titled upon such capitalization or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.
- (b) Any agreement made under such authority shall be effective and binding on all such members.

#### **SEAL**

26. The Company shall have a Common Seal and the Board shall provide for the safe custody thereof. The Seal shall not be applied to any instrument except by the authority of a resolution of the Board and in the presence of one Director or such other person aforesaid, shall sign every instrument to which the seal of the Company is so affixed in his presence.

#### **WINDING UP**

27. If the Company shall be wound up and the assets available for distribution among the members are such as shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding-up on the shares held by them respectively. And if in a winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up paid-up or which ought to have been paid-up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.
28. If the Company shall be wound up, whether voluntarily or otherwise the liquidators may with the sanction of a special resolution divide among the contributors, in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trust for the benefit of the contributories, or any of them, as the liquidators, with the like sanction shall think fit.

#### **INDEMNITY AND RESPONSIBILITY**

29. (a) Subject to the provisions of Section 201 of the Act every Director, manager or officer of the Company shall be indemnified by the Company against all costs, losses and expenses which any such person may incur or become liable to by reason of any contract entered into or act or deed done by him as such director, manager, or officer or in anyway in the discharge of his duties, including traveling allowances, and the amount for which such indemnity is provided shall be immediately attached as a lien on the property of the Company and have priority as between the members over other claims.
- (b) Without prejudice to the generality of the foregoing it is hereby expressly declared that any filing fee payable on any documents required to be filed with the Registrar of Companies or any other payment to be made to the Registrar of Companies in respect of any act done or required to be done by any Director or other officer, by reason of his holding the said office, shall be paid and borne by the Company.
30. No Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other director or officer, or for joining in any receipt or other act for conformity, or for any loss of expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the directors or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, Company or corporation with whom any moneys, securities, or effects may be entrusted or deposits, or for any loss occasioned by any error or judgment or oversight on his part, or for any other loss damage or misfortune whatever which shall happen in the execution of the duty of his office or in relation thereto, unless the same happens through his own dishonesty.

#### **SECURITY CLAUSE**

31. (a) Subject to the provisions of the Act, no member shall be entitled to inspect the Company's books without the permission of the Directors, or to require discovery of or any Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process, which may relate to the conduct of the business of the Company which in the opinion of the members of the Company to be communicated to the public.
- (b) Every Director, Manager, Officer, Servant, Agent, Accountant, or any other person employed in the business of the Company, shall if so required by the Directors before entering upon his duties or at any time during his term of Office, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of Accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required to do so by the Board or by a Court of law or by the person to whom such matters relate and except so far as may be necessary in order to

comply with any of the provisions contained in these Articles and by the provisions of the Act.

## **DEMATERIALISATION OF SECURITIES**

### **32. (i) Dematerialisation of securities:**

Notwithstanding anything contained in these Articles, the company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996.

### **(ii) Options for Investors:**

Every person subscribing to securities offered by the company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of the securities in respect of his holding.

### **(iii) Securities in depositories to be in fungible form.**

All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sec.153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of securities held by it on behalf of the beneficial owners.

### **(iv) Rights of depositories and beneficial owners:**

- (a) Notwithstanding anything contained in these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (c) The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository.

### **(v) Transfer of Securities:**

Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor both of whom are entered as beneficial owners in the records of a depository.



(vi) Allotment of securities dealt within a depository:

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the company shall intimate the details thereof to the depository immediately on allotment of such securities.

(vii) Register and Index of Beneficial Owners:

The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of the Members and security holders for the purpose of these Articles and the provision relating to distinctive numbering shall not apply to the shares of the company which have been dematerialised.

33. ADDITIONAL DEFINITIONS

In this Articles, except to the extent that the context otherwise requires, the following words and expressions shall have the following meanings:

**"Accounts"** means the accounts of the Company duly audited (including the notes thereto) for a Financial Year.

**"Affiliate"** means:

- (a) in relation to any Promoter, (i) any entity Controlled, directly or indirectly, individually or collectively, by the Promoters or an Affiliate of the Promoters, (ii) any entity that, either on its own or along with any Promoter or an Affiliate of the Promoters, Controls, directly or indirectly, that Promoter (in case of such Promoter not being a natural Person), (iii) any entity under common Control with such Promoter (in case of such Promoter not being a natural Person) or, (iv) in the case of a Promoter being a natural Person, any Relative of such Promoter;
- (b) in relation to the Investors, any entity Controlled, directly or indirectly, by the Investors, any entity that Controls, directly or indirectly, the Investors, or any entity under common Control with the Investors, investors/contributors of the Investors and shall also include any Fund(s) and/or body/bodies corporate which is/are now or which may at any time hereafter be managed/advised/administered by ICICI Venture or any of its Affiliates but excludes all its portfolio companies;
- (c) in relation to any other Person, any entity Controlled, directly or indirectly, by that Person, any entity that Controls, directly or indirectly, that Person, or any entity under common Control with that Person or, in the case of a natural Person, any Relative of such Person;

**"Agreement"** means the Shareholders Agreement between the Investors, the Promoters, and the Company as from time to time amended, supplemented or

replaced or otherwise modified and any document which amends, supplements, replaces or otherwise modifies or novates the Agreement in accordance with the provisions of Clause 37 of the Agreement; as together with the Recitals, Schedules, and Annexure attached hereto, and other documents to be executed and delivered by the Company, or as the case may be, Shareholders, pursuant to the Agreement;

**“Applicable Law”** means any Indian statute, law, ordinance, regulation, rule, order, bye law, administrative interpretation, writ, injunction, directive, judgment or decree or other instrument which has a force of law in India applicable to any Party or its Affiliates, as is in force from time to time;

**“Audited Accounts”** means the Accounts audited by a recognized Audit Firm appointed in pursuance of Article 52.1.

**“Article”** means Articles of Association of the Company;

**“Big 4 Accounting Firm”** shall mean either of the following reputed accounting firms in India or their successors i.e. (i) Ernst & Young; (ii) KPMG; (iii) Price Waterhouse Coopers; and (iv) Deloitte.

**“Board” or “Board of Directors”** means the duly constituted Board of Directors of the Company;

**“Business”** means the business of providing facilities management services to companies and residential complexes . The array of services provided include cleaning, electrical & plumbing, staffing, production support, catering, and other related integrated facilities management service whether in India or overseas and whether carried on by itself or through its Subsidiaries,

**“Business Day”** means any day other than Saturday, Sunday, or a day on which banks in Bangalore and/or Mumbai are authorized or required by law to be closed;

**“Confidential Information”** means all information relating to the Company or its Subsidiaries or the Investor which might fairly be considered to be of a confidential nature and identified as confidential at the time of disclosure and includes, but is not limited to:

- (a) any business or technical information whether or not stored in any medium, relating to the business of the Company or its Subsidiaries (and/or those of its customers) or the Investor including but not limited to financial information, equipment, documentation, strategies, marketing plans, pricing information, information relating to existing, previous and potential customers and contracts disclosed to either Party or its Representatives (as defined herein below);
- (b) information relating to the Company or its Subsidiaries or the Investor which is obtained whether (without limitation) in writing, pictorially, in machine - readable form, on floppy diskettes or orally, by any Party or

its Representatives from either the Company or its Representatives, in each case in connection with the business relationship between the Company, the Promoters and the Investor;

- (c) information derived from information falling within this definition;
- (d) original information supplied by the Company;

Notwithstanding the above, however, no information constitutes confidential information if it is generic information or general knowledge which the Investors would have learned in the normal course or if it is otherwise publicly known and in the public domain;

**"Control"** (including with correlative meaning, the terms **"Controlled by"** and **"under common Control"** with) means the power and ability to direct the management and policies of the controlled enterprise through ownership of voting shares of the controlled enterprise or by contract or otherwise, provided that ownership or control of 50% or more of the voting rights of the controlled enterprise or the power or right to appoint or nominate at least half of the members of the board of directors or similar governing body shall be deemed to be 'Control';

**"Directors"** means the Directors on the Board of Directors of the Company;

**"Disclosure Letter"** means the disclosure letter in agreed form provided by the Company to the Investors simultaneously with the execution of the Agreement;

**"Effective Date"** means the Effective Date specified in Clause 2 of the Agreement;

**"Expiry date"** means the date of a Promoter ceasing to be employed by, or to be a Director of the Company, (or if he ceases to be an employee on a different date from that on which he ceases to be a Director, the later of such date)

**"Encumbrance"** means any mortgage, charge (whether fixed or floating), pledge, lien, option, right of pre-emption, right of retention of title or any other form of security, interest or any obligation (including conditional obligation) to create any of the same;

**"ESOP"** means Employees Stock Options Plan;

**"Financial Year"** shall mean a period of twelve months commencing from 1st April of any calendar year and ending on the 31st March of the next calendar year, unless otherwise decided by the Parties;

**"Fundamental Issues"** shall mean such issues or matters in respect of which the Investor's Consent shall be required by the Company in terms of Article 51;

**“IAF III”** shall mean the Western India Trustee and Executor Company Limited having its registered office at Vishwasth Bhavan, 218, Pratap Ganj Peth, Satara 415002 in the capacity as Trustee of India Advantage Fund - III, a Trust registered under the Indian Trusts Act, 1882 acting through its investment manager ICICI Venture Funds Management Company Limited a company incorporated under the Companies Act, 1956 having its registered office at Stanrose House, Ground Floor, A.M Marg, Prabhadevi, Mumbai 400 025 and regional office at 10th Floor, “Prestige Obelisk”, Kasturba Road, Bangalore 560 001.

**“IAF IV”** shall mean the Western India Trustee and Executor Company Limited having its registered office at Vishwasth Bhavan, 218, Pratap Ganj Peth, Satara 415002 in the capacity as Trustee of India Advantage Fund - IV, a Trust registered under the Indian Trusts Act, 1882 acting through its investment manager ICICI Venture Funds Management Company Limited a company incorporated under the Companies Act, 1956 having its registered office at Stanrose House, Ground Floor, A.M Marg, Prabhadevi, Mumbai 400 025 and regional office at 10th Floor, “Prestige Obelisk”, Kasturba Road, Bangalore 560 001

**“ICICI Venture”** shall mean ICICI Venture Funds Management Company Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Ground Floor, Stanrose House, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025

**“Indian GAAP”** means Indian generally accepted accounting principles consistently applied from time to time;

**“Intellectual Property Rights”** includes any patents, trademarks, designs, copyrights, applications for any of such rights, trade or business names, internet domain names, inventions, processes, geographical indications, neighboring rights, trade secrets, know-how, integrated circuits, exploitation of any present or future technologies, proprietary information, and other industrial property rights;

**“Investors”** means IAF III and IAF IV

**“Investor’s Consent”** shall mean the prior written consent of the Investors;

**“Investor Shares”** means the Purchase Shares i.e. 49,783 fully paid up Shares of the Company and such Shares that may be acquired by the Investors from time to time. As on the Effective Date, the Investor Shares represent 41.17% of the share capital of the Company;

**“IPO”** means an initial public offering of the equity shares of the Company consequent to which the equity shares of the Company are listed on an Indian or internationally recognized stock exchange or quotation system acceptable to the Investors and which is otherwise in accordance with Article 54;

**“IPO Deadline Date”** has the meaning assigned to the term in Article 54.1;

**"I.R.R."** means Internal Rate of Return compounded annually.

**"Losses"** includes all losses, claims, costs, and damages (whether direct, indirect, general or special, absolute, accrued, conditional or otherwise and whether or not resulting from third party claims), including interests and penalties with respect thereto and out-of-pocket expenses, including reasonable attorneys' and accountants' fees and disbursements;

**"Management"** means the Promoters/key employees/executives of the Company or Subsidiaries as may be identified and agreed to in writing by the Investors and the Promoters from time to time;

**"Management Accounts"** means the Management Accounts of the Company for the Financial Year and such other Management Accounts required by the Investors from the Company from time to time in the agreed form;

**"Material Breach"** means, non-compliance with any of the provisions of Clause(s) 9 (Conditions Subsequent), 10 (Representations and Warranties), 11 (Non Compete), 13 (Shareholders Preemption Rights and Options), 14 (Shareholders Exit, Transfer and Related Rights), 15 (Board of Directors), 18 (Fundamental Issues), 22 (Initial Public Offering) and 45 (Intellectual Properties) of the Agreement by the Company and/or the Promoters, and which has not been remedied within 30 days of notification by the Investors.

**'Material Adverse Effect'** shall mean a material adverse effect on

- i) The assets, business, properties, liabilities, financial condition, results, operations or prospects of the Company; or
- ii) The ability of the Company or the Promoters or the Investor to perform its / their obligations under the Agreement; or
- iii) The validity or enforceability of the Agreement or of the rights or remedies of Investor, or Promoters, or the Company; or
- iv) The status or validity or any permits, approvals, licenses or permissions required for the Company to carry on its business.

**"Party"** shall mean each party to the Agreement in accordance with the provisions of the Agreement and **"Parties"** shall mean collectively all of them;

**"Par Value"** means face value of the Shares at Rs. 10 per Share;

**"Promoters"** shall mean Mr. T. Raghu Nandana, son of Mr. T.V.S. Sarma and residing at No. 7 (New) D'Silva Road, Mylapore, Chennai 600004 and Ms. T. Shanthi, wife of Mr. T. Raghu Nandana and residing at No. 7 (New) D'Silva Road, Mylapore, Chennai 600004

**"Person"** includes any legal or natural person, an individual, corporation, partnership, limited liability company, companies with unlimited liability, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof;

**“Prior Shareholder”** shall mean New Vernon Private Equity Limited;

**“Prior Shareholders Agreement”** shall mean the agreement dated December 30, 2005 executed between Prior Shareholder, the Company and the Promoters pursuant to the investment made by New Vernon Private Equity Limited in the Company;

**“Purchase Shares”** has the meaning assigned to the term in recital D of the Agreement;

**“Relative”** means relative as defined in section 2(41) of the Act;

**“Shareholders”** means a Person whose name is registered in the register of members of the Company as the holder of a Share and shall include the Investors in the Agreement upon transfer of the Purchase Shares to the Investor;

**“Shares”** shall mean the fully paid-up equity Shares of face value of Rs. 10/- each of the Company issued from time to time, together with all rights, obligations, title and interest in and to the Shares and shall be deemed to include all bonus shares issued in respect of such Shares, Shares issued pursuant to a stock split in respect of such Shares and all Shares issued by any other bodies corporate pursuant to a scheme of merger or amalgamation or reconstitution pursuant to the relevant provisions of the Act or under any other law for the time being in force;

**“SPA”** shall mean the Share Purchase Agreement dated December 21, 2007 executed between the Prior Shareholder, the Investors, the Promoters and the Company

**“Subsequent Round of Funding”** means all investments made in the Company after transfer of the Purchase Shares to the Investors, but prior to the IPO

**“Subsidiaries”** means such companies that shall become subsidiaries of the Company in terms of the Act, in or outside India from time to time.

**“Taxation” or “Tax”** means all forms of taxation, duties, imposts, levies and rates, whenever created or imposed and whether of India or elsewhere, and all penalties and interest payable in respect of these.

**“Third Party”** means any Person, which is not a party to the Agreement.

**“Transfer”** means (in either the noun or the verb form and including all conjugations thereof with their correlative meanings) with respect to the Shares, the sale, pledge, assignment, transfer or other disposition (whether for or without consideration, whether directly or indirectly) of any Shares or of any interest therein or the creation of any third party interest in or over the Shares, but excluding any transfer of Shares between the Investors and their Affiliates.



**“US GAAP”** means generally accepted accounting principles of the United States consistently applied from time to time;

**“Warranties”** means the warranties, representations, covenants and undertakings of the Promoters and the Company as set out in Schedule 2 of the Agreement.

#### **34. ANTI DILUTION RIGHTS OF INVESTOR**

Notwithstanding anything contained in the Articles, the Company shall not issue any Shares or equity linked securities or rights to Shares at a price or on terms which are more favorable to the subscriber than the price or terms on which, the Investors have acquired the Investor Shares under the SPA. If at any time before the IPO, the Company proposes to issue or create Shares or equity linked securities or rights to Shares at a price less than the price at which the Investors have acquired the Investor Shares, then the Investors shall be entitled to receive such number of Shares from the Company, or call upon the Promoter to transfer such number of their Shares in the Company to the Investors, at the lowest price permissible under Law, as may be required to equate the adjusted cost per Share to the new price at which the dilutive issuance has been effected. Provided the provisions of this Article shall not apply to issue of ESOP Shares. To further illustrate this Article, say the Investor is investing at Rs 100 per share to buy 5,000 shares of the Company and thus investing Rs 500,000. Assume that after some time dilutive issuance happens at Rs 40 per share. At this price, the Investor should have been issued 12500 shares (500,000/40). Hence, additional 7,500 shares should be transferred to the Investor free of cost to equate the Investor’s adjusted cost per Share to the new price at which the dilutive issuance has been effected.

##### **35.1 INCENTIVE TO INVESTORS**

- 35.1.1 The Investors will be collectively entitled to receive an incentive of upto 4% of the fully diluted paid up equity share capital as an additional stake in the Company through a preferential allotment of shares at par in the Company (the “Incentive Shares”) in the event the Investors generate any Business for the Company through its network and relationships. Business for this purpose shall be defined as any customer introductions that the Investors make or customers that the Investor refers to the Company or refers the Company to, and which translates into the Company entering into service level agreements / contracts with those customers and accruing revenues there from.
- 35.1.2 The maximum amount of Incentive Shares that the Investors shall be entitled to shall be equal to 4% of the fully diluted paid up equity share capital of the Company.

- 35.1.3 The Investors shall be eligible for the Incentive Shares for providing Business to the Company during the period of four years starting from April 1, 2008 and ending on March 31, 2012.
- 35.1.4 For the purpose of the Agreement, a block of two years shall mean the block of either Financial Year (FY) 2009 and FY 2010 or the block of FY 2011 and FY 2012. Financial Year relating to any year shall mean the period commencing from April 1 of the previous year and ending on March 31 of the year to which the Financial Year pertains. To illustrate, FY 2009 shall mean the period commencing April 1, 2008 and ending on March 31, 2009.
- 35.1.4.1 (a) Incentive Shares translating into between 0.5% and 1% of the fully diluted paid up equity share capital of the Company shall be issued to the Investors in respect of each FY at par, subject to the Investors generating Business on an annualized basis for the Company of an amount equivalent to Rs.50 million to Rs. 100 million or more during that particular FY. The minimum revenue to be accrued by the Company in any FY for the Investors to be eligible for the Incentive Shares shall be Rs. 50 million. If the revenue accrued by the Company is between Rs.50 million and Rs100 million in any FY, pro rata Incentive Shares between 0.5% and 1% of the fully diluted paid up equity share capital of the Company shall be issued to the Investors.
- 35.1.4.2 (b) Notwithstanding the above, Incentive Shares translating into between 1% and 2% of the fully diluted paid up equity share capital of the Company shall be issued to the Investors in respect of each block of two FYs at par, subject to the Investors generating Business on an annualized basis for the Company of an amount equivalent to Rs. 100 million to Rs. 200 million or more during that particular block of two FYs. The above Incentive Shares shall be issued to the Investors irrespective of whether the Investors generate the Business for the Company in the 1<sup>st</sup> (first) or 2<sup>nd</sup> (second) FY in the block of two FYs in which it brings in the Business. The minimum revenue to be accrued by the Company in any block of two FYs for the Investors to be eligible for the Incentive Shares under this Article shall be Rs. 100 million. If the revenue accrued by the Company is between Rs. 100 million and Rs. 200 million in any block of two FYs, pro rata Incentive Shares between 1% and 2% of the fully diluted paid up equity share capital of the Company shall be issued to the Investors.
- 35.1.5 The Investors may opt to receive Incentive Shares under either Articles (a)35.1.4.1 and/or (b)35.1.4.2 subject to the total Incentive Shares collectively receivable by the Investors under the Article 35.1.4.1 and 35.1.4.2(a) and (b) not exceeding 4% of the fully diluted equity share capital of the Company. Further, in any block of two years, the Shares receivable by the Investor should not exceed 2% of the fully diluted equity share capital of the Company.

- 35.1.6 Out of the Incentive Shares to be issued to the Investors in respect of each FY, 75% of the Incentive Shares will be issued at the beginning of the immediately following FY to the FY in which the Business was originated, and the balance 25 % will be issued in the subsequent FY subject to at least 75% of the Business that originated in a FY being retained in the FY following the FY in which the business was originated or the Company having contracts that would enable it to generate revenue equal to at least 75% of the Business that originated in a FY on a per month basis in the FY that follows the FY following the FY in which the business was originated. . To illustrate, if the Investors introduce a set of customers to the Company on January 1, 2009 that results in contracts that would enable the Company to generate revenue of Rs. 7 million per month, the Investors will be entitled to receive an 0.84% equity stake in the fully diluted equity share capital of the Company. Of this stake, the Investors shall have the option to be issued equity shares equal to a 0.63% equity stake in the Company on April 1, 2009 in respect of FY2009. The Investors shall be issued equity shares equal to the balance 0.21% equity stake in the Company on April 1, 2010 in respect of FY2010 subject to the Company being able to retain business equal to at least Rs. 63 million during FY2010 or the Company having contracts that would enable it to generate revenue equal to at least Rs. 5.25 million per month in FY2011 (pertaining to the original business provided in FY2009).
- 35.1.7 The issue and allotment of the Incentive Shares shall take place on April 1st of every year starting April 1, 2009. The Business revenue will be calculated on an annualized basis, and the additional stake will be based on potential revenues that will be accruable during a 12 month period and attributable to introductions of Business by the Investors i.e. if the Investors have introduced the Company to a customer on January 1, 2009, which translates into a contract with potential revenue of Rs. 7 million per month, Incentive Shares issuable against Business equivalent to Rs. 84 million will get issued and allotted to the Investors at par on April 1, 2009 i.e. the Investors will be issued Incentive Shares equal to 0.84% of the fully diluted paid up equity share capital of the Company.
- 35.1.8 The issue of the Incentive Shares shall be as per the following mechanism:
- 36.1.8.1 **Issue Mechanism:** The issue of the Incentive Shares shall be at par. The issue of Incentive Shares will be upto 4% of the fully diluted equity share capital of the Company post issue of the Incentive Shares collectively to the Investors. The issue of Incentive Shares shall be non-dilutive on the then existing shareholding of the Investors in the Company. Hence, additional equity shares shall be issued to the Investors at par to compensate for the dilution in the shareholding of the Investor due to issue of the Incentive Shares to the Investors. For the purpose of this Article, such additional shares shall be issued by increasing the number of Incentive Shares.

- 36.1.8.2 The objective of this mechanism is to ensure that the Investors shall be collectively able to get 4% additional equity stake in the Company as an incentive without diluting its then existing stake in the Company.
- 36.1.8.3 To illustrate the point, assuming that the Company's share capital structure remains unchanged between the period of purchase of the Investor Shares by the Investors under the SPA and the commencement of the period from which the Investor becomes eligible to receive Incentive Shares, the Investors collectively hold 41.17% of the equity share capital of the Company and meet all the necessary conditions making them eligible for all the Incentive Shares, then the issue of Incentive Shares shall be such as to enable the Investors' collective stake in the Company to go up from 41.17% to 45.17% of the fully diluted paid up equity share capital of the Company over the period during which the Investors are eligible to receive the Incentive Shares. The Company shall issue Incentive Shares comprising the 4% stake on a fully diluted basis as incentive for the Business generated by the Investors for the Company and an additional stake to compensate for the dilution in the Investors' existing stake on account of issue of the aforesaid 4% stake.
- 36.1.8.4 In the following calculation basis, issue of Incentive Shares to the Investors in the Company implies a resultant stake to the Investors on the fully diluted post issue equity share capital while being non dilutive on the Investors' existing stake in the Company. These illustrations are to support the interpretation of this Article

36.1.9 Incentive Shares that can be issued in any One Financial Year under Article (a)36.1.4.1:

Maximum number of Incentive Shares that can be issued	Equivalent to 1% of the fully diluted equity share capital of the Company
If Revenues of the Company from Business brought in by the Investors are:	Incentive Shares to be issued as a percentage (%) of the fully diluted equity share capital of the Company :
less than Rs. 50 million	Nil
between Rs. 50 million and Rs. 100 million	Proportionate Incentive Shares between - 0.5 % and 1%
equal to Rs. 100 million	1%
greater than Rs. 100 million	1%

36.1.10 Incentive Shares that can be issued in any block of two Financial Years under Article (b) 36.1.4.2:

Maximum number of Incentive Shares that can be issued	Equivalent to 2% of the fully diluted equity share capital of the Company
If Revenues of the Company from Business brought in by the Investors over the 2 year period are:	Incentive Shares to be issued as a percentage (%) of the fully diluted equity share capital of the Company :
less than Rs. 50 million	Nil
between Rs. 100 million to Rs. 200 million	Proportionate Incentive Shares between -- -1% and 2%
equal to Rs. 200 million	2%
Greater than Rs. 200 million	2%

36.1.11 If the Investors are eligible for Incentive Shares, then the Incentive Shares will be issued as follows:

36.1.11.1 Incentive Shares equivalent to 75% of the stake entitlement shall be issued at the beginning of FY1 (Financial Year following the FY in which the Business is introduced by the Investor to the Company)

36.1.11.2 Incentive Shares equivalent to 25% of the stake entitlement shall be issued at the beginning of FY2 (i.e. the Financial Year following FY1) subject to at least 75% of the revenues generated by the Company from the Business originated in FY0 being generated in FY1 or the potential revenue that can be generated by the Company in FY2 based on the contracts available with the Company from the Business originated in FY0 being equal to at least 75% of the revenue that was generated from that Business in FY1.

### 37. HOLDING IN SUBSIDIARY COMPANIES

In the event moneys are being raised in any Subsidiary, and the Company is not investing in the Subsidiary, the Investors will have the option to subscribe to the issue of Shares / any other equity linked instruments in the Subsidiary directly to the extent of their shareholding in the Company on the same terms as applicable to other investors in the Subsidiary.

### 38. DIVIDENDS

The Company and the Promoters shall ensure that, subject to the making of proper and prudent reserves and provisions such as meeting on-going and planned capital expenditure and increases in working capital as in the opinion of the Board ought reasonably to be made, and subject to the provisions of the Act substantial parts of the profits available for distribution (as determined in accordance with Applicable Law) in respect of each Financial Year during the

term of the Agreement are distributed by the Company to the Shareholders by way of dividends.

39. APPOINTMENT OF MANAGEMENT CONSULTANTS/ CHARTERED ACCOUNTANTS

The Investors shall have the right to appoint, at the cost of the Company, whenever they consider necessary, any person, firm, company or association of persons engaged in management or any other consultancy business to inspect and examine the working of the Company and its operations and to report to the Investors. The Investors shall have the right to appoint, whenever it considers necessary, any chartered accountants/cost accountants as auditors for carrying out any specific assignment(s) or to examine the financial or cost accounting systems and procedures adopted by the Company for its working or as concurrent or internal auditors, or for conducting a special audit of the Company. The Investors shall take the approval of the Company prior to appointing the aforementioned person, firm, company or association of persons and the consent of the Company shall not be unreasonably withheld.

40. CAPITAL RESTRUCTURING

In the event there is a capital restructuring of the Company whereby a holding company is formed to hold the shareholding of the Company in Subsidiaries, the Investors shall retain the right to transfer their shareholding in the Company to the holding company or take such steps that shall not harm the interests of the Investors.

41. ADDITIONAL RIGHTS

The Company and Promoters agree that in any future round of investment in the Company by a third party, the Company and the Promoters agree not to give any rights to such third party that are superior to the rights of the Investors under the Agreement. In the event any superior rights are agreed to with the third party, such rights shall also be extended to the Investors.

42. DIRECTOR'S INSURANCE

The Company will purchase director's insurance for the Investors Nominees on the Board of Directors, as per terms and conditions to the satisfaction of the Board.

43. STOCK OPTION PLANS

The Board will reserve up to 2.5% of the fully diluted share capital of the Company pursuant to a stock option plan or similar equity-based compensation arrangement. The number of ESOP shares shall be increased to 5% of the fully diluted share capital of the Company as and when the Board deems appropriate. The grants shall vest according to reasonable criteria established by the compensation committee and shall be subject to the

Investor's Consent. The Company shall not establish or maintain any stock option plan or similar equity-based compensation arrangement except with the consent of the Investors.

#### **44. INVESTOR'S RIGHT TO CONSULT MANAGEMENT**

The Investors shall have the right to be kept informed, consult with and advise the Management with regard to any material developments in or affecting the Company's business, to discuss business operations, properties and the financial or other condition of the Company with its officers, employees and Directors, to consult with and advise the Management on significant business issues and to regularly meet with the Management during each year for such consultation and advice

#### **45. BUY BACK OF SHARES**

##### **45.1 BY THE COMPANY**

- (a)** The Articles of the Company shall provide for buy back of Shares by the Company. Any decision by the Company to buy back Shares shall be with the Investor's Consent. Notwithstanding the foregoing, in the event that the Company is not listed on the Bombay Stock Exchange Limited (BSE) or National Stock Exchange (NSE) pursuant to an IPO by the IPO Deadline Date, the Investors shall have the right, to call for a buy back of Shares by the Company. The Promoters undertake not to participate in any such buyback of Shares by the Company.
- (b)** Subject to Applicable Law, the Company shall buy back the Shares such that the amount receivable by the Investors shall be equal to an amount which would give the Investors (taking into account all earlier dividends paid) an IRR of 15 per cent per annum compounded annually on the aggregate price paid by the Investors for the Investor Shares under the SPA plus all declared but unpaid dividends.

##### **45.2 BY THE PROMOTERS**

- (c)** Notwithstanding the provisions of Article 45.1, in the event that the Company is not listed on the Bombay Stock Exchange Limited (BSE) or National Stock Exchange (NSE) pursuant to an IPO by the IPO Deadline Date, the Investors shall have the right, to call for a buy back of the Investor Shares by the Promoters.
- (d)** The Promoters shall buy back the Investor Shares such that the amount receivable by the Investors shall be equal to an amount which would give the Investors (taking into account all earlier dividends paid) an IRR of 15 per cent per annum compounded annually on the aggregate price paid by the Investors for the Investor Shares under the SPA plus all declared but unpaid dividends.

- 45.3 It is agreed between the Parties that the Investors shall exercise their rights under Article 45.1 and/or 45.2 only after exhausting their rights/remedies under Article 54 (IPO) and Article 55 (Drag Along Right)

#### 46. SHAREHOLDERS PRE-EMPTION RIGHTS AND OPTIONS

##### 46.1 PREEMPTION RIGHTS FOR NEW ISSUE OF SHARES

Save as otherwise specifically provided for in the Article, the Company shall not issue any further Shares, warrants, or other securities convertible or exchangeable into Shares of the Company unless such further Shares/securities have first been offered to the Investor, provided that this restriction shall not apply to any ESOP Shares. This restriction should not apply to issue of the Incentive Shares to the Investor pursuant to the provisions of Article 35.1. Further the provisions of this Article shall cease to have effect after the Company has made an IPO in terms of Article 54.

The Company and the Promoters shall ensure that all further Shares offered or issued by the Company (except for possible issue and allotment of Shares to the employees of the Company under the Company's existing Employees Stock Option Plan and any other Employees Stock Option Plan approved by the Board of Directors of the Company), shall be offered / issued, on terms and conditions which are no more favorable to the allottees, than those offered to the Investors, unless the Investors shall have otherwise agreed in writing.

#### 47. SHAREHOLDERS' EXIT, TRANSFER, AND RELATED RIGHTS

##### 47.1 PLEDGE OR ENCUMBRANCE OF SHARES OF PROMOTERS

The Promoters shall not transfer, pledge, mortgage, hypothecate, charge or otherwise Encumber any of the Shares of the Company or do any other act which has the effect of undermining the underlying beneficiary/ fiduciary rights and responsibilities of the Promoters nor otherwise use such Shares as collateral for any purpose which could result in an involuntary Transfer of such Shares or any right, title or interest therein in favor of any person, including but not limited to, any lenders of the Company except with the Investor's Consent.

##### 47.2 INVESTORS RIGHT TO UNENCUMBERED SHAREHOLDING

The Investors shall not be required to pledge, mortgage, hypothecate, charge or otherwise encumber any part of the Investor Shares or otherwise offer any such Investor Shares as collateral for providing financial support to any third party, including but not limited to the lenders of the Company.

##### 47.3 RESTRICTION ON SALE OR TRANSFER OF SHARES BY PROMOTERS



- 47.3.1 The Promoters shall not sell or otherwise Transfer any part of their Shares of the Company held by them directly or indirectly, except with prior written discretionary consent of the Investors.
- 47.3.2 The Promoter's "right to sell" with the prior approval of the Investors under Article 47.3.1 shall be subject to the Investors right of first refusal in accordance with Article 47.3.3 and Article 47.3.4 hereof. This right of first refusal shall not be available to the Investors in the event the transfer of Shares is inter se amongst the Promoters respectively. However, any such transfer of Shares inter se amongst the Promoters shall be informed to the Investors in advance.
- 47.3.3 Any of the Promoters wishing to sell or otherwise Transfer any of their Shares ('Sale Shares') of the Company under Article 47.3.1 hereof shall first give a written notice ("Transfer Notice") to the Investors. The Transfer Notice shall state (i) the number of equity shares of the Company proposed to be Transferred (hereinafter referred to as the Sale Shares) and the number and class of shares in the Company such Promoter owns at that time on an undiluted basis, (ii) the name and address of the proposed transferee, (iii) the proposed price, including the proposed amount and form of consideration and terms and conditions offered by such proposed transferee, (iv) the proposed date of consummation of the proposed Transfer, (v) a representation that the proposed transferee has been informed of the Investors' Right of First Refusal and the Investors' Tag-Along Right, as provided for in the Agreement and has agreed to purchase all the equity shares required to be purchased in accordance with the terms of this Article, and (vi) a representation that no consideration, tangible or intangible, is being provided, directly or indirectly, to the Promoter/s and/or to any of their Affiliates, that will not be reflected in the price paid to the Investors on exercise of the Investors' Tag-Along Right. In the event that the proposed consideration for the Transfer of such equity shares includes consideration other than cash, the Offer Notice shall include a calculation of the fair market value of such consideration and an explanation of the basis for such calculation. The total value of the consideration for the proposed Transfer is referred to herein as the Offer Price. Such notice shall be accompanied by a true and complete copy of all documents constituting the agreement between the Promoters and the proposed transferee regarding the proposed Transfer;

Within 30 days of receipt of such Transfer Notice, the Investors may agree to or refuse to buy the Sale Shares on terms and conditions (including the price) no less favorable than those intimated by the Promoter(s) in the Transfer Notice, and shall communicate the same to the Promoter(s). Failure by the Investors to communicate their decision to buy the Sale Shares within the said 30 days period shall be deemed to be a refusal to buy the Sale Shares. If the Investors fails to so communicate or otherwise communicate refusal to buy their Shares, the Promoter(s) shall be free and fully entitled to sell and Transfer the

Sale Shares to the proposed purchaser at no less than the Offer Price. Such sale and Transfer of the Sale Shares to the proposed purchaser shall be completed within 60 days thereafter. In the event of a failure to so consummate the sale within the stipulated 60 days period, the sale shall again be subject to the provisions of Article 47.3.2 and this Article.

- 47.3.4 If the Investors communicate their agreement to buy the Sale Shares from the Promoter(s), the purchase shall be subject to applicable approvals of Government of India, Reserve Bank of India, if required. The purchase of the Sale Shares should be completed by the Investors within 30 days of the necessary approvals being obtained or if no such approvals are required, the purchase of the Sale Shares should be completed within 30 days from their accepting the offer of the Promoter(s) or such time as indicated in the Transfer Notice, whichever is later. At such closure, the Promoter(s) shall deliver such lien free title to the Sale Shares being sold and the Investors shall pay the Promoter(s) in cash the Sale price per share. The Investors shall be entitled to purchase the Sale Shares in proportion to their shareholding in the Company. If one of the Investors do not exercise their right to purchase the Sale Shares the other Investor shall be entitled to purchase the same.

In the event the Investors fail to pay the Offer Price per share before the scheduled date of closure as aforesaid, the Investors shall be deemed to have refused to buy the Sale Shares and the Promoter(s) shall be free and fully entitled to sell and Transfer the Sale Shares to the proposed buyer at no less than the Offer Price. Such sale and Transfer of the Sale Shares to the proposed purchaser shall be completed within 60 days thereafter. In the event of a failure to so consummate the sale within the stipulated 60 days period the sale shall again be subject to the provisions of Article 47.3.2 and this Article.

#### 47.4 TAG ALONG AND CO-SALE RIGHTS OF INVESTORS

- 47.4.1 Subject to the provisions of Article 46, 47.1 and 47.3, in the event any of the Promoters propose to sell or otherwise Transfer any or all of the Shares of the Company held by them directly or indirectly with the Investor's Consent, or Company is issuing Shares as per Article 46.1 they shall by notice in writing ("**Transfer Notice**") to the Investors, notify the Investors of the number of Shares proposed to be transferred by the Promoters and the terms and conditions of the Transfer, including price and the name and other necessary particulars of the proposed purchaser. Within 30 days of receipt of the Transfer Notice, the Investors may agree to or refuse to Transfer upto the pro rata number of their Shares as compared to the number of shares being offered/issued to the new investor on the same terms and conditions (including the price) as the Promoters have intimated in the Transfer Notice, and shall communicate the same to the Promoters. Failure to

communicate the same shall be deemed to be a refusal to transfer their Shares. Upon such refusal, the Promoters shall be entitled to consummate the sale to the Third Party within a period of 30 days thereafter on the terms and conditions contained in the Transfer Notice. In the event of a failure to so consummate the sale within the stipulated 30 days period, the sale shall again be subject to the provisions of Article 47.4.

For the avoidance of doubt it is hereby clarified that the Investors shall have the right to sell their shares in the Company before the Promoters sell their shares in the Company.

47.4.2 The provisions of Article 47.3.3 pertaining to the information to be provided by the Promoters to the Investors along with the Transfer Notice and computation of the Offer Price shall apply *mutates mutandis* to this Article 47.4

47.4.3 In the event that the Investors agree to Transfer all or any part of its Shares along with the Transfer by the Promoters, the Promoters shall ensure that the proposed purchaser purchases the Shares in respect of which the Investors have exercised their tag-along right. The Investors shall not be required to provide any representation or warranty to the proposed purchaser save and except for customary representations relating to the title and marketability of the Shares being sold by the Investors.

47.4.4 The Investors shall be entitled to exercise their tag along right under this Article in proportion to their shareholding in the Company.

#### 47.5 RESTRICTION ON SALE OF SHARES BY INVESTORS

47.5.1 The Investors shall be always free and fully entitled to sell or otherwise Transfer any or all of their Shares (and attendant interest) held in the Company to any person including independent third parties. Provided that the Investors shall not sell their shares to a Competitor (including an Affiliate, if such Affiliate is a Competitor) till the IPO Deadline Date or the date of accomplishment of the IPO, whichever is earlier. Subject to the provisions of Article 47.5.3 to 47.5.5 hereof, until the accomplishment of the IPO of the Company's Shares, the Investors right to freely sell the Shares shall be subject to the Promoter's right of first offer in accordance with the Article 47.5.2 hereof. This right of first offer shall cease to have effect on and from the date on which the IPO of the Company's Shares is accomplished or the IPO Deadline Date, whichever is earlier.

47.5.2 Subject to the provisions of Article 47.5.3 to 47.5.5 hereof, in the event the Investors wish to sell or Transfer, at any time, some or all of the Shares of the Company held by them to any third party/parties, the Investors shall, prior to consummating such sale or Transfer, offer to sell such Shares ("Investor Offered Shares") to the Promoter.

The Investors shall seek a quote from the Promoters of the price at which they are willing to purchase the Investor Offered Shares. The Promoters shall within 15 (fifteen) days of such notification by the Investor(s) forward the quote and simultaneously deposit an amount equivalent to 10% of the proposed purchase consideration (hereinafter "**Advance Amount**") in an escrow account. Thereafter the Investors shall obtain an independent quote from a bona fide third party who has shown interest in purchasing the Investor Offered Shares (hereinafter "**Third Party**") within 75 (seventy five) days from the date of response from the Promoters.

In the event the quote from the Third Party is higher than the quote of the Promoters the Investors shall be free to sell the Investor Offered Shares to the Third Party or to the Promoters.

In the event the quote from the Third Party is lower than the quote of the Promoters, the Investors shall offer the Investor Offered Shares to the Promoters at the price quoted by the Promoters in the first instance and the Promoters shall be bound to purchase the Investor Offered Shares from the Investors within 10 (ten) days from such notification by the Investors. In the event the Promoters do not pay the purchase price within the stipulated period, the Investors shall be free to sell or Transfer its Shares of the Company to one or more Third Parties of its choice on such terms and conditions as the Investors and such Third Parties may agree.

47.5.3 Notwithstanding the provisions of Article 47.5.1 and 47.5.2 hereof, the Investors shall be free to sell or otherwise Transfer any or all the Shares to their Affiliates, who is not a Competitor of the Company, without any right of first offer to the Promoters.

47.5.4 Subject to Article 47.5.1 and 47.5.2, all the provisions, rights, restrictions and obligations conferred by the Agreement to the Investors may be passed to the benefit of the transferees of the Shares sold by the Investors.

#### 47.6 MISCELLANEOUS PROVISIONS RELATING TO TRANSFER OF SHARES

The Promoters agree that the Transfer restrictions in the Agreement and/or in its Articles of Association in respect of the shares held by the Promoters in the Company shall not be capable of being avoided by the holding of such shares indirectly through a company or other entity or Person that can itself be sold in order to dispose of an interest in shares of the Company free of such restrictions. Any Transfer, issuance or other disposal of any shares (or other interest) resulting in any change in the control, directly or indirectly, in any of the Company's and/or Promoter's Affiliates which holds, directly or indirectly, any equity shares in the Company, shall be treated as being a Transfer of the equity shares of the Company held by such Affiliate, and the provisions of the Agreement that apply in respect of the Transfer of such equity shares shall thereupon apply in respect of the equity shares so held.

**48. BOARD OF DIRECTORS CONSTITUTION, APPOINTMENT, NOMINATION AND MANAGEMENT**

**48.1 CONSTITUTION, APPOINTMENT AND NOMINATION**

48.1.1 The Company shall have a Board of Directors comprising not less than 3 and not more than 7 members. The Investors collectively shall have a right to nominate such number of Directors in proportion to their shareholding in the Company and its operating Subsidiaries, subject to a minimum of two directors in the Company and only one director in Subsidiaries). Such director(s) are hereinafter referred to as “Nominee Directors”. The Investors shall have the right to replace and/or remove its Nominee Directors at any time and from time to time.

48.1.2 It is clarified for the avoidance of doubt that the Nominee Directors shall not be liable to retire by rotation.

48.1.3 The Investors may appoint an Alternate Director to its Nominee Director if it is so required due to inability to attend any meetings of the Board. The Shareholders shall ensure ratification of such appointment. The appointment/resignation by the Nominee Director shall not require the approval of the Board of Directors for it to become effective. In Board Meetings for transacting the Fundamental Issues, consent vote of Nominee Directors shall be deemed to be cast only after the Investor’s Consent is obtained by the Company

48.1.4 The Nominee Directors shall not be required to hold qualification Shares.

48.1.5 The Nominee Directors shall be entitled to all the rights and privileges of other Directors including the sitting fees and expenses as payable to other Directors but if any other fees, commission, monies or remuneration in any form is payable to the non working Directors, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to the Investors and the same shall accordingly be paid by the Company directly to the Investors.

48.1.6 Provided that if any such Nominee Director is an officer of the Investor, the sitting fees in relation to such Nominee Director(s) shall also accrue to the Investor and the same shall accordingly be paid by the Company directly to the Investor.

48.1.7 Any expenditure incurred by the Investors or the Nominee Directors in connection with their appointment or directorship and travel and stay costs in attending all meetings shall be borne by the Company.

48.1.8 The Nominee Directors shall be entitled to receive all notices, agenda, etc. and to attend all General Meetings and Board Meetings and Meetings of any Committees of the Board of which they are members.

48.1.9 The Investors shall also have the right to appoint one non-voting observer to attend meetings of the Board and (or) Committee(s) of the Company. All travel and boarding expenses incurred by such observers shall be borne by the Company or the Subsidiary, as the case may be.

48.1.10 The Investors shall also have a right to appoint Nominee Director(s) on the Board of all present and future Subsidiaries of the Company, in proportion to its shareholding in the Company.

48.1.11 The Company and the Promoters shall consult the Investors prior to appointment of external professionals or sector experts as independent Directors on the Board of the Company.

## 48.2 CHAIRMAN

The chairman of the Board shall be appointed by the Board. In case he is unavailable, any Director may be appointed by the Board as the chairman for that particular meeting to act as the chairman of the Board. The chairman of the Board shall not have a casting vote.

## 48.3 MEETINGS OF THE BOARD

48.3.1 The Board shall meet at least once in every quarter at the times and under the circumstances specified in the Articles of the Company and in accordance with the provisions of the Act, for the purpose of making decisions on all matters of policy for the Company and for determination of issues regarding the business of the Company.

48.3.2 Meetings of the Board of the Company shall be held pursuant to a notice of at least 7 Business Days, or with such shorter notice as the Board may decide from time to time provided that at least one Nominee Director has consented to such shorter notice.

48.3.3 Every notice convening a meeting of the Board shall set out the agenda, in full and in sufficient detail, of the business to be transacted thereat and no item or business shall be transacted at such meeting, unless the same has been stated in full and in sufficient details in the said notice convening the meeting except with the approval of the Investors,

48.3.4 Additionally and without prejudice to Article 48.3.3 above, no discussions and resolutions, pertaining to a Fundamental Issue which require the affirmative vote of the Investors shall be taken up at the Board Meetings unless the Investors or the representative director of the Investor is present at the meeting and the Company has obtained the

Investor's Consent (or a written approval of the Investors waiving this requirement is provided).

48.3.5 The quorum for all meetings of the Board shall include at least one Nominee Director unless waived by the Investors in writing.

#### 48.4 COMMITTEES OF THE BOARD

48.4.1 If the Board of the Company finds it necessary to constitute a Committee or Committees, the powers of such Committee or Committees shall be determined by the Board. The members of any Committee shall not decide the powers of such Committee. The Committee shall be subject to and be under the supervision of the Board.

48.4.2 Notwithstanding anything contained herein, the Board may delegate all or any of the Board's authorities and powers in relation to the day-to-day management of the Company (other than those (a) which it is prohibited by Applicable Law from so delegating and/or (b) the Fundamental Issues)

48.4.3 The Investors shall have the right to nominate its nominee on each Committee appointed by the Board.

#### 48.5 MANAGEMENT

48.5.1 The Investors shall set out certain business monitoring reports that would need to be sent to the Investors on a regular basis.

48.5.2 The Company shall keep the Investors informed in writing of key changes in the management including but not limited to appointments and resignation in particular the top management and generally any significant movement in staff composition within seven days from such event taking place.

48.5.3 If required by the Board, the Company shall also constitute an HR Committee of Directors which will be consulted to review the matters relating to the performance and/or appointment of key personnel, i.e. CEO, COO, CFO, Company Secretary, and any other senior professional.

#### 49. GENERAL MEETINGS OF SHAREHOLDERS

49.1 Notwithstanding anything contained in the Agreement, the quorum for all general meetings of the Company shall include at least one authorized representative of the Investors at the beginning and throughout the meeting, unless waived by the Investors in writing. If within half an hour of the time appointed for the meeting, a quorum is not present the meeting shall be adjourned to the same day 2 (two) weeks later at the same time and place. If at any such adjourned

meeting a valid quorum is not present within half an hour of the time appointed for such adjourned meeting the members present shall constitute a quorum. However, no decision on any of the Fundamental Issues shall be taken at such adjourned meeting without the presence of the Investor's Nominee(s) and the Investor's Consent.

## **50. REMEDIES FOR MATERIAL BREACH/AFFIRMATIVE RIGHTS:**

In the event:

- (a) of a Material Breach of the Agreement by the Promoters or the Company; or
- (b) the findings of any concurrent audit or investigation by the Shareholders reveal that:
  - (i) the affairs of the Company are being mismanaged; or
  - (ii) funds of the Company have been diverted; or
  - (iii) the Promoter Directors have acted in excess of the powers granted to them; or
  - (iv) the Company being managed in a manner that is detrimental to the interests of the Shareholders

(Collectively referred to as "Event of Default").

Then the Investors shall have the right to:

- a. Exercise its Drag Along Rights pursuant to Article 55; or
- b. Exercise the Put Option on the Promoters pursuant to Article 50 A.

## **50A PUT OPTION ON THE PROMOTER**

50A.1 Without prejudice to any other remedies available to the Investors and notwithstanding anything contained in the Agreement upon occurrence of an Event of Default pursuant to Article 50, the Investors shall be entitled to sell to the Promoters, and the Promoters shall be under an unconditional obligation to buy from the Investors all the Shares held by the Investors. The Promoters shall make payment to the Investors within 45 days following the date upon which notice is served by the Investors in this regard. In the event that there are any delays in payment, then interest on the outstanding amounts shall be payable at a rate of 15% p.a. The Promoters shall indemnify the Investors for any Loss suffered by the Investors as a result of the Promoters not complying with their put obligation.



50A.2 The price at which the Shares shall be purchased by the Promoters, upon exercise of the Put Option by the Investors shall be at a price that shall give an IRR of 25% to the Investors (taking into account all earlier dividends paid) on its total investment in the Company from the date of investment till receipt of the put option proceeds.

## 51. FUNDAMENTAL ISSUES

51.1 Subject to such additional approvals as may be required by Applicable Law any action with respect to the following Fundamental Issues at a meeting of the Shareholders, Board or Committee thereof, as the case may be shall require the Investor's Consent. The Fundamental Issues shall be in respect of the following matters to be undertaken by the Company or its Subsidiaries or its Affiliates:

1. Acquisition of shares or assets of other businesses, creation of joint ventures / partnership, mergers, de-mergers and consolidations;
2. Divestment of shares of any Subsidiary.
3. Creation of investment in Subsidiaries including acquisition of any division, corporation, entity or business
4. Capital expenditure including acquisition of assets, construction or lease in excess of an amount of Rs. 10 million and as approved in the annual business plan or budget;
5. Affiliated party transactions, agreements or arrangements between the Company and the Promoters or their Affiliates and any transaction, agreement or arrangement between the Company, and any entity or firm, in which any of the Core Promoters or any of their Affiliates has a financial interest of more than 26%.
6. Amendments or any proposal to amend the Memorandum or Articles of Association including change in the number of Board members.
7. Approval of, or amendment to the annual business plan or budget.
8. Commencement of any new line of business, which is unrelated to the business of the Company.
9. Commencement or settlement of litigation where the amount involved is above an amount of Rs. 10 million, in any particular financial year.
10. Changes to material accounting or tax policies or practices.

11. Recommend, giving or renewing of security for or the guaranteeing of debts or obligations of the Company or any Subsidiary Company and / or Affiliates of any Person of Rs. 10 million in any particular financial year.
12. Any change in the financial year for preparation of audited accounts.
13. Recommendation of declaration of any dividend
14. In any other way proposing to dispose off any Fixed assets of a value exceeding Rs. 5 million or undertaking of the Company and / or its Affiliates or substantially all the assets or undertaking of the Company and / or its Affiliates.
15. Any resolution to appoint or re-appoint or for the removal of statutory and/or internal auditors for the Company
16. Winding up and / or liquidation of the Company and / or their Affiliates.
17. Divestment of or sale of assets of businesses, lease, license or exchange or pledge in any other way proposing to dispose off any assets or undertaking of the Company, in excess of an amount Rs. 10 million for individual transactions and on a cumulative basis, in any financial year or substantially all of the assets or undertaking of the Company. This Article also covers Sale of any intellectual property or assets of the Company including grant of any license, assignments etc.
18. Any agreement, arrangement, transaction or assignment of intellectual property rights including those relating to copyrights, trademarks, patents and designs .
19. Delegation of authority or any of the powers relating to any matter contained in this Article of the Board of the Company and/or its Affiliates to any individual or committee.
20. Shifting of registered office.
21. Any increase in the issued, subscribed or paid up equity or preference share capital of the Company, or re-organization of the share capital of the Company, including new issue of shares or other securities of the Company or any preferential issue of shares or redemption of any shares, issuance of NCD's or warrants, or grant of any options over its shares by the Company.
22. Any transfer of equity shares of the Company otherwise than by the Investors to an Affiliate or between the inter-se or to their relatives or affiliates.

23. Approval of any new scheme or plan for grant of employee stock options, or sweat equity shares to any person or entity, including any modification to any new or existing scheme or plan.
  24. Any line of credit/ short term borrowing/long term borrowing exceeding an amount of Rs. 30 million.
  25. Giving of security for or guaranteeing the debts of any person of Rs. 5 million in any particular financial year.
  26. The quarterly operating budget for the Company (a "Budget") will be provided to the Board one month prior to the beginning of each of the quarter to which the Budget relates for approval. The incurrence of aggregate expenses in excess of 120% of the Budget during any quarter will be subject to the further review and notification of the Board.
  27. Changing the rights and preferences of securities;
  28. The appointment or removal and determination of the terms of employment of Key management personnel and any significant changes in the terms of the employment agreement.
  29. Any loans or advances to be made by the Company to the Promoters;
  30. All related party transactions, save and except the related party transactions disclosed to the Investors prior to the Closing Date.
- 51.2 For the avoidance of doubt, it is clarified that all financial limits mentioned in this Article 51 are indicated on an aggregate basis across the Company and all its Subsidiaries.
- 51.3 The Company and the Promoters agree that the Investor's Consent shall be required for any action by a Subsidiary with respect to a Fundamental Issue in the same manner as if such action was being taken by the Company. The Company agrees that unless it has received the Investor's Consent, it shall use its voting rights in respect of the shares held by the Company in the Subsidiary or through its nominee directors on the board of directors or any board committee of such Subsidiary to ensure that no action is taken by a Subsidiary with respect to a Fundamental Issue. The Company shall provide adequate notice to the Investors regarding any proposal by any Subsidiary in relation to a Fundamental Issue.

## **52. FINANCIAL INFORMATION**

### **52.1 AUDITORS**

For the financial year 2008-2009 onwards, the Company shall appoint one of the Big Four Audit Firms as its Statutory Auditors. Any change in Statutory Auditors shall require the Investor's Consent.

## 52.2 FINANCIAL ACCOUNTS

52.2.1 The Company shall at all times maintain accurate and complete accounting and other financial records in accordance with the requirements of all Applicable Laws and the Indian generally acceptable accounting principles (GAAP) and where applicable, internationally accepted accounting principles, and in accordance with all relevant Indian statutory and accounting standards and the policies adopted by the Board from time to time.

52..2 If required by the Investors, the Company shall cause to be prepared a reconciliation of profits determined under Indian GAAP to net income in accordance with US GAAP and/or International Accounting Standards (IAS) and/or any other accounting standard required for Listing .

## 52.3 MANAGEMENT ACCOUNTS

The Company shall prepare and provide to the Investors quarterly unaudited financial statements prepared in accordance with Indian GAAP (consisting of operating statement, balance sheet, income statement, cash flow, Management discussions and accompanying notes) within 30 days after the end of each quarter.

## 52.4 AUDITED ACCOUNTS

The Company shall furnish to the Investors as soon as they are available, but in any event not later than 60 days after the end of each Financial Year to which they are related (i) certified copies of its Financial Statements prepared in accordance with Indian GAAP and where applicable, internationally accepted accounting principles; (ii) the opinion of the Company's auditors concerning the Company's financial statements, all in the English language.

## 52.5 RIGHT OF INSPECTION

The Investors or its authorized representatives (such as employees, lawyers, accountants, auditors, or other professional advisors) shall after providing reasonable notice to the Company, at the reasonable cost of the Company, have the right to visit and inspect the properties of the Company including its corporate and financial books and records of the Company, and to discuss the business and finances of the Company with officers of the Company, at such reasonable times and as often as the Investors may reasonably request. The Investors shall also have the right to cause the Company to undertake periodic Secretarial and other audits to the satisfaction of the Investors.

## 52.6 AUDIT COMMITTEE

52.6.1 Constitution of Audit Committee: If required by the Investors, the Company shall establish an audit committee (hereinafter referred to as the "Audit Committee"), which shall comprise of a maximum of 3 persons. The Investors shall at all times be entitled to appoint one person on the Audit Committee. The members of the Audit Committee shall not be entitled to any remuneration save and except for reimbursement of travel and stay costs for attending such meetings.

52.6.2 Meetings of The Audit Committee: Meetings of the Audit Committee shall be convened and held at such times and places as the Audit Committee shall determine, but not less than once each quarter by giving of not less than 7 Business Days notice in writing to all the other members.

52.6.3 Function and Purpose of the Audit Committee: The function and purpose of the Audit Committee shall be as follows:

- 52.6.3.1 to review the financial statements of the Company;
- 52.6.3.2 to review all books and records pertaining to the Company;
- 52.6.3.3 to review all Management letters, reports and other information provided by the auditors of the Company.

## 52.7 AUDIT COMMITTEE - COVENANTS

The Company hereby covenants promptly to provide such information (including annual audited Accounts, annual budgets and monthly Management reports) and assistance as may be reasonably requested by the Audit Committee in connection with the exercise of its functions.

## 52.8 REPORTING OF OBSERVATIONS TO BOARD

The Company shall present the Audit Committee's report before the Board of Directors within a period of 7 days of the finalization of such report and the Board shall take note of the recommendations /observations of such report and the same shall be recorded in the minutes book of the Company. The Company covenants that it shall undertake to implement the recommendations/ observations of the Audit Committee as may be approved by the Board of Directors.

## 52.9 OPERATING PLAN AND BUDGET

The Company shall prepare and provide to the Investors 60 days prior to the close of each Financial Year, the annual business plan and budget for the next financial year.

### 53. INFORMATION RIGHTS

The Investors and the Nominee Directors or its authorized representatives shall be entitled to receive the following information on request or as otherwise provided herein:

- (i) within 30 days after the end of each calendar month, unaudited statements of income and cash flows of the Company for such month and for the period from the beginning of the current Financial Year to the end of such month, and a balance sheet as of the end of such month;
- (iii) within 30 days after the end of each quarter, unaudited statements of income and cash flows of the Company for such quarter and for the period from the beginning of the current fiscal year to the end of such quarter, and a balance sheet as of the end of such quarter;
- (iv) within 30 days prior to the end of each Financial Year, a budget for the next Financial Year including operating and capital budgets and such other reasonable information requested by the Investors;
- (v) Board, committee, and shareholder meeting minutes within [7] days after such event;
- (vi) within 75 days of the quarter end, a list of all Affiliated/ related party transactions conducted during the quarter, specifying name of the affiliated/ related party, nature of the relationship, description of service provided, size of the transaction, and justification choice of service provider, and justification for pricing;
- (vii) Information on all proposed related party transactions greater than Rs 10 million, outside those which have been approved in the annual business plan, at least 7 days prior to entering into the transaction, for the purpose of initiating a discussion with the Investors.
- (viii) Any material information including resignation of any manager reporting to the Chairman and/or Vice Chairman and/or Managing Director and/or Chief Executive Officer and/or any other similar position by whatever name called ("Senior Managers") within a maximum period of 7 days thereof.
- (ix) Promoters shall provide any changes to details relating to their direct or indirect ownership in the Company and/or its Subsidiaries, within 15 days of quarter end.
- (x) Immediate notification and details of any written or verbal offer actual or proposed, made to any of the Shareholders/Promoters to buy their Shares;

- (xi) details of significant events impacting the Company; and
- (xii) all other relevant information including business plans, capital expenditure budgets and management reporting information not explicitly mentioned here.

#### **54. INITIAL PUBLIC OFFERING**

- 54.1 The Company shall, and the Promoters shall procure that the Company shall, make an initial public offering of its Shares (IPO) on or before March 31, 2011 (the “IPO Deadline Date”). The IPO shall be conducted such that:
- a. the equity shares of the Company are listed or quoted on the Bombay Stock Exchange Limited or the National Stock Exchange Limited or an Indian or internationally recognized stock exchange or quotation system acceptable to the Investors;
  - b. the proportion of primary and secondary shares being offered are satisfactory to the Investors; and
  - c. the IPO complies with all applicable legal, regulatory and listing requirements.

It is clarified that a merger with any other company shall not, under any circumstances, be construed as the fulfillment of an IPO.

- 54.2 For the purpose of a IPO, to the extent permissible under Law the shares held by the Investors shall not be subjected to a lock-in or other restriction on transfer as applicable to a promoter’s contribution under any Applicable Law, the guidelines of the Securities Exchange Board of India or of any other statutory, Government or regulatory authority as applicable from time to time. If any equity shares are to be made subject to any lock-in in connection with any initial public offering, then the Promoters shall first offer their equity shares towards such lock-in.
- 54.3 The Company and Promoters agree and acknowledge that if the Company is required to offer a minimum number of equity shares, as required under Applicable Law, existing from time to time, and in order to comply with such requirements, the Company shall be empowered, (subject to the other provisions of the Agreement), to make its IPO in any manner or a combination thereof, including (i) issuance of new shares; (ii) issuance of fresh equity shares and the divestiture of all or a part of the shareholding of the Promoters; or (iii) solely through the divestment of all or a part of the shareholding of the Promoters or a combination thereof. Without prejudice to the aforesaid, the Investors shall be entitled (without being obliged) to offer all or some of its shares in the Company in any such public offering, It is clarified that the Investors shall be entitled to offer their shares in priority to the Promoters in such IPO. All interest earned on the proceeds of the offer of sale of shares by the Investor shall be to the credit of the Investors.

- 54.4 Unless prohibited by Applicable Law, the Company shall bear all expenses incurred in connection with such an IPO of its shares, including without limitation all registration, filing and qualification fees, and printing, legal and accounting fees and disbursements.
- 54.5 If a IPO is to be made and if the minimum paid-up equity share capital required at the relevant time for the purpose of listing the Company's shares is more than the paid up equity share capital of the Company (inclusive of any additional shares to be issued through the IPO), then the Company shall, subject to the Investor's Consent issue such bonus shares subject to availability of sufficient reserves as are required to meet such listing preconditions.
- 54.6 The Promoters and the Company will take all such steps, and extend all such co-operation to each other and the lead managers, underwriter and others as may be required for the purpose of expeditiously making and completing the said IPO.
- 54.7 In the event of an offer for sale of Shares by the Shareholders to the public, as part of the IPO, after the Investors exercise the right under 54.3 the Promoters shall be permitted to participate in the offer for sale to the maximum extent of 15% of the total number of shares offered by the Investors.

## **55. DRAG ALONG RIGHT**

Without prejudice to any other remedies available to the Investors and notwithstanding anything contained in the Agreement (i) upon occurrence of an Event of Default pursuant to Article 50 ; or (ii) If for any reason whatsoever, the Company does not make an IPO by the IPO Deadline Date or a satisfactory exit is not provided to the Investors by the IPO Deadline Date, then the Investors shall have the right to implement a strategic sale of the Company, which may involve equity transfer of the shares of the Promoters to the extent required for implementing such strategic sale. In the event of the Investors affecting such a sale, the Promoters shall agree to offer such stake from their own shareholding as may be required to complete the strategic sale/merger. The terms of sale of the Promoter's stake shall not be less favorable than the terms of sale of the Investor's stake. If such a strategic sale is concluded the management shall agree to continue with the employment or in an advisory capacity with the Company for at least 18 months from the date of strategic sale, if required at terms of employment to be mutually discussed and agreed with such acquirer.

## **56. INDEMNITY**

- 56.1 The Company and the Promoters hereby jointly and severally indemnify and agree to jointly and severally indemnify and save harmless the Investors,



their officers, directors, employees and agents and the nominee and alternate directors appointed by the Investors on the Board of Directors of the Company ("Indemnified Persons") to the fullest extent, from and against any and all Loss, actions, suits, claims, proceedings, costs, damages, judgments, amounts paid in settlement and expenses (including without limitation attorneys' fees and disbursements at actuals) (collectively, "Claims") relating to or arising out of:

- 56.1.1 any inaccuracy in or breach of the representations, warranties, covenants or agreements made by the Company or the Promoters herein; or
  - 56.1.2 any other conduct by the Promoters or the Company or its employees or agents as a result of which, in whole or in part, any Indemnified Person 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
  - 56.1.3 any action undertaken or failure to act by an Indemnified Person at the request of or with the consent of the Company or the Promoter; or
  - 56.1.4 Any untrue or misleading statement (or alleged untrue or misleading statement) of, or any omission (or alleged omission) to state, any material fact contained in any prospectus, offer document, offering memorandum, registration, qualification, admission filings (including any amendment or supplement thereto and any related statement, declaration, disclosure, notification or the like) relating to or incidental to any IPO made in accordance with Article 54 hereof; or
  - 56.1.5 any violation by the Company of any law or rule or regulation applicable to the Company and relating to action or inaction required of the Company in connection with any such IPO.
- 56.2 The Company and the Promoter shall reimburse every Indemnified Person referred to in Article 56.1 hereof, for all reasonable actual out-of-pocket expenses (including legal fees) incurred in connection with investigating, preparing to defend or defending any such claim, action, suit, proceeding, enquiry, liability, damage. If an Indemnified Person or Indemnified Party makes a claim hereunder, the same shall be paid or reimbursed by the Company and the Promoter promptly upon receipt of appropriate documentation relating thereto, even if the Company and/or the Promoter reserves the right to dispute the payment or reimbursement of such costs and expenses
- 56.3 The knowledge of the Indemnified Persons or the conduct of any investigation in relation to the Company, Promoters or the Subsidiaries or any of the assets, business or operations thereof (actual, constructive or imputed) shall not in any manner affect or limit the right to indemnification, payment of Loss or other remedies with respect to the accuracy, or inaccuracy of or compliance or non-compliance with, any representation, warranty, covenant, obligation or arrangement set forth

hereinabove and unless specifically disclosed by the Company and the Promoters to the Indemnified Persons, the Company and the Promoters may not invoke the Indemnified Persons' knowledge (actual, constructive or imputed) of a fact or circumstance that might make a statement untrue, inaccurate, incomplete or misleading as a defense to a Claim for breach of the representations and warranties of the Company or the Promoters.

#### 56.4 Indemnity Procedure

- (a) In the event any Indemnified Person becomes aware of any matter that it believes is covered under Article 56.1 and such matter involves (i) any Claim made against the Indemnified Persons, the Company or any of the Subsidiaries by any Person or (ii) the commencement of any action, suit, investigation, arbitration or similar proceeding against the Indemnified Person, the Company or any of the Subsidiaries, the Indemnified Person shall promptly notify the Company and the Promoters of such Claim setting out the amount due to the Indemnified Person under this Article 56. The indemnity shall be made by the Promoters and/or the Company to the Indemnified Persons within 30 (Thirty) days of the Indemnified Persons being required to make any payments or incurring any loss or liability in relation to any Claims after having given the Promoters and the Company an opportunity to defend such Claim in terms hereof. It is hereby clarified that the obligation on the Promoters and the Company to indemnify the Indemnified Persons shall arise only upon the liability being crystallised on the Indemnified Persons and not on receipt of mere notice by them.
- (b) In the case of any Claim or proceeding made against the Company or the Subsidiaries which is covered by the indemnity set forth in Article 56, then the Company and the Promoters may, if it so desires, by notice to the Indemnified Person, decide to defend such Claim on its own, but in consultation with the Indemnified Person. For the avoidance of doubt, it is hereby clarified that in such an event, the Company and the Promoters shall have the right to control the defense, negotiation or settlement of such Claim or proceeding.
- (c) In the case of any Claim or proceeding made against the Indemnified Person which is covered by the indemnity set forth in Clause 56, then the Company and the Promoters shall also have the right, at its option and expense, to participate in the defense of such Claim, but not to control the defense, negotiation or settlement thereof (which control shall at all times rest with the Indemnified Person, unless the Company and the Promoters have a defense or counterclaim in relation to such Claim which the Indemnified Person is not entitled to assert, to the extent necessary to assert and maintain such defense or counterclaim), and the Company and the Promoters furnish satisfactory evidence of their

financial ability to indemnify the Indemnified Person, in which case the Company and the Promoters may assume such control through counsel of its choice (which counsel shall be satisfactory to the Indemnified Person) at its own expense; provided that the Indemnified Person shall continue to have the right to be represented, at its own expense, by counsel of its choice in connection with the defense, negotiation or settlement of such Claim. If the Company and the Promoters do not assume control of the defense of such Claim, the entire defense, negotiation or settlement of such Claim by the Indemnified Person shall be deemed to have been consented to by, and shall be binding upon, the Company and the Promoters as fully as though the Company and the Promoters alone had assumed the defense thereof and a judgment had been entered in such Claim in respect of such settlement or judgment. The Parties agree to cooperate fully with each other in connection with the defense, negotiation or settlement of any Claim.

- (d) The Company and the Promoters obligation to indemnify pursuant to this Clause 56 shall arise immediately upon the Indemnified Person incurring any liability pursuant to a Claim irrespective of any defense or right of appeal available to it. The failure of the Indemnified Person to notify the Company and the Promoters of a Claim shall not relieve the Company and the Promoters of any indemnification responsibility under this Article 56 unless such failure materially prejudices the ability of the Company and the Promoters to defend such Claim.
- (e) The Indemnified Person shall procure that all reasonable steps are taken and all reasonable assistance is given to avoid or mitigate any losses, which in the absence of mitigation might give rise to a liability in respect of any claim for indemnity under this Article 56.

## **57. DISPUTE RESOLUTION**

### **57.1 Submission to arbitration**

In the event of any dispute, controversy or difference (“Dispute”) of whatever nature, arising under, out of, in connection with or relating to the enforcement, performance or the terms and conditions of the Agreement or any provision thereof, such Dispute shall be settled through good faith negotiation amongst the parties to such Dispute. In the event that such Dispute cannot be resolved by negotiation within thirty (30) days of the Dispute having arisen, such Dispute shall be referred to binding arbitration and determined in accordance with the provisions of the Arbitration and Conciliation Act 1996 read with the Arbitration Agreement comprised in Articles 57.1 to 57.4 hereof.

### **57.2 Place and language:**

The place of arbitration and the seat of arbitral proceedings shall be Mumbai, India. Any arbitral proceeding begun pursuant to any reference made under the Agreement shall be conducted in English language. The decision of the arbitral tribunal and any award given by the arbitral tribunal shall be final and binding upon the Parties.

#### 57.3 Appointment of the Arbitral Tribunal:

The arbitral tribunal shall be composed of one sole arbitrator if the Parties so agree. Failing such agreement within a period of ten (10) days of the end of the conciliation process provided for in Article 57.1 hereof, the arbitral tribunal shall comprise three arbitrators. The Investors shall appoint one arbitrator and the Company and the Promoters shall jointly appoint one arbitrator within a period of fifteen (15) days from the end of the 10-day period referred to in this Clause. The third arbitrator shall be selected by the two arbitrators so appointed within a period of fifteen (15) days of their appointment and where such third arbitrator has not been selected on account of a difference of opinion amongst the arbitrators, the third arbitrator shall be appointed in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

#### 57.4 Conduct of Arbitral Proceedings:

The parties, recognizing the necessity that any arbitral proceeding be concluded expeditiously, agree:

- a. to carry out in full, promptly and without delay such procedural orders or directions as may be made by the arbitral tribunal from time to time;
- b. to carry out in full, promptly and without delay such interim measures of protection as may be ordered by the arbitral tribunal;
- c. to co-operate with each other and with the arbitral tribunal in the conduct of any arbitral proceeding with a view to enabling the arbitral tribunal to conclude the proceeding (so far as may be practicable), by means of a final arbitral award within a period of 2 months from the date upon which recourse to arbitration was initiated by the service of a notice of arbitration.
- d. that questions of procedure may be decided by the presiding arbitrator, as he or she deems fit, and that the presiding arbitrator is authorized accordingly.
- e. The arbitral tribunal may determine in their discretion, that (a) no oral hearing is held (unless it considers any such hearing to be either necessary or appropriate) and (b) accordingly any arbitral proceeding be conducted (in whole or in part) upon the basis of documents and other materials.
- f. The arbitral tribunal shall have the power to award costs to the parties.

58. In the event of any inconsistency between (a) the provisions of Article 1 to Article 32 on the one hand; and (b) the provisions of Article 33 to Article 57 on the other hand, then the provisions of Article 33 to Article 57 shall prevail

S/No.	Signature, Name, Father/ Husband name, Address description, occupation and PAN No. (If any) of each of the subscribers	Signature, Name, Father/ Husband name Address & of Witness
1.	Sd/-  Mr. T. RAGHUNANDANA S/o. Late T.V.S. SHARMA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AADPT0426C	Sd/-  M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2 <sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.NO.5081
2.	Sd/-  Ms. T. SHANTHI W/o. T.RAGHUNANDANA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AAVPS5245C	
3	Sd/-  Mr.T. KESAVAN S/o. P. THATHAPPAN No. F-4, Jumbo vinayak, 21, Leelavathi Ammal Street, Madippakkam Chennai-600 091 Service PAN: AIHPK5560E	
4.	Sd/-  Mr.D.W.LYONS S/o. Late V.T.LYONS No.63, Foxen Street, Perambur Chennai-600 011	

	Service PAN: APPLIED FOR	
5	Sd/-  Mr.JOSEPH FULBERT EDWARD S/o Late A. J. EDWARD No.17, 7 <sup>th</sup> Street, Thiruvalluvar Nagar Errukkencherry Chennai-600 118 Service PAN: ADUPJ5877D	Sd/-
6	Sd/-  Mr. C. ROY SURESH KUMAR S/o. Late S.L. COLUMBUS No.33, N.G.O Colony Sriperumbudur-602 105 Service PAN: APPLIED FOR	M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2 <sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.No. 5081
7	Sd/-  Mr. S. MARIAPPAN S/o. S. SANKARA NARAYANAN No.146, Pandian Street Alwarthiru Nagar Chennai-600 087 Service PAN: AIRPM 9968L	

Place : Chennai

Date : 06.11.2003

*\*The new set of Articles of Association adopted by Special resolution passed by the members of the Company at the Extra-ordinary general meeting held on 13 February, 2017*

**THE COMPANIES ACT, 2013**  
**COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION\***  
**OF**  
**UPDATER SERVICES PRIVATE LIMITED ("COMPANY")**

---

The Articles consist of two parts, Part 'A' and Part 'B'. The provisions of Part 'A' 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 special provisions of Part 'B'. As long as Part 'B' remains a part of the Articles, in the event of any conflict or inconsistency, the provisions of Part 'B' shall prevail over the provisions of Part 'A'.

---

**PART - A**

**PRELIMINARY**

The regulations contained in Table "F" in Schedule I to the Companies Act, 2013, so far as the same, may be applicable to a Private Company as defined in the Act, shall except, otherwise and to extent provided in these Articles, apply to this Company, in the same manner as if all such regulations of Table F are specifically contained in these Articles.

**INTERPRETATION**

1. In these regulations:
  - (a) "The Act" means the Companies Act, 2013
  - (b) "The Company" or "this Company" means UPDATER SERVICES PRIVATE LIMITED
  - (c) "Directors" means the Directors for the time being of the Company or as the case maybe Directors assembled at a Board.
  - (d) "Board of Directors Meeting" or "Board Meeting" means a meeting of the Directors duly called and constituted or as the case may be, Directors assembled at a Board.
  - (e) "Person" includes Corporation.
  - (f) "The Office" means the registered office for the time being of the company.
  - (g) "Month" shall mean calendar month.
  - (h) "Proxy" includes attorney duly constituted under a Power of Attorney
  - (i) "The seal" means the Common Seal of the Company.
  - (j) "Executed" includes any mode of execution.
  - (k) "holder' in relation to shares means the member whose name is entered in the register of members as the holder of the shares.

**For UPDATER SERVICES P LTD**

  
Managing Director

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.

### **PRIVATE COMPANY**

3. The Company is a private company within the meaning of section 2(68) of the Act,
- (i) The minimum paid up capital of the Company shall be Rs 1,00,000 (Rupees One lakh only) or such higher amounts as may be prescribed, and
  - (ii) By its articles
    - (a) Restricts the right to transfer Shares of the Company in the manner herein prescribed.
    - (b) Limits the number of members of the Company (exclusive of persons who are in employment of the Company, and persons who having been formerly in the employment of the Company, were members of the Company while in that employment and have continued to be members after the employment ceased) to 200 (two hundred); provided that two or more persons holding one or more Shares in the Company jointly, shall for the purpose of the Articles be treated as a single member.
    - (c) Prohibits any invitation to the public to subscribe for any securities of the Company.

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

4. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
5. (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 be under the seal and 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.
- 6. (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.
- 7. Except as required by law, no person shall be recognized 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 recognize (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.
- 8. (i) The company may exercise the powers of paying commissions conferred by subsection(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 rules made there under.
- (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.
- 9. (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 to 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.

10. 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 shares ranking paripassu therewith.
11. 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.

### **TRANSFER OF SHARES**

12. (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.
13. The Board may, subject to the right of appeal conferred by section 58 declines 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.
14. The Board may decline to recognize any instrument of transfer unless-
  - (a) the instrument of transfer is in the form as prescribed in rules made under subsection(1) of section 56;
  - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) the instrument of transfer is in respect of only one class of shares.
15. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, 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

16. (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 sole holder, 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.
17. (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.  
(ii) 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.
18. (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.
19. 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 been complied with.

## ALTERATION OF CAPITAL

20. 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 there solution.
21. 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.
22. 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.
23. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law, -
  - (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.



## **BUYBACK OF SHARES**

24. 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**

25. All general meetings other than annual general meeting shall be called extra-ordinary general meeting.
26. (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**

27. (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.
28. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
29. 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.
30. 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**

31. (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.

#### **BOARD OF DIRECTORS**

32. The first directors of the Company shall be the following

**Mr. T. RAGHUNANDANA**

**Mrs. T. SHANTHI**

33. (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.

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

35. 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.

36. 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.

37. 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.

38. (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.

**CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY  
OR CHIEF FINANCIAL OFFICER**

39. 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.
40. 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.

**DEMATERIALISATION OF SECURITIES**

41. (i) Dematerialisation of securities:
- Notwithstanding anything contained in these Articles, the company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996.
- (ii) Options for Investors:
- Every person subscribing to securities offered by the company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of the securities in respect of his holding.
- (iii) Securities in depositories to be in fungible form.
- All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sec.153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of securities held by it on behalf of the beneficial owners.
- (iv) Rights of depositories and beneficial owners:

- (a) Notwithstanding anything contained in these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (c) The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository.

(v) Transfer of Securities:

Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor both of whom are entered as beneficial owners in the records of a depository.

(vi) Allotment of securities dealt within a depository:

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the company shall intimate the details thereof to the depository immediately on allotment of such securities.

vii) Register and Index of Beneficial Owners:

The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of the Members and security holders for the purpose of these Articles and the provision relating to distinctive numbering shall not apply to the shares of the company which have been dematerialised.

## THE SEAL

42. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.



### **Dividends and Reserve**

43. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
44. 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.
45. (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.
46. (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.
47. 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.

48. (i) Any dividend, interest or other monies payable in cash in respect of shares maybe 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.

49. 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.

50. 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.

51. No dividend shall bear interest against the company.

#### **ACCOUNTS**

52. (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 authorized by the Board or by the company in general meeting.

#### **WINDING UP**

53. Subject to the provisions of Chapter XX of the Act and rules made there under –

(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

54. 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.

### CAPITALISATION OF RESERVES

55. The Company in General Meeting may, upon recommendations of the Board, resolve
- (a) (i) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and
  - (ii) that such sum be accordingly set free for distribution in the manner specified in sub-clause (b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
  - (b) The sum aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in sub-clause (c) either in or towards:-
    - (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
    - (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to amongst such members in the proportions aforesaid; or
    - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
  - (c) A share premium account and a capital redemption reserve account may, for the purpose 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.
  - (d) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
56. (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall

- (i) Make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue of fully paid shares, if any, and
  - (ii) authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively credited as fully paid up of any further shares to which they may be titled upon such capitalization or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.
- (b) Any agreement made under such authority shall be effective and binding on all such members.

#### **ISSUE OF SECURITIES UNDER EMPLOYEES STOCK OPTION SCHEME OR ANY OTHER SCHEME \*\***

- \*\*57.** Subject to the provisions of these Articles and in accordance with the provisions of Section 54 of the Companies Act, 2013 and of various other laws governing the issue, the Board may issue and allot Securities under Employees Stock Option Schemes or any other scheme to Employees including its Directors other than independent directors and such other persons as the rules may allow from time to time.

*\*\*Clause 57 adopted by Special resolution passed by the members of the Company at the Extraordinary general meeting held on 17 April, 2019*

#### **PART – B**

##### **1. Additional Definition**

- 1.1 “**1956 Act**” means the Companies Act, 1956 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto;
- 1.2 “**2013 Act**” means the Companies Act, 2013 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto and, or, any re-enactment thereof;
- 1.3 “**Accounting Standards**” means the applicable accounting standards in force in India from time to time, consistently applied during the relevant period, including the generally accepted accounting principles and standards, Indian Accounting Standard (Ind AS), and all pronouncements including the guidance notes and other authoritative statements of the Institute of Chartered Accountants of India;



- 1.4 **"Additional Funding Requirement"** means: (i) additional funding requirements as per the Business Plan; and, or, (ii) the Board determining that such additional funding is required from time to time in terms of these Articles, in compliance with Article 6;
- 1.5 **"Additional Securities"** has the meaning assigned to such term in Article 3.2.1;
- 1.6 **"Affiliate(s)"**, with respect to a Person, means (i) in the case of a Person other than a natural person, any other Person that either directly or indirectly through one or more Persons, Controls, is controlled by or is under common Control with such Person and any investment funds managed or advised by such specified Person, and (ii) in relation to a natural person, any Relative of such a natural person and any other Person, either directly or indirectly, controlled by such a natural person. In case of the Investors, the term 'Affiliate' shall be deemed to include any pooled investment fund(s) and, or, juristic entity managed by the same manager, managing member, limited partner / investor of pooled investment fund(s) of Investor I and, or, Investor II, general partner or management company or by an entity Controlling, Controlled by, or under common Control with such manager, managing member, general partner or management company, or any other pooled investment fund(s);
- 1.7 **"Affirmative Vote Matters"** has the meaning assigned to it in Article 6.1;
- 1.8 **"Alternate Director"** has the meaning assigned to such term in Article 4.5.1;
- 1.9 **"Applicable Laws"** means relevant and applicable central, state and local laws of India, including all statutes, enactments, acts of legislature, laws, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, administration, directions, directives, decisions, orders, executive orders, decrees, judicial decisions, orders of any Governmental Authority or other similar directives made pursuant to such laws, whether in effect on the date of these Articles or at any time thereafter;
- 1.10 **"Approvals"** means approvals, permissions, consents, validations, confirmations, waivers, permits, notices, filings, grants, concessions, certificates, registrations, exemption orders, licenses and, or, other authorisations required to be obtained from any Person, including Governmental Authorities, under Applicable Laws, contracts or equity;
- 1.11 **"Articles"** or **"Articles of Association"** means the articles of association of the Company, as amended from time to time; It is clarified that on and from the Restated Articles Effective Date, the "Articles" or "Articles of Association" means the Restated Articles;
- 1.12 **"Assets"**, in regard to the Company, means all properties and assets of such the Company, including movable, immovable, tangible or intangible assets belonging to the Company or used or held for use in connection with, necessary for the conduct of, or otherwise material to the business and, or, operations of the Company, including the Intellectual Property Rights;
- 1.13 **"Associate"**, in regard to a Person, means another Person in which such a Person and, or, its Affiliates have Significant Influence and includes partnerships and private trusts where such Person and its Affiliates is a partner, beneficiary and, or, trustee;
- 1.14 **"Best Security Services Private Limited"** shall mean Best Security Services Private Limited a private limited company existing under the Act and having its registered office at 42, Luz Avenue, Mylapore, Chennai – 600 004.
- 1.15 **"Board Meeting"** means a meeting of the Board duly convened in accordance with the 2013 Act, and these Articles;

- 1.16 **"Board"** means the board of directors of the Company as constituted from time to time in accordance with the provisions of these Articles and Applicable Laws;
- 1.17 **"Business Day(s)"** means any day other than Saturday, Sunday or any day on which banks in Chennai (India) or Mumbai (India) or Ebene (Mauritius) are closed for regular banking business;
- 1.18 **"Business Plan"** means, in relation to any Financial Year, the annual business plan of the Company as approved by the Board, including the budget for the relevant Financial Year in relation to the sales budget, revenue and operating expenditure, cash flow, capital expenditure and key financial ratios;
- 1.19 **"Business"** means the business of providing facilities management, production support services, staffing services, staffing solutions and other business support services, as carried on by the Company and as supplemented / expanded from time to time;
- 1.20 **"Chairman"** has the meaning assigned to such term in Article 4.6;
- 1.21 **"Committees"** has the meaning assigned to such terms in Article 4.9;
- 1.22 **"Company Representative"** has the meaning assigned to such term in Article 10.2.2(i);
- 1.23 **"Conflicting Business"** has the meaning assigned to such term in Article 10.1.1(i);
- 1.24 **"Control"**, in relation to any Person, means (i) the beneficial ownership, directly or indirectly, of more than 50% (fifty per cent.) of the voting rights or paid-up share capital of such a Person, (ii) the right to nominate a majority of the directors or members on the board of directors or other such governing body of that Person, and, or, (iii) the possession of power to cause direction of the management or policies of such a Person; Correlative terms such as "controlling" and "controlled" shall be construed in accordance with this definition;
- 1.25 **"Deed of Adherence"** means a deed in the form agreed in writing between the Shareholders and the Company;
- 1.26 **"Dilution Instruments"**, in regard to a company, means and includes preference shares, debentures, bonds, warrants, options or other securities or instruments which are convertible into or exercisable or exchangeable for or which carry a right to subscribe to or purchase equity shares or equity capital of such a company or any instrument or certificate or right representing a legal or beneficial ownership interest in equity shares or equity capital of such a company;
- 1.27 **"Dilution Price"** has the meaning assigned to such term in Article 3.3.2;
- 1.28 **"Dilutive Issuance"** has the meaning assigned to such term in Article 3.3.2;
- 1.29 **"Director(s)"** means a director on the Board, as constituted from time to time;
- 1.30 **"Dividend Policy"** means a policy formulated determining the distribution of dividends of the Company to the Shareholders in accordance with Applicable Law which is acceptable to the Investors;

- 1.31 **"Encumbrance(s)"** means all kinds of charges and encumbrances, including mortgage, pledge, lien, hypothecation, title defect, attachment in the decree of any court, court injunction, assignment by way of security, restriction or limitation of any nature whatsoever, including restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, or any other agreement or arrangement which has the effect of conferring security of any kind whatsoever; For the avoidance of doubt, it is clarified that, insofar as any shares or securities are concerned, the term "encumbrances" includes any voting agreement, interest, option, right of pre-emption or transfer restriction in favour of any Person;
- 1.32 **"Equity Shares"**, means the equity shares of the Company having a face value of INR 10 (Indian Rupees ten) each per share;
- 1.33 **"ESOP"** means the Employee Stock Option Plan;
- 1.34 **"Event of Default"** has the meaning assigned to such term as agreed in writing between the Shareholders and the Company;
- 1.35 **"Exit Trade Sale"** means any transaction apart from an IPO that provides each of the Investors a complete exit from the Company and includes the following: (i) a strategic sale to any Person (including a Person engaged in a Conflicting Business) through either a sale of more than 51% (fifty one per cent.) of the Share Capital of the Company or less than 51% (fifty one per cent.) of the Share Capital of the Company that results in a change in Control; or (ii) a secondary sale of the Investor Shares to any Person;
- 1.36 **"Exit Trigger Event"** has the meaning assigned to such term in Article 8.3.1;
- 1.37 **"FCPA"** has the meaning assigned to such term in Article 10.2.1(iii);
- 1.38 **"Financial Statements"**, in regard to the Company, means the audited financial statements comprising an audited balance sheet as of the end of the relevant Financial Year and the related audited statement of income and statement of cash flows for such a Financial Year, together with the auditor's report thereon and notes thereto prepared in accordance with Applicable Laws and Accounting Standards;
- 1.39 **"Financial Year"** means the period commencing from the 1<sup>st</sup> day of April of every calendar year and ending on the 31<sup>st</sup> day of March of the next calendar year;
- 1.40 **"Fully Diluted Basis"**, in regard to the Company, means that the calculation is to be made assuming that all outstanding Dilution Instruments (whether or not by their terms currently convertible, exercisable or exchangeable), options, warrants, outstanding commitments to issue Equity Shares or Dilution Instruments at a future date, whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged in accordance with their respective terms;
- 1.41 **"Government Official"** has the meaning assigned to such term in Article 10.2.1(iv);
- 1.42 **"Governmental Authority"** means any competent governmental, regulatory, statutory or administrative authority, agency, department, commission or instrumentality (whether local, municipal, national or otherwise), court, board or tribunal of competent jurisdiction or other law, rule or regulation making entity having jurisdiction on any of the Parties or the transactions contemplated by these Articles;



- 1.43 **"Indebtedness"** as applied to any Person, means any indebtedness of any kind (other than current trade accounts incurred or payable in the Ordinary Course), whether secured or unsecured, including any liability or financial obligation pertaining to borrowed money, any liability or financial obligation evidenced by a note, bond, debenture, letter of credit, draft or similar instrument, any obligation owed for all or any part of the deferred purchase price of property or services, any guarantee, warranty or indemnity extended by such Person to any other Person;
- 1.44 **"Independent Director"** has the meaning assigned to such term in the 2013 Act;
- 1.45 **"Indication of Interest"** has the meaning assigned to such term in Article 7.3.3(i);
- 1.46 **"Indication of Non Acceptance"** has the meaning assigned to such term in Article 7.3.3(ii);
- 1.47 **"Integrity Requirements"** means the integrity-related obligations including but not limited to obligations related to anti money laundering/countering of financing of terrorism, "know-your-customer" and fraud, corruption and Sanctionable Practices of the Company under (i) Applicable Laws and relevant codes of conduct and similar requirements, rules and codes conduct issued by industry self-regulatory organizations and similar trade associations, (ii) Article 10.2, and (iii) as agreed in writing between the Shareholders and the Company;
- 1.48 **"Interested Entities"** has the meaning assigned to such term in Article 10.1.2;
- 1.49 **"Investment Amount"** means the total amount invested by the Investors in the Company whether through subscription of Securities or through purchase of securities;
- 1.50 **"Investor Directors"** has the meaning assigned to such term in Article 4.2.1;
- 1.51 **"Investor I"** shall mean **INDIA BUSINESS EXCELLENCE FUND – II**, a unit scheme of Business Excellence Trust II, a trust created under the Indian Trust Act, 1882, whose trustee is Vistra ITCL (India) Limited (formerly known as **IL&FS TRUST COMPANY LIMITED**), a public company incorporated under the provisions of the 1956 Act and having its registered office at the IL&FS Financial Centre, C-22, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, India, acting through its investment manager, **MOPE INVESTMENT ADVISORS PRIVATE LIMITED**, a company registered in India under the 1956 Act having its registered office at Motilal Oswal Tower, Junction of Gokhale & Sayani Road, Prabhadevi, Mumbai – 400 025;
- 1.52 **"Investor II"** shall mean **INDIA BUSINESS EXCELLENCE FUND – IIA**, a public limited company incorporated under the laws of Mauritius and having its office at Suite 304, Third Floor, NG Tower, Cyber City, Ebene, Mauritius;
- 1.53 **"Investors"** shall mean Investor I & Investor II collectively
- 1.54 **"IPO"** has the meaning assigned to such term in Article 8.1.1;
- 1.55 **"Key Managerial Personnel"** has the meaning assigned to such term in sub-section (51) of section 2 of the 2013 Act;
- 1.56 **"Management"** has the meaning assigned to such term in Article 10.4.1;



- 1.57 **"Material Adverse Effect"** means any event, occurrence, fact, condition, change, development or effect that, individually or in the aggregate, has had or may reasonably be expected to have a material and adverse effect on: (i) the ability of the Company and, or, the Promoters to perform its obligations hereunder; and, or, (ii) the condition (financial or otherwise and including any material increase in provisions), operations, results of operations, prospects, Assets, liabilities or Business of the Company;
- 1.58 **"Non-Subscribing Shareholder"** has the meaning assigned to such term in Article 3.2.4;
- 1.59 **"Observer"** has the meaning assigned to such term in Article 4.3;
- 1.60 **"OFAC"** has the meaning assigned to such term in Article 10.2.1(vi);
- 1.61 **"Offer of Existing Securities"** has the meaning assigned to such term in Article 8.1.1 (ii);
- 1.62 **"Offer Price"** has the meaning assigned to such term in Article 7.3.3(i);
- 1.63 **"Ordinary Course"** as applied to any Person, means an action taken by or on behalf of such a Person that is consistent with past customs of such a Person and prudent business practices as per best industry standards, including with respect to quantity and frequency;
- 1.64 **"Original Director"** has the meaning assigned to such term in Article 4.5.1;
- 1.65 **"Permitted Investor Transferee"** has the meaning assigned to such term in Article 7.2.1;
- 1.66 **"Permitted Recipients"** means the following: (i) funds under the management / advised / sub-advised by the respective managers of the Investors and their respective Affiliates and their respective directors, officers, employees, agents and advisors; and, or, (ii) valuation agencies undertaking the valuation of the Investors' portfolio, etc.;
- 1.67 **"Person"** means and includes any natural person, limited or unlimited liability company, corporation, limited or unlimited liability partnership firm, proprietorship firm, Hindu undivided family, trust, union, association or any other entity that may be treated as a person under Applicable Laws;
- 1.68 **"PMLA"** has the meaning assigned to such term in Article 10.2.1(iii);
- 1.69 **"Promoter Director"** has the meaning assigned to such term in Article 4.2.1;
- 1.70 **"Promoter I"** shall mean **MR. RAGHUNANDANA TANGIRALA**, aged 56 years, s/o Mr. T.V. Subbiah Sarma, citizen of India having PAN AAPDPT0426C and permanent residence at No.7 D'Silva Road, Mylapore, Chennai- 600 004;
- 1.71 **"Promoter II"** shall mean **MRS. SHANTHI TANGIRALA**, aged 48 years, d/o Mr. Karunakaran Chathukutty Nair, citizen of India having PAN AAVPS5245C and permanent residence at No.7 D'Silva Road, Mylapore, Chennai- 600 004;
- 1.72 **"Promoter III"** shall mean **TANGI FACILITY SOLUTIONS PRIVATE LIMITED**, a private limited company with CIN – U74900TN2014PTC097603, established under the laws of India, having its registered office at Old No.42, New No. 2, Luz Avenue Mylapore, Chennai – 600 004
- 1.73 **"Promoters"** shall mean Promoter I, Promoter II & Promoter III collectively

- 1.74 **"Protective Covenants"** has the meaning assigned to such term in Article 10.1.7;
- 1.75 **"Related Party"** has the meaning assigned to such term in sub-section (76) of section 2 of the 2013 Act and, or, as per applicable Accounting Standards;
- 1.76 **"Relative(s)"** in connection with (i) Promoter I or Promoter II, means the children of Promoter I and Promoter II, and (ii) any other natural person, has the meaning assigned to such a term in the 2013 Act;
- 1.77 **"Restated Articles Effective Date"** means 10 February 2017;
- 1.78 **"ROFO Acceptance Notice"** has the meaning assigned to such term in Article 7.3.4;
- 1.79 **"ROFO Eligible Shareholders"** has the meaning assigned to such term in Article 7.3.2;
- 1.80 **"ROFO Notice"** has the meaning assigned to such term in Article 7.3.2;
- 1.81 **"ROFO Period"** has the meaning assigned to such term in Article 7.3.3;
- 1.82 **"ROFO Response Period"** has the meaning assigned to such term in Article 7.3.4;
- 1.83 **"ROFO Transfer Period"** has the meaning assigned to such term in Article 7.3.5;
- 1.84 **"Role"** means any investment / arrangement whereby the Promoters, either directly or indirectly, have or attain: (i) any shareholding / economic interest / investment in any business or any Person, (ii) a right to nominate management positions, (iii) a right to appoint / select persons on the board / governing body of such business or Person, or (iv) a role as an employee, director, lender, observer, consultant or advisor;
- 1.85 **"Sanctionable Practice"** means any Corrupt Practice, Fraudulent Practice, Coercive Practice, Collusive Practice, or Obstructive Practice, as those terms are interpreted in accordance with the Anti-Corruption Legislation and Anti-Corruption Guidelines as agreed in writing between the Shareholders and the Company;
- 1.86 **"Securities"**, in regard to the Company, means any form of securities and shares of the Company, including the Equity Shares and Dilution Instruments;
- 1.87 **"Share Capital"**, in regard to the Company, means the total issued, subscribed and paid up share capital of such the Company determined on a Fully Diluted Basis;
- 1.88 **"Shareholder(s)"** means the shareholder(s) of the Company from time to time;
- 1.89 **"Shareholders Meeting"** has the meaning assigned to such term in Article 5.1.1;
- 1.90 **"Shareholding Percentage"** means the respective percentage proportions in which the Share Capital is held by the Shareholders from time to time on Fully Diluted Basis. It is clarified that for the purposes of Article 3, any calculation of the Shareholding Percentage for determining the entitlement of a Shareholder in any proposed issuance shall be undertaken based on the Share Capital held by such a Shareholder immediately prior to such proposed issuance on Fully Diluted Basis;

- 1.91 **"Significant Influence"** means the possession of power to cause or prevent any actions pertaining to the management or policies of a Person, through the ownership or control or benefit of at least 20% (twenty percent) of total share capital or voting interest or economic interest of such a Person or the ability to nominate or have elected 1 (one) or more members of a governing body of such person or the ability to direct, restrict or otherwise influence any management decision of such Person, whether through debt arrangements, contract, voting interest, membership to governing bodies such as a board of director, or otherwise;
- 1.92 **"Statutory Auditor"** means the statutory auditor of the Company from time to time;
- 1.93 **"Strategic Sale Closing Date"** has the meaning assigned to such term in Article 8.3.3;
- 1.94 **"Strategic Sale Exercise Notice"** has the meaning assigned to such term in Article 8.3.2;
- 1.95 **"Strategic Sale Right"** has the meaning assigned to such term in Article 8.3.1;
- 1.96 **"Strategic Sale Securities"** has the meaning assigned to such term in Article 8.3.2;
- 1.97 **"Strategic Transferee"** has the meaning assigned to such term in Article 8.3.1;
- 1.98 **"Subscribing Shareholder(s)"** has the meaning assigned to such term in Article 3.2.4;
- 1.99 **"Subscription Cut-Off Period"** has the meaning assigned to such term in Article 3.2.2;
- 1.100 **"Subsidiary"** has the meaning assigned to such term in sub-section (87) of section 2 of the 2013 Act;
- 1.101 **"Tag Exercise Notice"** has the meaning assigned to such term in Article 7.4.3;
- 1.102 **"Tag Request Notice"** has the meaning assigned to such term in Article 7.4.2;
- 1.103 **"Tag Response Period"** has the meaning assigned to such term in Article 7.4.3;
- 1.104 **"Tag Right"** has the meaning assigned to such term in Article 7.4.2;
- 1.105 **"Tag Securities"** has the meaning assigned to such term in Article 7.4.3;
- 1.106 **"Taxes"** means any and all forms of taxation, imposts, duties, and levies, whether direct or indirect, deductible at source or otherwise, together with any interest, penalties, surcharges or fines relating thereto, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction. It is clarified that the term "Taxes" shall include any interest, surcharges, penalties or additional taxes payable in connection therewith; Correlative terms such as "tax" and "taxation" shall be construed in accordance with this definition;
- 1.107 **"Third Party"** means any Person other than the Shareholders and the Company;
- 1.108 **"Transfer Securities"** has the meaning assigned to such term in Article 7.3.2;
- 1.109 **"Transfer"** means, whether directly or indirectly, any transfer, including any sale, assignment, pledge, hypothecation, creation of security interest in or lien or Encumbrance on, placing in trust (voting or otherwise), exchange, gift or transfer by operation of law or in any other way, whether or not voluntarily. Correlative terms such as "transferred", "transferring" and "transferability" shall be construed in accordance with this definition.



- 1.110 "Transferring Promoter" has the meaning assigned to such term in Article 7.4.2;
- 1.111 "Transferring Shareholder" has the meaning assigned to such term in Article 7.3.2;

## **2. UTILISATION OF PROCEEDS**

- 2.1 The Company shall, and the Promoters shall procure the Company to, utilise the Investment Amount solely and exclusively, for the purposes agreed in writing between the Shareholders and the Company.
- 2.2 Till such time as the Investment Amount has been utilized in accordance with Article 2.1, the Company shall, at each meeting of the Board, table a statement setting out the extent of utilization of Investment Amount.

## **3. FURTHER FUNDING REQUIREMENTS**

### **3.1 Furnishing of guarantees and securities to meet Additional Funding Requirements.**

- 3.1.1 Upon occurrence of an Additional Funding Requirement, additional funds shall be raised on terms approved, and from sources identified, by the Board. For the avoidance of doubt, it is clarified that the Investors shall not be obligated to provide any such guarantees or securities, whether directly or indirectly, to any banks or other financial institutions for any reason whatsoever.
- 3.1.2 The Investors do not have any obligation to provide additional funding in terms of this Article to the Company and they shall be entitled to provide such additional funding at their sole discretion.

### **3.2 Fresh issue of Securities.**

- 3.2.1 If the Business Plan contemplates the issuance of fresh Securities to Shareholders or if the Board determines, subject to the provisions of Article 6, that an Additional Funding Requirement is to be met through issuance of fresh Securities to the Shareholders of the Company, then the Company shall issue fresh Securities to the Shareholders ("Additional Securities"), proportionate to their respective Shareholding Percentage in the Company. Such Additional Securities to be issued to the Shareholders shall be fully paid-up by the respective Shareholder in cash. Notwithstanding anything to the contrary contained in these Articles, any issuance of Additional Securities shall be on such terms and conditions as the Board may, subject to the provisions of Article 6, determine at its sole discretion.
- 3.2.2 Not less than 30 (thirty) days before the date of proposed issuance of the Additional Securities, the Company shall deliver to each Shareholder notice / letter of offer for the proposed issuance setting forth: (i) the aggregate number of Additional Securities proposed to be issued and the Shareholding Percentage of the relevant Shareholder; (ii) the price at which such Additional Securities are proposed to be issued and other terms of issuance, if any; and (iii) such other relevant details as the Board may deem fit or as may be required as per Applicable Laws. Within 15 (fifteen) days following delivery of the notice referred to in this Article ("Subscription Cut-Off Period"), each Shareholder electing to exercise its rights to subscribe to its Shareholding Percentage entitlement in the Additional Securities shall give a notice to the Company specifying the number of Additional Securities basis its Shareholding Percentage that it is willing to subscribe to and if such a subscription is being undertaken, in case of the Investors through any other Person (except a Person engaged in a Conflicting Business) and in case of the Promoters through an Affiliate, then all documents that are required to be furnished in terms of Article 7.2.1 or Article 7.1.3 as the case may be,

such as a duly executed Deed of Adherence and copies of all Approvals and consents required to be obtained under Applicable Laws, shall be furnished to the Board by the Investors and, or, the Promoters, as the case may be.

- 3.2.3 The Investors may indicate their willingness to subscribe to any unsubscribed portion of the Additional Securities offered, either directly or through any Person (except a Person engaged in a Conflicting Business) including their Affiliates. The Shareholders electing to exercise their rights shall, within a period of 15 (fifteen) days from the Subscription Cut-Off Period, remit the requisite funds towards the Additional Securities, which they have agreed to subscribe to, and the Company shall allot such Additional Securities to the Shareholders on the issuance date specified in the notice / letter of offer in regard to such Additional Securities. Failure by any Shareholder to give such a notice within the Subscription Cut-Off Period or remit the fund in the manner set forth above shall be deemed to be a waiver by such Shareholder of its rights under this Article with respect to the proposed issuance in question. The Promoters will be entitled to renounce the right to subscribe to Additional Securities in the Company in favour of any Affiliate, which comply with the provisions of these Articles, including by executing a Deed of Adherence. Provided that the Shareholding Percentage of Promoter I shall not fall below 25% (twenty five per cent.) of the Share Capital for any reason whatsoever.
- 3.2.4 In the event that a Shareholder ("**Non-Subscribing Shareholder**") does not subscribe or is not desirous of subscribing to its Shareholding Percentage of the Additional Securities entirely, then within a period of 3 (three) Business Days from the date of expiry of the Subscription Cut-Off Period; the Board shall send a written intimation to the other Shareholder(s) (for the purposes of this Article 3.2.4 and 3.2.5 "**Subscribing Shareholder(s)**", which term specifically excludes every Non-Subscribing Shareholder), giving them an opportunity to subscribe to the unsubscribed portion of the Additional Securities offered to such Non-Subscribing Shareholder, either by themselves or, in case the Subscribing Shareholders are Investors, then through their Affiliates.
- 3.2.5 In the event that the Subscribing Shareholder(s) sends a notice to the Company, within a period of 7 (seven) days from the date of intimation by the Board as aforesaid, agreeing to subscribe to any or all of the unsubscribed Additional Securities and remits the requisite funds towards subscription to such unsubscribed Additional Securities within a period of 15 (fifteen) days from the Subscription Cut-Off Period, then the Board shall allot such unsubscribed Additional Securities to such willing Subscribing Shareholder(s). It is clarified that if more than 1 (one) Subscribing Shareholder notifies the Board of its intention to subscribe to unsubscribed Additional Securities as above, and the unsubscribed Additional Securities are less than the aggregate number of unsubscribed Additional Securities, then the unsubscribed Additional Securities shall be issued to such Subscribing Shareholders proportionate to their respective Shareholding Percentage in the Company.
- 3.3 **Anti-dilution.**
- 3.3.1 The Investors shall have a right, whether exercisable through itself or any other Person nominated in this regard (except a Person engaged in a Conflicting Business), to subscribe to any issuance by the Company of any Equity Shares or Dilution Instruments to any Third Party in proportion to their respective Shareholding Percentage in the Company.
- 3.3.2 Upon each issuance by the Company of any Equity Shares or Dilution Instruments at a price per Equity Share less than the price ("**Dilution Price**") at which the Investors subscribed to the Investor Shares ("**Dilutive Issuance**"), the Investors shall be entitled to, and the Company shall provide and the Promoters shall procure the Company to provide to the Investors, dilution protection on weighted average basis.

- 3.3.3 The anti-dilution mechanism set forth in this Article shall be accomplished by issuance by the Company or transfer by the Promoters of such number of Equity Shares to the Investors and, or, any other Person nominated by the Investors for this purpose (except a Person engaged in a Conflicting Business) at the lowest price possible under Applicable Laws, so as to give full effect to the weighted average anti-dilution right of the Investors.
- 3.3.4 Upon each Dilutive Issuance, the Company and the Promoters shall take all necessary acts to put Investor I and Investor II in the position that they would have if the adjustment to the Dilution Price had been made, by issuance by the Company or transfer by the Promoters to Investor I and Investor II or any Person nominated by the Investors in this regard (except a Person engaged in a Conflicting Business) of such number of Equity Shares, whereby Investor I and Investor II or any Person nominated by the Investors in this regard (except a Person engaged in a Conflicting Business) are not required to pay any additional amounts for the issuance of such new Equity Shares or the transfer of Equity Shares. The above arrangement shall be implemented in accordance with Applicable Laws.
- 3.3.5 It is clarified that nothing in this Article shall apply to any issuance by the Company of any Equity Shares or Dilution Instruments as Additional Securities to the Shareholders pursuant to Article 3.2 of these Articles or an ESOP plan, in each case as approved by the Board in accordance with Article 4.7.5 of these Articles, or a Bonus Issue.

#### **4. BOARD AND BOARD MEETINGS**

##### **4.1 Management of the Company.**

The property, business and affairs of the Company shall be managed by and under the direction of the Board, and the Board shall be responsible for the overall management, supervision, direction and control of the Company. Subject to the provisions of these Articles, the Board may exercise all such powers of the Company and do all such lawful acts and things as are permitted under these Articles and Applicable Laws. The Board shall manage the Company in the overall, general, and strategic sense and shall ensure proper organization of the business of the Company and shall appoint / dismiss the members of the Management. The Board shall be entitled to delegate its powers to such persons and such Committees that the Board may create to assist it in developing and meeting its business strategy and objectives. The approval of the Shareholders shall be obtained on such matters as may be required under these Articles, and, or, Applicable Laws.

##### **4.2 Composition of the Board.**

- 4.2.1 The Board shall not exceed 7 (seven) Directors that will be appointed in terms of Article 4.2.2, or such other number of Directors as may be mutually agreed between the Shareholders and the Company in writing, from time to time. The Investors shall be entitled to nominate Directors in proportion to their respective Shareholding subject to a minimum of 2 (two) Directors (collectively, the **"Investor Directors"** and each, an **"Investor Director"**) and the Promoters shall be entitled to nominate Directors in proportion to their respective Shareholding subject to a minimum of 3 (three) Directors (collectively, the **"Promoter Directors"**, and each, a **"Promoter Director"**) in accordance with the terms and conditions set out in this Article. Provided that Promoter I shall at all times during the subsistence of these Articles be a Promoter Director.
- 4.2.2 Unless otherwise agreed between the Shareholders and the Company in writing and subject to Article 6 of these Articles, the Board shall be constituted in the following manner:
- (i) on and from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors and 3 (three) Promoter Directors;



- (ii) on and from 6 (six) months from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors, 3 (three) Promoter Directors and 1 (one) Independent Director identified by Investor I and Investor II and acceptable to the Promoters on the Board; and
- (iii) on and from 12 (twelve) months from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors, 3 (three) Promoter Directors and 2 (two) Independent Directors, out of such 2 (two) Independent Directors, 1 (one) will be identified by the Promoters and acceptable to Investor I and Investor II on the Board.

Provided that subject to the proviso to this Article 4.2.3 and Articles 10.16 and the right of the Investors to assign their rights, the number of Investor Directors on the Board shall not, at any time fall below 2 (two) Directors.

4.2.3 The Investors may at any time remove from office any Investor Director(s) and, if desired, appoint another in his / her place. The Promoters may at any time remove from office any Promoter Director(s) and, if desired, appoint another in his / her place.

4.2.4 Subject to Article 4.2.2, the Board shall appoint such number of Independent Directors on the Board, as per the requirements of Applicable Laws. All such Independent Directors shall be acceptable to the Investors and Promoter I.

4.2.5 The Promoters and the Investors shall exercise all powers and rights available to them so as to fix the number of Directors in accordance with this Article and to ensure that the persons nominated by the Investors and the Promoters are expeditiously appointed or removed (as the Investors and the Promoters may specify in accordance with this Article) as a Director and the appointments and removals referred to in this Article result in the persons nominated / appointed or removed becoming or ceasing to be Directors, as applicable.

#### 4.3 **Observer.**

On and from the Restated Articles Effective Date, the Investors shall be entitled to appoint 1 (one) person as an observer to attend all Board Meetings in a non-voting capacity ("Observer"). The Observer shall have the right to receive all notices, documents and information provided to the Directors and be entitled to attend all meetings of the Board or Committees thereof, subject to the Observer being bound to confidentiality obligations as applicable to Directors. The Observer shall not be considered for quorum, and the Observer shall not be entitled to vote with respect to any resolution proposed to be passed at a Board meeting. The Company shall reimburse all out of pocket expenses incurred by the Observer in attending Board Meetings or otherwise perform its duties and functions as Observer.

#### 4.4 **Appointment, removal and retirement of Directors.**

4.4.1 Any appointment or removal of Directors shall be implemented in the following manner:

- (i) Appointment of Directors: Subject to the provisions of Article 4.2, each Shareholder shall have the right to, from time to time, issue a notice specifying their intention to nominate a Person as a Director on the Board. Such a notice shall be addressed to the Board and delivered to the Managing Director at the registered office of the Company or presented directly before the Board during a Board Meeting. The aforementioned notice should be accompanied by consent letter and such other documents which are required in terms of Applicable Laws from the prospective nominee. If any such notice along with the accompanying documents is delivered at a Board Meeting, the Board shall at the same meeting pass necessary resolutions in



respect of appointment of such person as an additional director. If such a notice along with the accompanying documents is delivered to the Company, then the relevant officers of the Company shall, immediately and in any case within a period of 7 (seven) days from the date of receipt of such notice, either convene a meeting of the Board to pass necessary resolutions in respect of appointment of such Director(s) as additional director(s), or if it is not practicable to convene such Board Meeting, initiate, subject to Applicable Laws, the process for appointment of such Director(s) through a circular resolution in terms of Applicable Laws. Notwithstanding anything to the contrary contained in these Articles, any such nominee shall only be appointed as a Director if such a Person fulfils all criteria prescribed under Applicable Laws.

- (ii) Removal / replacement of Directors: Each Shareholder shall have the right to, from time to time, issue a notice specifying that they wish to remove all or any of the Directors appointed by them on the Board. Such a notice shall be addressed to the Board and delivered at the registered office of the Company or presented directly before the Board during a Board Meeting. The aforementioned notice should be accompanied by a resignation letter to this effect from the relevant Director(s) in the form prescribed by the 2013 Act, and if no such form is prescribed then as per standard secretarial practice. If any such notice along with the accompanying resignation letter is delivered at a meeting of the Board, the Board shall at the same meeting pass necessary resolutions in respect of such removal. If such a notice along with the accompanying resignation letter is delivered to the Company, then the relevant officers of the Company shall, immediately and in any case within a period of 7 (seven) days from the date of receipt of such notice, either convene a meeting of the Board to pass necessary resolutions in respect of removal of such Director(s), or if it is not practicable to convene such Board Meeting, initiate, subject to Applicable Laws, the process for removal of such Director(s) through a circular resolution in terms of Applicable Laws. If the relevant Shareholder wishes to replace a Director nominated by it in on the Board with another Person and provides consent letter and such other documents which are required in terms of Applicable Laws from the prospective nominee, then the Company shall, subject to such a nominee fulfilling all criteria prescribed under Applicable Laws, appoint the relevant Person as an additional director on the Board in the same Board Meeting where the other nominee Director of such a Shareholder is being removed. If the removal is being carried out through a circular resolution then another circular resolution shall be passed concurrently for appointment of the new nominee Director of such a Shareholder.
- (iii) Approval by Shareholders: If any appointment or removal of a Director, as the case may be, has to be approved by the Shareholders in a Shareholders Meeting as per Applicable Laws, then the Board shall convene an extraordinary general meeting of the Company promptly to approve the appointment or removal of such Director(s). All relevant actions in regard to appointment or removal of such Director(s) by the Shareholders shall be completed within a period of 30 (thirty) days from the date of receipt of notice mentioned in Article 4.4.1(i) or (ii), as the case may be.
- (iv) Retirement of Directors: It is clarified that the Investor Directors shall not be liable to retire by rotation.

4.4.2 The Shareholders and Company shall co-operate with each other in convening a meeting of the Board and, or, Shareholders to effect: (i) appointment of Director(s) so nominated; or (ii) removal of Director so requested, and to exercise its voting rights in any meeting of the Company, and shall cause any Director nominated by it exercise his voting rights in any Board Meetings, so as to give effect to the such appointment/removal.



4.4.3 Subject to the provisions of Applicable Laws and these Articles, no Director shall be removed during the term for which such Director was elected without the consent of the Shareholder, if any, who nominated such Director on the Board. Notwithstanding the foregoing, a Shareholder may ask for removal, substitution or recall for any reason, of any of the Directors nominated by such Shareholder by serving a notice in terms of Article 4.4.1.

4.4.4 The Directors shall not be required to hold qualification shares.

4.4.5 At any point in time, in the event the number of Directors nominated and appointed by the Investors or Promoters, as the case may be, is less than their entitlement under Article 4.2.2 (including for reason such as death, disqualification, inability to act or removal), then the Investors or Promoters, as the case may be, shall be entitled to nominate such Directors at their sole discretion at any time thereafter. No other Shareholder shall have the right to fill-in such vacancy.

#### 4.5 **Alternate Director.**

4.5.1 Any Director nominated by any Shareholder and appointed to the Board ("**Original Director**") shall be entitled, in accordance with Applicable Laws, to nominate an alternate (and such nominee shall be appointed by the Board as an "**Alternate Director**") to attend and vote at Board Meetings in his / her absence. Prior to the Original Director exercising any such rights, such Alternate Director appointee shall be required to be approved in writing by the Shareholder who nominated the Original Director. An Alternate Director shall be entitled to receive notice of all meetings of the Board, to attend and vote at any such meeting at which the Original Director appointing him is not personally present and at the meeting to exercise and discharge all the functions, powers and duties of his appointee or as a Director. An Alternate Director shall automatically vacate his office as an Alternate Director if the Original Director who appointed such an alternate is personally present or if such Original Director ceases to be a Director, in terms of these Articles and, or, Applicable Laws. Notwithstanding anything to the contrary contained in these Articles, Promoter I shall not be entitled to appoint an Alternate Director, except in case of his incapacitation due to ill health or if otherwise agreed in writing between the Shareholders and the Company.

4.5.2 All references to 'Directors' in these Articles shall be deemed to include a reference to their respective 'Alternate Director'. For the avoidance of doubt, it is clarified that all provisions applicable to an Investor Director shall equally apply to the Alternate Director appointed / proposed to be appointed in accordance with this Article and all actions taken by such Alternate Director shall be deemed to be actions taken by the relevant Original Director.

#### 4.6 **Chairman.**

At every Board Meeting, the chairman of the Board for such a Board Meeting ("**Chairman**") shall be Promoter I. The Chairman shall not have a casting vote or extra vote.

#### 4.7 **Board Meetings.**

4.7.1 **Frequency and Location:** The Board Meetings shall be held as often as circumstances require, including upon the written request of at least 1 (one) Director, and all such meetings should be held as soon as reasonably possible and in any event not later than 7 (seven) days from the date that such a request for convening a Board Meeting is received by the Chairman. Not less than 4 (four) Board Meetings shall be held in each year in a manner such that not more than 120 (one hundred and twenty) days elapse between 2 (two) consecutive Board Meetings. All Board Meetings shall be conducted in English.



4.7.2 Notice: A Board Meeting may be called by the Chairman or a Director by giving notice in writing to the company secretary, or any other Person nominated in this regard by the Board, specifying the date, time and agenda for such meeting; provided, however, any agenda for a Board Meeting shall be provided to each Investor at least 2 (two) days prior to the notice of the Board Meeting being issued to the Directors unless such right is waived by each Investor in writing. The company secretary (or such nominated person) shall upon receipt of such notice, give a copy of such notice to all Directors at their respective address registered with the Company and such notice shall be sent by hand delivery or by post or by email, accompanied by a written agenda specifying the business of such meeting and copies of papers relevant for such meeting. The Company shall ensure that sufficient information is included within such notice to the Directors to enable each Director to make a decision on the issue in question at such meeting. Every notice convening a meeting of the Board shall set forth in full and sufficient detail each item of the business to be transacted thereat, and no item or business shall be transacted at such meeting, unless the same has been stated in full and in sufficient detail in the notice convening the meeting, except as otherwise consented to by all the Directors or their respective Alternate Directors. Not less than a minimum 7 (seven) days' prior written notice shall be given to each Director for any Board Meeting, accompanied by the agenda for the Board Meeting; provided, however, a Board Meeting may, subject to the Applicable Laws, be called at shorter notice to transact urgent business subject to the condition that at least 1 (one) Investor Director and least 1 (one) Promoter Director shall have consented to the shorter notice and be present at/throughout such Board Meeting and, or, waived their presence. All documents presented or circulated to the Directors in regard to a Board Meeting shall be in English.

4.7.3 Quorum: The quorum for a meeting of the Board shall be 2 (two) Directors, provided, however the quorum shall not be valid without the presence, in person or otherwise, of at least 1 (one) Investor Director, or his/her duly appointed Alternate Director throughout the relevant Board Meeting and Promoter I, unless waived by the Investors and, or, Promoter I, as the case may be. If the quorum is not present within 30 (thirty) minutes from the time when the meeting should have begun, or if during the meeting there is no longer a quorum, the meeting shall be adjourned for 1 (one) Business Day and shall be reconvened at the same place and time, or at such other date, place and, or, time as may be agreed to by the majority of the Directors (including at least 1 (one) Investor Director), with the same agenda. If at 2 (two) consecutively adjourned Board Meetings, the quorum is not present within 30 (thirty) minutes of the time appointed for the meeting, then, subject to the 2013 Act, the Directors present, in person or through Alternate Directors, at such meeting shall constitute the quorum and the Board Meeting shall proceed with respect to the business stated in the agenda for the Board Meeting; provided, however, even in such a reconvened/adjourned Board Meeting no Affirmative Vote Matter shall be discussed and, or, no resolution pertaining to an Affirmative Vote Matter shall be passed unless 1 (one) Investor Director is present during such a Board Meeting.

4.7.4 Voting: Each Director is entitled to cast 1 (one) vote at any Board Meeting.

4.7.5 Decisions of the Board: A decision shall be validly made and, or, a resolution validly passed at a Board Meeting only if passed at a validly constituted Board Meeting and, subject to the provisions of these Articles in regard to Affirmative Vote Matters, by a simple majority of the Directors present and voting at the relevant Board Meeting. A resolution in writing of the Board shall be as valid and effective as if it had been a resolution passed at a meeting of the Board duly convened and held, if the resolution is signed in support thereof by a majority of the Directors for the time being. Without affecting the generality of the foregoing, where the resolution is with respect to, or includes, an Affirmative Vote Matter, then it shall require the written consent of the Investors for only such matter. Any such resolution bearing the signature of any Director and dispatched by email shall constitute a valid document for the purpose of this clause. It is clarified that where a resolution of the Board has been approved



by a Promoter Director and, or, the Investor Director in respect of a specific matter, the Promoters and, or, the Investors, as the case may be, shall vote in accordance with such resolution in case that particular matter is taken up at a Shareholders' meeting of the Company.

**4.7.6 Electronic Participation:** The Board has the power to allow electronic or remote participation and voting in Board Meetings, subject to compliance with the relevant requirements under the 2013 Act. A Director may make a request for electronic or remote participation to the Board and the Board shall consider such a request favourably and provide such facility in accordance with the requirements of the 2013 Act. Accordingly, a reference to the presence of any Director for a meeting of the Board, shall include either physical presence or through video conferencing or electronic or remote means.

**4.7.7 Maintenance of minutes:** The Board shall record the minutes of its meetings as prescribed under the 2013 Act, provided that such minutes shall be subject to the written approval of the Investors.

#### **4.8 Resolution by Circulation.**

Except for resolutions which the 2013 Act requires to be passed at a physical meeting of the Board, a resolution of the Board may be passed by the Directors by circulation (provided that it has been circulated in draft form by hand delivery or by post or by email, together with the relevant papers, if any, to all the Directors in accordance with the requirement of these Articles, and 2013 Act), which resolution shall be valid and effective if, subject to the provisions of these Articles in regard to Affirmative Vote Matters, it is approved by a majority of Directors.

#### **4.9 Committees of the Board.**

Subject to the provisions of these Articles, and Applicable Laws, the Board shall have the power and right to constitute and disband, if necessary, committees or sub-committees and delegate such of the Board's powers to the aforesaid committees as the Board may deem fit ("Committees"). Only the Board can appoint a committee of Directors or delegate its powers to any Persons. Unless agreed in writing by the Investors, the Board shall, while forming such Committees, ensure that 1 (one) Investor Director and Promoter I is a member of each such Committee. The provisions relating to Board and Board Meetings contained herein (including relating to notice, quorum, quorum at adjourned meetings and Affirmative Vote Matters) shall apply *mutatis mutandis* to all the Committees and their respective meetings. All resolutions passed by the Committees shall have to be necessarily ratified by the Board.

#### **4.10 Record keeping.**

The Company shall keep a book of all resolutions and the minutes of all meetings of the Board in which there shall be recorded the time and place of such meeting, whether regular or special, and if special, however called, the notice thereof given, the names of those present and the processing thereof.

#### **4.11 Directors' Access.**

Any Director shall be entitled to examine the books, accounts and records of the Company and shall have, during normal business hours of the Company and with prior reasonable written notice, the right to reasonably inspect the properties and facilities of the Company. The Company shall provide such information relating to its business affairs and financial position as the relevant Director may require. Subject to the Applicable Laws, any Director may provide such information to the Shareholder who has nominated such a Director. The

relevant Director and Shareholder would be bound by the confidentiality obligations as agreed in writing between the Shareholders, and the Company, in relation to such information received.

#### **4.12 Fees and Expenses of Directors.**

Subject to Applicable Laws, all expenses and costs incurred in connection with the convening and conduct of the Board Meetings shall be borne by the Company. The Company shall reimburse all out of pocket expenses incurred by the Investor Directors and the Promoter Directors (subject to any cap prescribed for whole-time directors in terms of Applicable Laws if applicable) in attending Board Meetings or business review meetings or otherwise perform their duties and functions as Directors. However, no sitting fees shall be paid to the Investor Directors and the Promoter Directors by the Company. Any reimbursements and sitting fees payable to Independent Directors shall be governed by the specific agreement between the Company and the Independent Director in this regard.

#### **4.13 Indemnification of Directors.**

4.13.1 The Company shall, subject to Applicable Laws, indemnify and keep indemnified the Directors against any:

- (i) act, omission or conduct of or by the Company or its employees or agents as a result of which any Director is made, in whole or in part, a party to, or otherwise incurs any loss or damage pursuant to, any proceedings arising out of or relating to any such conduct;
- (ii) action or omission by any Director at the request of or with the consent of the Company; and
- (iii) contravention of any of the Applicable Laws including, without limiting the generality of the foregoing, laws relating to provident fund, gratuity, labour, environment, pollution, the anti-bribery laws, and any action or proceedings taken against such Director in connection with any such contravention or alleged contravention.

#### **4.14 No Liability of Investor Director**

4.14.1 The Company recognizes that the Investor Directors shall not have any day-to-day managerial powers and that they will not be whole time, managing or executive directors of the Company and will not, subject to applicable Law, be held responsible for any default or failure of the Company in complying with the provisions of any applicable Law. 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 Investors and/or the Investor Directors.

4.14.2 Notwithstanding anything to the contrary contained in these Articles, no Investor Director shall be deemed to be an 'occupier' or 'officer in charge' or 'officer in default' for the purposes of the 2013 Act or any other Applicable Laws, as the Investor Directors are non-executive directors and do not have the power to and are not responsible for overall management, supervision, direction and control of the Company. Further, the Promoters and the Company shall ensure that the Investor Directors are not nominated as compliance officers, occupiers and/or employers and/or persons-in-charge, as the case may be, in order to ensure that, to the maximum extent permitted by Applicable Law, the Investor Directors do not incur any liability for any default or failure of the Company in complying with the provisions of any Applicable Laws.



- 4.14.3 In the event that any notice or proceedings have been filed against the Investor Directors by virtue of being Directors of the Company, the Company and the Promoters shall take all necessary steps to ensure that name of such Investor Directors is excluded/ deleted and the charges/proceedings against such Investor Directors are withdrawn and shall also take all steps to defend such Investor Directors against such proceedings and the Company shall pay all costs, damages, fines, levies etc. that may be levied against such Investor Director in such proceedings. The Investor Directors shall also be entitled to appoint any counsel at his/her own discretion, to defend any proceedings instituted against the Investor Directors by virtue of being Directors of the Company. All reasonable expenses borne by the Investor Directors in this regard shall be borne by the Company.

## **5. SHAREHOLDERS AND SHAREHOLDERS MEETINGS**

### **5.1 Shareholders Meetings.**

- 5.1.1 Frequency of Shareholders Meeting: An annual general meeting of the Shareholders shall be held as per the provisions of the 2013 Act. Subject to the foregoing, the Board, on its own or at the request of either of the Investors, may convene an extraordinary general meeting of the Shareholders, whenever it may deem appropriate (each such meeting, a "Shareholders Meeting"). All such Shareholders Meetings shall be held at such place as the Board may determine from time to time. Shareholders Meetings shall be called at such times as may be required to procure any consent of the Shareholders in terms of the provisions of these Articles, and, or, the 2013 Act, and in any event at least once in each financial year. Subject to the provisions of the 2013 Act, the Shareholders shall be entitled to participate in Shareholders Meetings through their respective duly authorized representative(s), duly constituted proxies or attorneys, as the case may be. English shall be the language used at all Shareholder meetings.
- 5.1.2 Notice: In accordance with provisions of the 2013 Act a minimum 21 (twenty one) days' prior written notice shall be given to all the Shareholders of any Shareholders Meeting, accompanied by the agenda for such meeting; provided, however, any agenda for a Shareholders Meeting shall be provided to each Investor at least (two) days prior to the notice of the Shareholder Meeting being issued to the Shareholders unless such right is waived by each Investor in writing. The aforesaid notice may be waived or a Shareholders Meeting may be called by giving a shorter notice with at least 95% (ninety five per cent.) of all the Shareholders entitled to vote at such meeting providing their written consent for such shorter notice. Subject to the 2013 Act, the notice of each general meeting shall include an agenda approved by the Board setting out the business proposed to be transacted at the meeting, together with copies of all relevant papers connected therewith and, or, proposed to be placed before or tabled at the Shareholders Meeting, and no item or business other than as set out in the agenda shall be transacted or discussed at any Shareholders Meeting unless agreed to / approved by the Investors and the Promoters in advance. The notice shall specify the place, date and time of the meeting. All documents presented or circulated to the Shareholders in regard to a Shareholders Meeting shall be in English.
- 5.1.3 Quorum: The quorum for any Shareholders Meeting shall be at least 2 (two) Shareholders present in person or through their respective duly authorized representative(s), duly constituted proxy(s) or attorney(s), as the case may be, 1 (one) of which shall be one of the Investors and the other Promoter I, at the beginning of the meeting and throughout the meeting (unless waived by the Investors and, or, the Promoter 1, as the case may be). If the quorum is not present within 30 (thirty) minutes from the time when the meeting is scheduled to begin or if during the meeting there is no longer a quorum, the meeting shall be adjourned for 2 (two) Business Days and shall be reconvened at the same place and time, or at such other day, date, place and, or, time as the Board may determine, with the same agenda.

- 5.1.4 Proxies and Authorised Representatives: Any Shareholder of the Company may appoint another Person as his proxy (and in case of a corporate Shareholder, its authorized representative) to attend a meeting and vote thereat on such Shareholder's behalf, provided that the power given to such proxy or representative must be in writing. Any Person possessing a proxy or other such written authorization with respect to any Securities shall be able to vote on such Securities, as the case may be, and participate in meetings as if such Person were a Shareholder, subject to Applicable Laws.
- 5.1.5 Chairman for Shareholders Meeting: The Chairman of Board shall be the chairman for the Shareholders Meeting. The chairman of the Shareholders Meetings shall not have any second or casting vote.
- 5.1.6 Voting: Subject to the Applicable Laws, voting on all matters to be considered at a Shareholders Meeting shall be by way of show of hands unless a poll is demanded in accordance with provisions of the 2013 Act.
- 5.1.7 Decisions of the Shareholders: Subject to the provisions of these Articles in regard to Affirmative Vote Matters, a decision shall be validly made and, or, a resolution validly passed at a Shareholders Meeting only if the requisite majority approves the relevant decision / resolution in compliance with the provisions of the 2013 Act.
- 5.1.8 Electronic Participation: The Shareholders may participate and vote in the Shareholders Meeting through electronic or remote participation and voting in the manner permitted under the 2013 Act, from time to time. A Shareholder may make a request for electronic or remote participation to the Board and the Board shall consider such a request favourably and provide such facility in accordance with the requirements of the 2013 Act. Accordingly, subject to Applicable Laws, a reference to the presence of any Shareholder for a meeting of the Shareholders, shall include either physical presence or through video conferencing or electronic or remote means, and the process that is to be followed in regard to Board Meetings for presence and voting through video conferencing or electronic or remote means under the 2013 Act shall be followed in regard to such Shareholders Meeting.

## 6. **AFFIRMATIVE VOTE MATTERS**

- 6.1 Notwithstanding any other provision of these Articles or any power conferred upon the Board by these Articles, and, or, the 2013 Act, with effect from the Restated Articles Effective Date, neither the Company nor any Shareholder, Director, Committee member, or any of their respective delegates or representatives shall take any decisions or actions in relation to any of the matters set forth in Article 6.5 ("**Affirmative Vote Matters**") with respect to the Company, in any meeting, forum, circular resolution or in any other manner whatsoever, without the affirmative prior written consent or approval of the Investors. It is agreed that any discussions pertaining to Affirmative Vote Matters shall necessarily be included in the agenda papers in relation to the relevant meeting in advance and shall not be taken up in a Board Meeting, meeting of any Committee or Shareholders Meeting, unless specifically agreed to, in writing, by the Investor.
- 6.2 The principle set out in this Article 6 is fundamental to the governance of the Company and each Party undertakes not to commit any act or omission that would violate this Article.
- 6.3 It is clarified that any consent by the Investors in relation to any of the Affirmative Vote Matters shall apply only in relation to the particular Affirmative Vote Matters and only in the context specified in the relevant notice and shall not constitute, or be deemed to constitute in any manner, a general consent for any other Affirmative Vote Matters, or a consent for the same Affirmative Vote Matters in any other context.

6.4 If any other provision of these Articles conflicts with the provisions of this Article, the provisions of this Article shall prevail and be given effect.

6.5 The following matters shall be considered Affirmative Vote Matters:

- i. Any amendment to these Articles, and, or the Memorandum of Association of the Company;
- ii. Any decision in relation to winding up, liquidation, bankruptcy or dissolution of the Company or any Exit Trade Sale;
- iii. Any change in the composition (including structure and strength and, or, manner of election and, or, term of office) of the Board;
- iv. Any forming of a committee of the Board;
- v. Any decision in relation to Additional Funding Requirement;
- vi. Any capital expenditure in excess of INR 1,00,00,000 (Indian Rupees one crore) beyond the approved Business Plan;
- vii. Finalisation, approval and adoption of Business Plan and any changes or deviation of more than 10% (ten per cent.) from such Business Plan and, or, expansion plan;
- viii. Incurring of any Indebtedness or creation of any Encumbrance on the Assets, including any contingent liabilities beyond the amounts specified in the Business Plan and extension of any loans already borrowed;
- ix. Entering into any arrangements not included in the Business Plan in excess of INR 1,00,00,000 (Indian Rupees one crore);
- x. Any transaction involving the acquisition of substantially all the assets, shares, voting power or controlling interest in any other company, business, partnership firm, or body corporate by the Company, or investment in any other business / the same business as the Company;
- xi. Any transaction involving purchase, sale, lease, license or Transfer of Assets of the Company (including any vehicles an, or cars but excluding Intellectual Property Rights of the Company) in excess of INR 1,00,00,000 (Indian Rupees one crore) of the written down value of such Asset at the commencement of the relevant Financial Year or if not contemplated in the Business Plan;
- xii. Guarantees and credit enhancement (other than in the Ordinary Course) and entering into derivative contracts which are not contemplated in the Business Plan;
- xiii. Any transaction involving sale, license or Transfer of the Intellectual Property Rights of the Company involving an amount in excess of INR 10,00,000 (Indian Rupees ten lakhs);
- xiv. Any bonus or profit sharing scheme for Key Managerial Personnel, Management or the Promoters or Shareholders, and, or, any distribution of profits and, or, commission and, or remuneration to any Promoters, Key Managerial Personnel, Management or Director other than in the Ordinary Course;



- xv. Any payment, directly or indirectly, of salaries, bonuses, consulting fees or other compensation, payments, or fees to any Promoters or Shareholders of the Company or members of the Management except as contemplated by the Business Plan;
- xvi. Any appointment or removal, determination of the terms of employment and any significant changes in the terms of the employment agreement or arrangement of Directors, Management and, or, Key Managerial Personnel;
- xvii. Any merger, amalgamation, acquisition, recapitalization, reorganisation, business combination, consolidation, settlements with creditors and other business combinations or financial alliances or any change in Control of the Company and any decisions related to the terms and conditions of any restructuring of the Company including (i) timing of such restructuring; (ii) share swap / consideration payable for such restructuring and (iii) appointment of independent advisors who shall advise the Company on matters related to such restructuring;
- xviii. Any decision to undertake an IPO or list the shares in any stock exchange and any decisions related to (i) pricing and other terms and conditions of the IPO, or (ii) timing of the IPO, or (iii) the stock exchanges on which the Equity Shares of the Company are to be listed, (iv) appointment of independent merchant banker(s), manager(s), arranger(s), or (v) any other matters in regard to the IPO;
- xix. Any authorization of or setting aside for payment of, or payment of dividends, or buyback/redemption of any Securities of the Company, or distribution of any kind, in cash or in property;
- xx. Granting to any holder of Securities any rights which have a priority greater than those granted to the Investors pursuant to these Articles;
- xxi. Any alteration in any manner whatsoever of the rights of the Investors under these Articles;
- xxii. Any action which adversely changes the rights of the Investors under these Articles or prevents the Investors from exercising their rights under these Articles;
- xxiii. Appointment, re-appointment, removal or change in terms of the statutory and internal auditors of the Company, including the scope of work, terms of reference, or any modifications and changes thereto;
- xxiv. Approval of Financial Statements and any change to such Financial Statements of the Company or the Subsidiaries;
- xxv. Any addition and, or, deletion of any off-balance sheet liability structure of the Company including, without limitation, leasing and drawing on bank guarantees, encumbrances, Transfer, pledge or creation of lien not in the Ordinary Course;
- xxvi. Any changes in the tax and accounting policies and, or practices and, or, the Financial Year of the Company.
- xxvii. Any transaction between the Company and a Related Party or modification of an existing related party transaction which is not in the Ordinary Course and, or, on an arm's-length basis;



- xxviii. Defence of any Litigation initiated by any Person (other than the indemnified parties in terms of the agreements between the Shareholders and the Company) where the amount involved is in excess of INR 10,00,000 (Indian Rupees ten lakh) in any Financial Year;
- xxix. Commencement of any Litigation where the amount involved is in excess of INR 25,00,000 (Indian Rupees twenty five lakh) or settlement and, or, withdrawal of any Litigation where the amount involved is in excess of INR 10,00,000 (Indian Rupees ten lakh);
- xxx. Any change in the Share Capital of the Company and, or, reduction of Share Capital;
- xxxi. Any variation of the rights and preferences attached to any Securities;
- xxxii. Any offer, sale of any Securities, issuance, listing of any Securities and creation of or taking on record any Encumbrance on the Securities;
- xxxiii. Any change in the nature of the business carried on by the Company or entering into any new business line or activity or in any way undertaking any new business initiative exceeding INR 3,00,00,000 (Indian Rupees three crores) that is not contemplated in the Business Plan whether in India or abroad or any change in the name or registered office of the Company;
- xxxiv. Creation of any new Subsidiary or joint venture by the Company;
- xxxv. Entering into, modification or termination of any material contract in existence or proposed to be entered into by the Company, including any decision in relation thereto, including waiver of any material default under or in relation to the breach of any material contract other than in the Ordinary Course;
- xxxvi. Entering into any arrangement or settlement with the debtors or the creditors of the Company other than in the Ordinary Course;
- xxxvii. Any decision in regard to creation of any stock option plan (by whatever name called), restricted stock plan or similar incentive or equity plan or effecting any ESOP / ESOS / Phantom Stock Plan / incentive pool plans, any grant of options or allotment of shares under such plans;
- xxxviii. Issuance or redemption of any debt securities / equity linked debt securities issued by the Company;
- xxxix. The Company entering into any contract to undertake any obligations (in relation to the Business) in relation to a transaction or arrangement where the Company is not a party;
- xl. The Company furnishing any performance / financial guarantee to any Person for any reason whatsoever;
- xli. Any agreement or commitment to give effect to any of the foregoing; and, or
- xl. Any of the foregoing actions, if undertaken or agreed to be undertaken in respect of the Subsidiaries of the Company.

## **7. TRANSFER OF SECURITIES**

### **7.1 Restrictions on Transfer of Promoter Securities.**

**7.1.1** Subject to the other provisions of this Article 7.1, the Promoters shall not, and shall ensure that all other Shareholders, if any (other than the Investor), shall not, Transfer in any way or manner, directly or indirectly, any of the Securities held by them from time to time to any Person (including a Promoter, a Third Party, Shareholder or another Party), without the prior written consent of the Investors. This restriction shall not be circumvented in any manner, including by change of ownership or Control of the Shareholder (including Promoter III), any merger, consolidation or recapitalization of the Shareholder (including Promoter III), or any Transfer or issuance of securities or ownership rights of the Shareholder (including Promoter III) and the Board shall not acknowledge, approve or register such merger, consolidation, recapitalization, Transfer or issuance.

**7.1.2** After issuing a 30 (thirty) day prior written notice referred to in Article 7.1.3:

- (i) the Promoters may, sell and Transfer Securities representing not more than 5% (five per cent.) of the Share Capital of the Company to a Third Party identified by it. For the avoidance of doubt, it is clarified that the aforesaid option to sell Securities to a Third Party shall be (a) utilised by the Promoters only once, (b) at price per Security not lesser than the per share price of INR 609.20 (Indian Rupees Six Hundred and Nine and Paise Twenty), and (c) subject to the rights of Investor I and Investor II under Article 7.3. Irrespective of whether all the Promoters participated in such a sale and irrespective of the quantum of Securities sold in such a sale, this exemption shall expire immediately upon sale and Transfer of Securities by any of the Promoters and thereafter the Promoter shall not be permitted to Transfer the Securities held by it. Notwithstanding the foregoing, the Promoters and all other Shareholders (other than the Investors) shall only be entitled to Transfer the Securities held by them subject to the right of first offer as set out in Article 7.3 but not the tag along right in Article 7.4; and
- (ii) the relevant Promoter may, sell and, or, Transfer Securities representing not more than 20% (twenty per cent.) of the Share Capital of the Company to Promoter I, Promoter II, their children and, or, a trust with Promoter I, Promoter II and, or, their children as the sole and exclusive beneficiaries, for the purposes of estate planning whether through a standalone transaction or through a series of transactions,

provided, however, pursuant to any of the aforesaid Transfers or otherwise, the Shareholding Percentage in the Company of (i) Promoter I or (ii) a trust with Promoter I as the sole and exclusive beneficiary during the lifetime of Promoter I, shall not reduce below 25% (twenty five per cent.) of the Share Capital.

**7.1.3** At least 30 (thirty) days prior to the permitted transfers specified Article 7.1.2(i), as specified above, the Promoters shall send a written notice to the Investors stating the date on which the intended Transfer is to occur, the name and other relevant details of the Transferee / ultimate beneficiary / trustees, the number and class of Securities involved and attaching: (i) a completed and duly executed Deed of Adherence from such a transferee, and (ii) copies of all Approvals, consents and filings required to be obtained / filed under these Articles or Applicable Laws, if any. The Company shall after the expiry of the aforesaid 30 (thirty) day period and upon being presented with the relevant documents required as per Applicable Laws, register / take on record such a Transfer of Securities.

7.1.4 The Promoters shall not create any Encumbrance on the Securities held by them in the Company, from time to time, whether directly or indirectly by creating an Encumbrance on the shares and securities of Promoter III or any Affiliates that are holding Securities in the Company from time to time, without the prior written consent of the Investors.

7.1.5 Notwithstanding anything else contained herein the Promoters shall not, without the Investor's prior written consent, take any action, which has the effect of undermining the underlying beneficial interest in the Share Capital of the Company and, or, obligations of the Promoters under these Articles. The Company and Promoters shall undertake all acts, deeds and omissions to prevent Transfer of any Securities in violation, breach of or non-compliance with the provisions of this Article, and all such Transfers shall be null and *void ab initio*. Notwithstanding the generality of the foregoing, the Company shall refuse to register any Transfer or other disposition of Securities purported to be made by any Promoter or any other Shareholder in breach of any of the provisions herein contained. The Shareholders and the Company shall cause their nominees on the Board to cast their votes in such a manner as to ensure that the Company registers all Transfers made in accordance with these Articles, and refuses to register a Transfer that is not in accordance with these Articles.

## 7.2 **Affiliate Transfers by Investors and restrictions on Transfer.**

7.2.1 Notwithstanding the restrictions set forth in this Article 7, each of the Investors may Transfer Securities held by it to its Affiliates (each a **"Permitted Investor Transferee"**) provided such Permitted Investor Transferee executes the Deed of Adherence prior to such Transfer. At least 30 (thirty) days prior to the permitted Transfer under this Article, the Investors shall send a notice to the other Shareholders and the Company stating the date on which the intended Transfer is to occur, the name and other relevant details of the Permitted Investor Transferee, the number and class of Securities involved and attaching: (i) a completed and duly executed Deed of Adherence and (ii) copies of all Approvals, consents and filings required to be obtained / filed under these Articles or Applicable Laws, if any. The Company shall after the expiry of the aforesaid 30 (thirty) day period and upon being presented with relevant documents required as per Applicable Laws, register / take on record such a Transfer of Securities to a Permitted Investor Transferee.

7.2.2 Until the occurrence of an Exit Trigger Event the Investors (i) shall only be entitled to Transfer any and, or, all the Securities held by them subject to the right of first offer as set out in Article 7.3; and (ii) shall not Transfer any of the Securities held by the Investors from time to time to a Person (including an Affiliate of such a Person) engaged in a Conflicting Business, without the prior written consent of the Promoters.

## 7.3 **Right of First Offer.**

7.3.1 Subject always to Articles 7.1 and 7.2, if any Shareholder (for clarity, including the Promoters and Investors) proposes to Transfer any Securities in the Company, either directly or indirectly, to any Person (including a Third Party, Shareholder or another Party), then the other Party(s), i.e., either of the Investors or Promoters as the case may be, shall have a right of first offer in respect of such Transfer. It is clarified that, notwithstanding anything to the contrary contained in this Article, in case a Promoter is a Transferring Shareholder then none of its Affiliates and the other Promoters and their respective Affiliates shall be treated as ROFO Eligible Shareholders and such Persons shall not be entitled to exercise the right of first offer vested in terms of this Article. It is clarified that, notwithstanding anything to the contrary contained in this Article, in case one of the Investors is a Transferring Shareholder then none of its Affiliates shall be treated as ROFO Eligible Shareholders and such Persons shall not be entitled to exercise the right of first offers vested in terms of this Article. The process to be followed for the exercise of the right of first offer is set out in this Article.



7.3.2 A Shareholder proposing to Transfer any Securities ("**Transferring Shareholder**") to any Person (including a Third Party, Shareholder or another Party), shall first give a written notice (hereinafter referred to as "**ROFO Notice**") to all the other Shareholders (hereinafter referred to as the "**ROFO Eligible Shareholders**") specifying the number of Securities proposed to be Transferred (hereinafter referred to as the "**Transfer Securities**") and the number and class of Securities the Transferring Shareholder owns at that time on a Fully Diluted Basis.

7.3.3 Within a period of 30 (thirty) days from the date of receipt of the ROFO Notice ("**ROFO Period**"), each ROFO Eligible Shareholder shall have the option to either:

- (i) serve a written notice on the Transferring Shareholder ("**Indication of Interest**") indicating whether they wish to purchase all, but not less than all, of the Transfer Securities and the price ("**Offer Price**") at which they are offering to purchase the Transfer Securities on a delivery against cash basis; or
- (ii) serve a notice on the Transferring Shareholder stating that they are not offering to purchase the Transfer Securities in full ("**Indication of Non Acceptance**").

Provided that if the ROFO Eligible Shareholders fail to deliver the Indication of Interest within the ROFO Period, they shall be deemed on the last day of such period to have served an Indication of Non Acceptance on the Transferring Shareholder.

7.3.4 If the ROFO Eligible Shareholders have delivered an Indication of Interest that contains an offer to purchase the Transfer Securities (including the Offer Price) and the Transferring Shareholder finds the Offer Price (as set forth in the Indication of Interest) acceptable, the Transferring Shareholder shall within 15 (fifteen) days from the date of receipt of the Indication of Interest ("**ROFO Response Period**") issue a notice ("**ROFO Acceptance Notice**") to the concerned ROFO Eligible Shareholder indicating its willingness to sell the Transfer Securities to the ROFO Eligible Shareholder who has provided the Indication of Interest. If more than 1 (one) ROFO Eligible Shareholder has provided an Indication of Interest, at the same Offer Price, the Transferring Shareholder shall issue a ROFO Acceptance Notice to each such ROFO Eligible Shareholder in regard to Transfer Securities proportionate to the *inter se* shareholding calculated on Fully Diluted Basis, of such ROFO Eligible Shareholders.

7.3.5 Pursuant to delivery of the ROFO Acceptance Notice to the ROFO Eligible Shareholder(s), the completion of Transfer of the Transfer Securities to the concerned ROFO Eligible Shareholder(s) shall be effected within a period of 60 (sixty) days from the date of delivery of the ROFO Acceptance Notice to the ROFO Eligible Shareholders ("**ROFO Transfer Period**"). If more than 1 (one) ROFO Eligible Shareholder has been issued a ROFO Acceptance Notice, in terms of Article 7.3.4, the Transfer Securities shall be Transferred to the ROFO Eligible Shareholders in the proportion determined on the basis of their *inter se* shareholding calculated on Fully Diluted Basis and as specified in the respective ROFO Acceptance Notice.

7.3.6 If completion of the sale and Transfer of Transfer Securities to the concerned ROFO Eligible Shareholder does not take place within the ROFO Transfer Period, the provisions of Article 7.3 shall once again apply to the Transfer Securities.

7.3.7 Where any ROFO Eligible Shareholder requires prior legal, governmental, regulatory or its shareholders' consent for acquiring the Transfer Securities pursuant to these Articles, then, notwithstanding any other provision of these Articles, such ROFO Eligible Shareholder shall only be obliged to acquire the Transfer Securities once such consent or Approval is obtained,

and the ROFO Transfer Period shall automatically stand extended beyond the aforesaid 60 (sixty) day period. The Shareholders and the Company shall use their reasonable endeavours to obtain any such required Approvals.

- 7.3.8 Upon occurrence of an Exit Trigger Event, notwithstanding anything to the contrary contained in this Article and other provisions of these Articles, the Investors shall not be obligated to provide a right of first offer to the Promoters or any other Person in terms of this Article and the Investors shall be free to Transfer the Securities held by them in the Company to any Person as they may deem fit.

**7.4 Tag Along Right of the Investor.**

- 7.4.1 Subject to Article 7.4.2, if no ROFO Acceptance Notice is issued by the Transferring Shareholder within the ROFO Response Period or if the ROFO Eligible Shareholder delivers or is deemed to have delivered an Indication of Non Acceptance on the Transferring Shareholder under Article 7.3, the Transferring Shareholder shall be permitted to Transfer the Transfer Securities to any Person at a price equal to or higher than the Offer Price within a period of 90 (ninety) days from the expiry of the ROFO Period, failing which any subsequent Transfer of the Transfer Securities shall again be subject to the provisions of Article 7.3.

- 7.4.2 In case the Transferring Shareholder is a Promoter ("**Transferring Promoter**") and such a Transferring Promoter has identified a Person for sale and Transfer of the Transfer Securities then such a Transferring Promoter shall simultaneous with the ROFO Notice, issue a written notice to each of the Investors ("**Tag Request Notice**") requesting it to confirm if it wishes to exercise its right under this Article ("**Tag Right**") to sell in proportion to their Shareholding Percentage in the Company except in case the Transfer by the Transferring Promoter results in a change in Control in which case the Investor can sell up to all the Securities held by such Investor, in the proposed Transfer by the Transferring Promoter at the same price per Security (which shall not be less than the Offer Price) and on the same terms on which the Transferring Promoter proposes to Transfer the Transfer Securities. The Tag Request Notice shall clearly state the details of the proposed transferee, the price per Transfer Security (which shall not be less than the Offer Price) and the other relevant terms and conditions on which the Transferring Promoter proposes to Transfer the Transfer Securities.

- 7.4.3 Unless an Investor has responded with a ROFO Acceptance Notice, if an Investor desires to exercise its Tag Right, it shall within, 30 (thirty) days following receipt of the Tag Request Notice ("**Tag Response Period**") exercise its Tag Right by giving the Transferring Promoter a written notice ("**Tag Exercise Notice**") to that effect, specifying the number of Securities held by it with respect to which it has elected to exercise its Tag Right ("**Tag Securities**") and upon giving such Tag Exercise Notice, each Investor shall be deemed to have effectively exercised its Tag Right.

- 7.4.4 In the event an Investor decides to exercise the Tag Right, the Transferring Promoter shall cause the proposed transferee to purchase from the relevant Investor, the Tag Securities at the same price per Security at which the Transfer Securities are being purchased from the Transferring Promoter. The relevant Investor shall not be required to make any representation, provide any covenants or undertakings, grant any indemnifications or incur any obligations to the proposed transferee or any other Person (other than representations and indemnities on the clear title of the Tag Securities, or relating to authority to effect such transfer or Tax related representations relating to the sale of the Tag Securities held by such an Investor). The Transferring Promoter shall ensure that all of the terms of the proposed Transfer offered by the proposed transferee are also offered to the Investors exercising their respective Tag Right for the same consideration.

7.4.5 If for any reason, the proposed transferee acquiring the Transfer Securities hereunder is unable to or refuses to acquire the Tag Securities in respect of which an Investor has exercised its Tag Right (or any part thereof) within 90 (ninety) days from the expiry of the ROFO Period (or such other period as may be agreed in writing between the Investors, Transferring Promoter and proposed transferee), then the Transferring Promoter shall not be entitled to Transfer any of the Transfer Securities held by it to such a proposed transferee, and the provisions of Articles 7.3 and 7.4 shall once again apply to the Transfer Securities.

#### 7.5 Void Transfers.

The Shareholders shall not, make a sale or Transfer of their shareholding other than in the manner as set out in Article 7.1 to Article 7.4 and if purported to be made, such sale or Transfer shall be *void ab initio* and shall not be binding on the Company and shall be deemed to be a material breach of the terms of these Articles. Additionally, all such sales or Transfers shall be subject to the transferee, whether an Affiliate of the Promoter or Investors or a Third Party, executing the Deed of Adherence.

#### 7.6 Investor Securities.

Subject to Article 7.2, 7.3 and 7.5, all Securities of the Company acquired or held by each of the Investors from time to time and rights of the Investors attached thereto or detailed hereunder shall be freely transferable and assignable by the Investors and their successors in interest to their Affiliates and to Third Parties and such Affiliates or Third Parties shall be subject to the conditions and restrictions on the relevant Investors under these Articles. Notwithstanding anything to the contrary contained in these Articles, upon occurrence of an Exit Trigger Event, the restrictions / conditions set out in Article 7.3 shall fall away insofar as the Investors are concerned and the Investors shall not be obligated to provide a right of first offer to the Promoters or any other Person in terms of Article 7.3 and each Investor shall be free to Transfer the Securities held by them in the Company to any Person as it may deem fit.

### 8. EXIT RIGHTS

#### 8.1 IPO.

8.1.1 The Company shall, and the Promoters shall ensure that the Company shall, consummate an IPO involving all of the Securities held by the Investors in the Company at any time after 36 (thirty six months) but in any event before 48 (forty eight) months from the Restated Articles Effective Date. For the purposes of these Articles, an "IPO" means a firm underwritten initial public offering of the Equity Shares or such other Securities (including depository receipts) as may be agreed to by the Investors in writing, either domestic or overseas, of the Company and consequent listing of the Securities of the Company on domestic or internationally recognised stock exchanges, either:

- (i) through a public issue of fresh Securities, or
- (ii) an offer of existing Securities by some or all the Shareholders (an "Offer of Existing Securities"); or
- (iii) a combination of (i) and (ii).

Provided that the Shareholders and the Company may mutually agree in good faith to extend the aforementioned time periods on account of any delays attributable to regulatory requirements under Applicable Laws.



8.1.2 The Board shall decide on the following matters:

- (i) the price, and other terms and conditions of the IPO;
- (ii) the timing of the IPO;
- (iii) the stock exchanges on which the Securities are to be listed;
- (iv) the firm of independent merchant banker(s), manager(s), arranger(s) of the IPO, who shall advise the Company on matters relating to such IPO, including but not limited to matters set out under (i) and (ii) above; and
- (v) any other matters related to the IPO,

with the consent of the Investors in the manner stated under Article 6 in respect of each of the aforementioned matters, and subject to such statutory guidelines as may be in force.

8.1.3 In the event of the IPO which entails an Offer of Existing Securities, each Investor shall have the right (but not the obligation) to offer any or all of its Securities for sale in the IPO, in priority to any other Shareholders of the Company, including the Promoters. In the event that further Securities are required to be offered by way of such Offer of Existing Securities under Applicable Laws, or if the Investors do not offer sufficient Securities as are required to be offered in terms of Applicable Laws, the Investors and Promoters shall offer such number of Securities that are in proportion to their Shareholding Percentage.

8.1.4 The Promoters shall vote in favour of and to do all acts and deeds necessary for effecting the IPO. In the event of an IPO, the Promoters shall offer such number of their Securities for a lock-in as may be required to meet the minimum promoter contribution or similar lock-in requirements under Applicable Laws. The Investors shall not be required to call themselves, and the Company shall not refer to any of the Investors as "founder" or "promoter" in the offer documents, nor shall be required to offer any of the Securities held by the Investors for such lock-in.

8.1.5 All fees and expenses (including payment of all costs relating to the listing and sponsorship, underwriting fees, listing fees, merchant bankers fees, bankers fees, brokerage, commission, reasonable legal fees of the Investors and any other costs that may be incurred due to the changes to Applicable Laws for the time being in force) required to be paid in respect of the IPO, shall be borne and paid by the Company and all intermediaries, agents and managers shall be appointed by the Company in consultation with the Investors.

8.1.6 The Company shall indemnify the Investors to the maximum extent permitted under Applicable Laws, against any loss, claim, damage, liability (including reasonable attorneys' fees), cost or expense arising out of or relating to any misstatements and omissions of the Company in any registration statement, offering document or preliminary offering document, and like violations of Applicable Laws by the Company or any other error or omission of the Company in connection with a public offering hereunder, other than with respect to information provided by the Investors, in writing, expressly for inclusion therein.

**8.2 Exit Trade Sale.**

8.2.1 The Company shall, and the Promoters shall ensure that the Company shall, consummate an Exit Trade Sale involving all of the Securities held by the Investors in the Company at any time after the date that is 48 (forty eight) months from the Restated Articles Effective Date in the event that the IPO is not consummated by such date.

Provided that the Shareholders and the Company may mutually agree in good faith to extend the aforementioned time periods on account of any delays attributable to regulatory requirements under Applicable Laws.

8.2.2 The Board shall, with the consent of the Investors in the manner stated under Article 6, and subject to such statutory guidelines as may be in force, decide on:

- (i) the nature of the Exit Trade Sale;
- (ii) the identity of the purchaser (as applicable);
- (iii) the price or valuation; and
- (iv) all other matters related to the Exit Trade Sale.

8.2.3 Any such Exit Trade Sale shall be subject to the approval of the Investors.

8.2.4 The Promoters and the Investors shall vote in favour of and to do all acts and deeds necessary for effecting the Exit Trade Sale.

8.2.5 All fees and expenses (including *inter alia* payment of all costs relating to merchant bankers fees, bankers fees, brokerage, commission, reasonable legal fees of the Investors and any other costs that may be incurred due to the changes to Applicable Law for the time being in force) required to be paid in respect of the Exit Trade Sale, shall be borne and paid by the Company and all intermediaries, agents and managers shall be appointed by the Company in consultation with the Investors.

### 8.3 Strategic Sale Right of the Investor.

8.3.1 In case the Company does not successfully consummate an IPO in the manner contemplated in Article 8.1 before the expiry of 48 (forty eight) months from the Restated Articles Effective Date and, or if the Exit Trade Sale is not consummated within 54 (fifty four) months from the Restated Articles Effective Date, in each case for any reason whatsoever including due to the Investors not approving the IPO and, or, the Exit Trade Sale in terms of Article 6 ("Exit Trigger Event"), then the Investors shall have the right, but not an obligation, exercisable jointly in accordance with this Article to sell the Securities held by such Investors in the Company to any Person ("Strategic Transferee") and to require all or any of the Promoters to immediately sell all or any part of their respective Securities to the Strategic Transferee on terms and conditions, no less favourable to the Promoters than those offered to the Investors by the Strategic Transferee ("Strategic Sale Right"). The Promoters irrevocably grant the Investors an option to exercise the aforesaid Strategic Sale Right and to negotiate the terms and conditions for sale of the Strategic Sale Securities to the Strategic Transferee, including the price at which the Strategic Sale Securities shall be purchased by such a Strategic Transferee. Provided that pursuant to exercise of such Strategic Sale Right, the Investors should have divested all the Securities held by them in the Company.

8.3.2 In the event the Investors elect to exercise their Strategic Sale Right, they shall deliver a written notice of such election to the Promoters (a "Strategic Sale Exercise Notice"). The Strategic Sale Exercise Notice shall specify: (i) the name and address and identity of the Strategic Transferee, (ii) the number of Securities that the Promoters shall be required to sell to the Strategic Transferee ("Strategic Sale Securities"), and (iii) the amount in cash of the proposed consideration for such sale. The Strategic Sale Exercise Notice shall be irrevocable and shall constitute a binding agreement by the Promoters to sell and Transfer the Strategic Sale Securities to the Strategic Transferee without the requirement of any further acceptance or acknowledgement of the Strategic Sale Exercise Notice by the Promoters.



- 8.3.3 Within 30 (thirty) days of the receipt of the Strategic Sale Exercise Notice or such other date as may be specified in the Strategic Sale Exercise Notice ("**Strategic Sale Closing Date**"), the Promoters shall take all steps necessary to give effect to the provisions of this Article and to the Strategic Sale Right of the Investors. The Company and the Promoters shall take all necessary and desirable actions in connection with the consummation of the transactions contemplated in this Article, including passing of all necessary resolutions and obtaining all necessary consents to give effect to the Strategic Sale Right, the timely execution and delivery of such agreements and instruments and other actions reasonably necessary to cooperate with the Strategic Transferee, to provide such access and information as may be requested by the Strategic Transferee, participate in meetings with the Strategic Transferee, permit the Strategic Transferee to conduct a due diligence on the Company, and to provide the representations, warranties, indemnities, covenants, and other provisions and agreements customary to such sale. The Shareholders and the Company agree and acknowledge that the Investors shall not be required to make any representations and, or, provide indemnities in connection with the Securities that are transferred by the Promoters to the Strategic Transferee.
- 8.3.4 The closing of any purchase of the Strategic Sale Securities by the Strategic Transferee from the Promoters shall take place on the Strategic Sale Closing Date and simultaneous with the closing of the purchase of Securities by the Strategic Transferee from the Investors. On the Strategic Sale Closing Date, the Promoters shall deliver all documents and instruments as may be required in accordance with the Applicable Laws to effect a Transfer of the Strategic Sale Securities free from and clear of any or all Encumbrances, including duly executed transfer instructions to the relevant depository participant, as applicable. The Strategic Sale Securities that are to be sold pursuant to the Strategic Sale Right shall be free and clear of any Encumbrance.
- 8.3.5 The Strategic Transferee purchasing the Strategic Sale Securities shall make payment in full for the Strategic Sale Securities to the relevant bank accounts of the Promoters, the details of which shall be intimated in writing by the Promoters to the Investors. On the Strategic Sale Closing Date, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale and transfer of the Securities held by the Investors and the Strategic Sale Securities to the Strategic Sale Transferee.
- 8.3.6 If the Promoters do not, on the Strategic Sale Closing Date provide duly executed transfer instructions in accordance with the requirements of Applicable Laws to the relevant depository participant, in regard to all the Strategic Sale Securities, the Promoters shall be deemed to have irrevocably authorized any Person nominated by the Investors to be the Promoters' agent and attorney to execute all necessary sale and Transfer(s) documents on their behalf and against receipt by the Company (on trust for the Promoters) and in accordance with the requirements of this Article and deliver such documents to the Strategic Transferee and the Directors shall forthwith register the Strategic Transferee as the holder thereof. After the Strategic Transferee has been registered as the holder, the validity of such proceedings shall not be questioned by the Promoters or any Person.
- 8.3.7 On the Strategic Sale Closing Date, the Investors shall cause each of the Directors nominated by them to resign from the Board, and the Promoters shall cause such number of Directors nominated by them to resign from the Board, such that the Strategic Sale Transferee gets the right to nominate a majority of Directors on the Board with immediate effect. Provided that, if required by the Strategic Transferee, the Promoters shall ensure that Promoter I is retained in his present position in the management of the Company for a reasonable transition period as determined by such Strategic Transferee pursuant to such Strategic Sale.

8.3.8 If the Strategic Transferee refuses to consummate the transaction contemplated by this Article, then the Investors and the Promoters shall not have any liability whatsoever in regard to such a Strategic Transferee, and such failure shall not preclude the right of the Investors to exercise their Strategic Sale Right at a future date.

8.3.9 Upon occurrence of an Exit Trigger Event, without prejudice to the right of the Investors to explore options to exercise their Strategic Sale Right, the Promoters shall have the obligation to identify prospective Strategic Transferee(s) and procure non-binding offers from such Persons and present it to the Investors to facilitate the Strategic Sale Right of the Investors. The Investors shall have the sole discretion to accept or reject such offers procured by the Promoters and if the Investors reject any of the offers procured by the Promoters then the obligation of the Promoters to continue to explore and identify other Strategic Transferee(s) shall continue and shall not fall away or stand diluted in any manner.

8.4 Notwithstanding anything to the contrary contained herein, any exit provided to the Investor pursuant to this Article 8 that entails sale of the Securities held by the Investor should necessarily require payment of consideration for such Securities in cash, unless otherwise agreed by the Investors in writing.

## **9. INFORMATION RIGHTS AND INSPECTION**

### **9.1 Information Rights.**

9.1.1 So long as the Investors, along with their Affiliates, holds any Securities in the Company, the Company shall provide to the Investors and Permitted Recipients:

- (i) monthly information statements in a format prescribed by the Investors pursuant to discussions with the Promoters, containing such information as is required to understand the business (including details of significant events impacting or expected to impact the Company), by not later than 20 (twenty) days following the end of the month to which they relate;
- (ii) un-audited quarterly financial statements, within 30 (thirty) days from the end of the period to which they relate, duly certified by the managing director and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (iii) un-audited half-yearly financial statements, within 45 (forty five) days from the end of the period to which they relate, duly certified by the managing director and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (iv) annual audited financial statements, within 90 (ninety) days from the end of the period to which they relate, duly certified by the Promoters and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (v) a copy of the auditors' report, within 120 (one hundred and twenty) days from the end of the period to which it relates;
- (vi) minutes of all Board Meetings, Shareholders Meetings and any meetings of the Committees, as soon as practicable, and in any case within 15 (fifteen) days of the date of the relevant meeting; and
- (vii) projection of any debt and equity requirements for each of the next (two) financial quarters, as soon as practicable.

9.1.2 The Financial Statements delivered under this Article 9.1 shall at least include a balance sheet, a statement of profit or loss, and a statement of cash flows for the relevant period and shall be prepared in English in accordance with Accounting Standards consistently applied with past practice for prior periods.

9.1.3 All information and documents to be provided by the Company under this Article 9.1 shall be prepared and provided in English.

## 9.2 **Right of Inspection.**

9.2.1 So long as the Investors, along with their Affiliates, holds any Securities in the Company, the Investors shall, by giving a notice of at least 7 (seven) days, be entitled to carry out inspection of site, stores, accounts, documents, records, premises, and equipment and all other Assets of the Company during normal working hours through its authorized representatives and, or, agents at its own cost, and the Company shall use reasonable efforts to provide such information, data, documents, evidence as may be required for the purpose of and in the course of such inspection in connection therewith. The Investors shall have the right to make copies of, all books of account, records, including the corporate and the financial records, audited accounts and management accounts. The Company shall provide all possible assistance to the Investors or their respective authorised representatives (including legal advisors, accountants and other professional advisors) in this regard. In the event that any concerns are raised pursuant to such inspection and audit, the Company shall address and resolve such concerns promptly to the satisfaction of the relevant Party. The Investors shall also be entitled to consult and discuss matters concerning the Company or its business with the Directors, Key Managerial Personnel, employees, statutory auditors, accounting advisors and legal advisers of the Company. It shall be the responsibility of the Promoters to ensure that the obligations under this Article 9.2 are given full effect. The reasonable costs of any such inspection including appointment of any auditors for this purpose shall be borne by the Company.

9.2.2 The Investors shall be entitled to standard information, inspection and visitation rights, in compliance with the requirements of Applicable Laws.

All inspection, auditing or other activities conducted by a Shareholder, pursuant to this Article 9.2 shall be conducted in a manner so as not to interfere unreasonably with the conduct of the business of the Company.

## 10. **OTHER COVENANTS**

### 10.1 **Protective Covenant.**

10.1.1 The Promoters agree that they shall not, and shall ensure that their Affiliates and Associates do not (except, where relevant, through the Company and its Subsidiaries), directly or indirectly,:

- (i) set up, solicit business on behalf of, render any services to, engage in, guarantee any obligations of, extend credit to or have any ownership interests, in any Conflicting Business. For the purposes of these Articles, "Conflicting Business" means the business of providing facilities management services, production support services, staffing solutions and other business support services that, directly competes with the business of the Company as carried on from time to time;
- (ii) assume any Role in any Person engaged in, or proposed to be engaged in, any Conflicting Business;



- (iii) solicit and render services to or for, or accept from, anyone who is a client or customer of the Company (whether present or future), any Conflicting Business, or persuade or attempt in any manner to persuade any client or customer of the Company to cease to do business or to reduce the amount of business which any such client or customer has customarily done or is reasonably expected to do with the Company;
- (iv) interfere or seek to interfere or take such steps as may interfere with the continuance of supplies to the Company (or the terms relating to such supplies) from any suppliers who have been supplying goods or services to the Company; and
- (v) employ as an employee or retain as a consultant any Person (including an individual, firm, corporation or other form of entity) who is then, or at any time during the 6 (six) month period prior to the date of the purported solicitation, was an employee of, or exclusive consultant to the Company, or persuade or attempt to persuade any employee of, or exclusive consultant to, the Company, to leave the employment of the Company or to become employed as an employee or retained as a consultant by any other Person.

10.1.2 Notwithstanding anything to the contrary agreed in writing between the Shareholders and the Company, and without prejudice to restrictions contained in Article 10.1.1, the Promoters shall not, individually or together, at any time, have any Role or have any interest, directly or indirectly, in any Persons / businesses, irrespective of the nature of the business / operations ("Interested Entities") which is not in compliance with this Article 10.1. The Interested Entities are set forth in Article 10.1.3. As and when a Promoter acquires / assumes any Role / interest in any new Person / business, the relevant Promoter shall issue a written intimation to the Investors and upon a Promoter acquiring / assuming such a Role / interest in the manner aforesaid, the relevant Person / Business shall be treated as an Interested Entity for the purposes of these Articles. Further, each Promoter shall, as and when it ceases to have any Role / interest in any Interested Entity issue a written intimation to the Investors as soon as practicable. As and when a Promoter acquires / assumes any additional Role / interest or enhancing its shareholding or interest in any Interested Entity, the relevant Promoter shall issue a written intimation to the Investors.

10.1.3 The details of Interested Entities are as follows:

<i>S.No</i>	<i>Name of Interested Entity</i>	<i>Nature and Extent of Interest</i>
1.	Tangirala Infrastructure Development Private Limited	(i) director; (ii) shareholder – legally and beneficially holding 50% (fifty per cent.) of the share capital
2.	Best Security Services Private Limited	(i) director; (ii) shareholder – legally and beneficially holding 50% (fifty per cent.) of the share capital
3.	Tangi Facility Solutions Private Limited	(i) director; (ii) shareholder – legally and beneficially holding 99% (ninety nine per cent.) of the share capital

10.1.4 Notwithstanding anything to the contrary contained herein, the restrictions contained in this Article 10 shall not be circumvented by the Promoters indirectly including through its Affiliates, Associates or any other Person.

10.1.5 The restrictions contained in Article 10.1.1 shall not apply to any financial / passive investments made by the Promoters subject to the Promoters having sought the prior written consent of the Investor for any investment exceeding INR 25,00,00,000 (Indian Rupees twenty five crores). Provided that for any financial / passive investment made by the Promoters not exceeding INR 25,00,00,000 (Indian Rupees twenty five crores), the Promoters shall intimate the Investors immediately after having made such investment.

10.1.6 The Shareholders and the Company acknowledge that (i) the type and periods of restriction imposed in the provisions of this Article 10.1 are fair and reasonable and are reasonably required in order to protect and maintain the legitimate business interests and the goodwill associated with the business carried on by the Company; and (ii) the time, scope and other provisions of this Article 10.1 have been specifically negotiated by parties and have been agreed to, in light of the investments made by the Investors in the Company, either directly or indirectly.

10.1.7 If any of the restraints contained in this Article 10.1 or any part thereof, is held to be unenforceable in a jurisdiction by reason of it extending for too great a period of time, or by reason of it being too extensive in any other respect, the Shareholders and the Company agree for only that particular jurisdiction that (i) such restraint shall be interpreted to extend only over the maximum period of time, geographic area or extent to which it may be enforceable, as determined by the court or arbitration panel making such determination, and (ii) in its reduced form, such restraint shall then be enforceable. Each of the restraints and agreements contained in this Article 10.1 (collectively, the "Protective Covenants") is separate, distinct, and severable.

10.1.8 The unenforceability of any portion of the Protective Covenant shall not affect the validity or enforceability of any other portion of the Protective Covenant or any other provision or provisions of these Articles.

10.1.9 The Promoters undertake that:

- (i) Promoter I shall devote all of his time, energy and efforts to the activities of Company and the promotion of the Business.
- (ii) except with the prior written consent of the Investors, all new projects and businesses relating to the Conflicting Business, shall only be undertaken by the Company, and not through any other Affiliates or Associates of any of the Promoters or the Company or through the Relatives of Promoter I and Promoter II. Provided that the security business that is currently being carried on through Best Security Services Private Limited can be carried on by such an entity subject to the preceding portion of this Article 10.1.9(ii).
- (iii) all opportunities for new projects and businesses relating to the Conflicting Business that are developed or sourced by, or offered to, the Promoters shall be referred exclusively to the Company.

## 10.2 Conduct of Business.

10.2.1 The Company and the Promoters shall cause the Company, Promoters and their respective Affiliates (present or future) to agree and undertake, that:

- (i) the Company and its Subsidiaries shall devise and implement appropriate mechanisms and reporting systems to ensure:
  - (a) compliance with all Applicable Laws and Accounting Standards, including requisite corporate governance practices; and
  - (b) that all agreements, dealings and arrangements with any of the Shareholders, their Affiliates or other Related Parties and other transactions with a Related Party are on an arm's length basis with full disclosures to the Board;
- (ii) the Company and its Subsidiaries shall conduct its business in accordance with all Applicable Laws, terms and conditions of the agreed in writing between the Shareholders and the Company, these Articles and the Business Plan;
- (iii) they and, or, their Affiliates shall not engage, by themselves directly or by authorizing any Person to do so, in any offering, giving, receiving, or soliciting, any money, gifts, gratifications or any other thing of value to any Government Official or any other Person, that will amount to a violation of the U.S. Foreign Corrupt Practices Act; 15 U.S.C. §78dd-1, et seq. as amended (the "FCPA"), and the Prevention of Money Laundering Act, 2002 ("PMLA") and other equivalent laws applicable to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, notwithstanding the applicability or non-applicability of the FCPA and, or, the PMLA to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, in relation to such conduct;
- (iv) they shall not and further undertake to ensure that their respective directors, officers, representatives, employees, advisors and agents do not, make any offer, payment, promise to pay or authorise the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any government official (including without limitation, any tax or customs official, any employee of a government owned or controlled company, or of a public international organization, or any person acting in an official capacity on behalf of a government, government owned or controlled company, or public international organization), or to any arbitration tribunal, or to any political party or an employee of any political party, domestic or foreign (or official thereof) ("**Government Official**") or to any other Person who was or is in a position to help or hinder the business of the Company, the Promoter and, or, their respective Affiliates: (a) with the intent or purpose of influencing such Government Official or other Person in his official capacity, inducing such Government Official to do or omit to do any act in violation of the lawful duty of such official, or securing any improper advantage; (b) inducing such Government Official to use his influence with a government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality; (c) that would cause the Company, the Promoters and, or, their respective Affiliates and their respective directors, and employees to violate or be in violation of any applicable laws (including without limitation the FCPA, as amended from time to time, notwithstanding the applicability of the FCPA and, or, the PMLA to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, in relation to such conduct) or subject it or them to damages or penalties in a civil or criminal proceeding; or (d) that could reasonably be expected to have a Material Adverse Effect, if not discontinued;



- (v) the Company, the Promoters and their respective Affiliates shall comply with the FCPA policy, as adopted by the Board, effective from the Restated Articles Effective Date;
- (vi) each of the Company, the Promoters and their respective Affiliates are: (a) not currently identified on the Specially Designated Nationals and Blocked Persons List maintained by the U.S. Office of Foreign Assets Control, Department of the Treasury ("OFAC") and, or, on any other similar list maintained by OFAC or any other U.S. governmental agency pursuant to any authorising statute, Order or regulation, and (b) not a person or entity with whom a citizen of the United States of America is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States law, regulation, or order of the President of the United States of America;
- (vii) they and their Affiliates and their respective directors, officers, representatives, employees, advisors and agents have not provided or collected funds with the intention that they be used, or in the knowledge that they are to be used, in order to carry out terrorist acts or support any terrorist organization;
- (viii) the Company, the Promoters and their respective Affiliates (as applicable) shall issue to the Investors, a certificate on an annual basis, in a form and substance satisfactory to Investor II, certifying compliance with the provisions of this Article 10.2; and
- (ix) the Company, its Subsidiaries and Promoter III shall adopt at the meetings of their respective Board of Directors and implement all compliance related policies and procedures in relation to matters set out in this Article, as the Investors may deem necessary from time to time.

#### 10.2.2 The Company and the Promoters shall:

- (i) cause the Company, the Promoters and their respective Affiliates and each of their respective officers, directors and employees (individually and collectively, a "Company Representative") to: (a) engage only in lawful practices in commercial operations and in relation to Governmental Authorities or Government Official; (b) not make any bribe, rebate, payoff, influence payment, or any other payment that would be unlawful under any applicable Anti-Corruption Legislation and Anti-Corruption Guidelines as agreed in writing between the Shareholders and the Company;
- (ii) not engage in (or authorize or permit any of their Affiliates or any other Person acting on its behalf to engage in), any Sanctionable Practice with respect to any transaction as agreed in writing between the Shareholders and the Company or otherwise;
- (iii) not make or hold any investments in any entity that (a) is sanctioned pursuant to United Nations Security Council resolutions issued under Chapter VII of the United Nations Charter; (b) is on the World Bank Listing of Ineligible Firms and Individuals or (c) has been convicted, indicted or subjected to any similar criminal sanction, by any court or governmental body of competent jurisdiction, for engaging in money laundering or financing of terrorism or any Sanctionable Practice;
- (iv) upon being notified by the Investors of their concern that there has been a violation of the Articles 10.2.2(i) to (iii), the United Nations Security Council Resolutions, and, or, any Sanctionable Practices in relation to the foregoing, the Company shall cooperate in good faith with the Investors and its representatives in determining



whether such a violation has occurred, and shall respond promptly and in reasonable detail to any notice from the Investors, and shall furnish documentary support for such response upon such request;

- (v) (the Promoters) not Transfer, and the Company shall not permit the Transfer of, any of their interests in the Company to any person or entities (a) named on lists promulgated from time to time by the United Nations Security Council or its committees pursuant to any resolution issued under Chapter VII of the United Nations Charter; (b) named on the World Bank Listing of Ineligible Firms and Individuals (see [www.worldbank.org/debarr](http://www.worldbank.org/debarr) or any successor website or location); and, or, (c) convicted, or subjected to any similar criminal sanction, by any court or governmental body of competent jurisdiction, for engaging in money laundering or financing of terrorism or any Sanctionable Practice, or in each case, to any successor in interest or ultimate beneficial owner thereof; and
- (vi) on becoming aware of any violation of the Integrity Requirements, they shall promptly notify the Investors.

### **10.3 Distribution of Profits.**

The Board shall determine the amount and the time of distribution of dividends in accordance with the Dividend Policy. The Shareholders and the Company agree that the profits of the Company, as and when distributed, shall be distributed to the Shareholders as per their Shareholding Percentage.

### **10.4 Key Managerial Personnel.**

10.4.1 Key Managerial Personnel shall be appointed by the Board from time to time in accordance with the requirements of Applicable Laws and the Company shall ensure that the position of chief executive officer, chief financial officer/ vice-president (finance) and business development head of the Company is not vacant for longer than a period of 60 (sixty) days at any point in time. The Persons including the Key Managerial Personnel so appointed by the Board from time to time including Mr. Raghunandana Tangirala, along with the executive directors of the Company, if any, shall hereinafter be referred to as the "Management".

10.4.2 The Management shall be responsible for the day-to-day management of the Company and shall directly report to the Board. The Management shall operate within the authority specifically approved and granted by the Board and shall exercise such powers as may be delegated to them by the Board subject to its overall control, direction and supervision. The Management shall report to the Board in such manner as may be determined by the Board from time to time.

10.4.3 Any decision in regard to the appointment or termination, or change in the terms of appointment of any Key Managerial Personnel and, or member of the Management shall be subject to Article 6 .

### **10.5 Auditors and Accounting.**

10.5.1 The Company shall keep true and accurate accounting records of all operations in accordance with Applicable Laws and Accounting Standards, and such records shall be open for inspection by each Party or by its duly authorised representatives at all times during normal business hours and with sufficient notice so as not to disrupt the Company's operations.

10.5.2 The Financial Statements of the Company shall be audited at the Company's expense by the Statutory Auditor.

10.5.3 The accounting records shall be kept at the registered office of the Company or at such other place, in accordance with Applicable Laws, as the Board may deem fit and proper.

**10.6 Indebtedness.**

In the event the Company proposes to incur any Indebtedness, including by borrowing funds from banks and financial institutions, the Investors shall not be asked, or be required to give any warranties, letter of comfort and, or, guarantees, of any nature whatsoever for any loans or with regard to any aspect of the business or functioning of the Company. In relation to any Indebtedness of the Company, the Investors shall not be required to pledge their Securities or provide any support to any Third Party, including but not limited to lenders of the Company.

**10.7 Promoter Status.**

10.7.1 The Investors and, or, their Affiliates shall not be named or deemed as 'promoters' or 'sponsors' of the Company nor shall any declaration or statement be made to this effect, either directly or indirectly, in filings with regulatory or Governmental Authorities, offer documents or otherwise without the prior written consent of the Investors in writing.

10.7.2 The Investors, their officials, employees, nominee directors, managers, representatives or agents shall not be named or deemed as an 'occupier' or 'officer in charge' or 'officer in default' under any Applicable Laws. In the event any Governmental Authority takes a view or draws an inference that the Investors or their Affiliates or their officials, employees, nominee directors, managers, representatives or agents, is a 'sponsor', 'occupier' or 'officer in charge' or 'officer in default', then the Company and the Promoters shall co-operate with the Investors to make such representations and make full disclosures to the Investors or such body or authority as may be required by the Investors to dispel or correct such inference or view under the Applicable Laws.

**10.8 Status of the Company.**

The Company is and shall be maintained as a 'private limited company' (as defined under the 2013 Act) and any conversion or action that would result in conversion of the Company to a public limited company (either directly, by converting Promoter III into a public limited company or otherwise) shall be subject to the prior written consent of the Investor and the terms of these Articles.

**10.9 Tax Covenants.**

The Company and the Promoters shall act in good faith and shall pay all Taxes (direct and indirect), duties, cess, fees or any other amount payable (whether by way of Tax or otherwise), under the Applicable Laws. Further, the Company, and the Promoters shall take all steps to make the necessary Tax filings under the Applicable Laws (including but not limited to the return of income for the relevant Financial Years, withholding Tax returns etc.).

**10.10 Business Plan.**

The Business Plan for each Financial Year shall be discussed and approved by the Board, which approval will require an affirmative vote by the Investors in accordance with Article 6, no later than 30 (thirty) days before the beginning of the relevant Financial Year. The

Promoters and the Company shall take all steps necessary, including the exercise of their rights at Shareholders Meetings and causing their nominee Directors to exercise their rights at Board Meetings, to ensure that the Company carries on its business in accordance with the terms of the Business Plan agreed from time to time.

#### **10.11 Related Party Transactions.**

Any transactions with Related Parties (including investments in, or loans to Related Parties, the formation of Affiliate entities or Subsidiaries) shall be conducted (i) on an arm's-length basis; and (ii) with the consent of the majority disinterested directors and at least one Investor Director. Provided that any Related Party transactions which are in the Ordinary Course and are on an arm's-length basis may be approved by the Board through provision of an omnibus approval subject to consent of the Investor in terms of Article 6.

#### **10.12 Subsidiaries.**

10.12.1 Unless stated otherwise, any and all rights available to the Investors in or with respect to the Company as agreed in writing between the Shareholders and the Company, including, without limitation, the right under Article 6, shall be also available to the Investors in the wholly owned Subsidiaries of the Company, whether such Subsidiaries exist on the Restated Articles Effective Date or not. All obligations of the Promoters hereunder with respect to the Company also apply to the Promoters in respect of such wholly owned Subsidiaries. The Company shall ensure that all of the rights, preferences and privileges of the Investors which are contained in these Articles, including all management principles set out in these Articles, shall be continuously made applicable to each of the present or future wholly owned Subsidiaries of the Company and shall form part of the memorandum and articles of association or other charter documents of such Subsidiaries. The Investors shall have the right to appoint such number of directors on the board of directors of wholly owned Subsidiaries as they are entitled to appoint on the Board and the Promoters and Company shall ensure that the persons nominated by the Investors are appointed as additional directors on the board of directors of the Subsidiaries of the Company within 15 (fifteen) days of written notice by the Investor in this regard.

10.12.2 With respect to Subsidiaries other than wholly owned Subsidiaries of the Company, all rights available to the Investors in or with respect to the Company as agreed in writing between the Shareholders and the Company, including, without limitation, the right under Article 6, shall be exercised by the Board and by seeking specific consent of the Investor Directors, and, or, by the Company and, or, the Promoters voting appropriately at the meetings of the board of directors or shareholders of such Subsidiaries and, or, Associate Companies.

#### **10.13 Most Favoured Right**

The Company shall not, and the Promoters shall procure that the Company and its Subsidiaries shall not, directly or indirectly, or in any manner whatsoever, grant to any Persons (whether in regard to an issue of Securities or otherwise) rights that are superior or more favourable than the rights that have been granted to the Investors under these Articles. Without prejudice to the generality of the above, any rights that are more favourable and, or, superior than the right available to the Investors under these Articles, shall only be granted to any Person in regard to the Company with the prior written consent of the Investors, and such rights shall automatically, without there being any requirement to undertake any further act and, or, omission, be available to the Investors.



#### **10.14 Business Review Meetings**

The Company shall, and the Promoters shall procure that the Company shall, organize, at the Company's cost, business review meetings between the Shareholders and the Company at such regular intervals as may be mutually agreed in writing between the Company, the Promoter and the Investors.

#### **10.15 Fall away of Rights**

In the event the Investors (together with their Affiliates who hold Securities in the Company) hold less than 5% (five per cent.) of the Share Capital on a Fully Diluted Basis due to Transfer of the Securities held by the Investors or dilution of the Shareholding Percentage of the Investors, the rights conferred on the Investors pursuant to Articles 3.2 (*Fresh Issue of Securities*), 3.3 (*Anti-Dilution*), 4 (*Board and Board Meeting*), 5.1.2 (*Notice*), 5.1.3 (*Quorum*) 6 (*Affirmative Vote Matters*), 7.1 (*Restriction on Transfer of Promoter Securities*), 8 (*Exit Rights*) of these Articles shall cease (save and except as otherwise agreed in writing by the Shareholders and the Company). Notwithstanding the above, all other rights available to the Investors under these Articles, and the rights generally available to a shareholder holding less than 5% (five per cent.) of the share capital of a company under Applicable Law, shall continue to be applicable to the Investors until the Investors ceases to hold any Securities in the Company.

#### **10.16 Day-to-day management of the Company**

The Promoters shall ensure that Promoter I remains in charge of day-to-day management and operations of the Company and is responsible for the conduct of Business of the Company.

### **11. EVENTS OF DEFAULT**

#### **11.1 Consequences of Default.**

On the occurrence of an event of default as defined and agreed in writing between the Shareholders and the Company, the Investors shall, without prejudice to any other rights or remedies they may have under Applicable Laws or any other contract, have the right (exercisable in its absolute discretion, but not the obligation) by delivery of a written notice to terminate irrevocably all the rights (but not obligations) of the Promoters and the Company under these Articles as well as the agreements between the Shareholders and the Company and require the Promoters to buy all of the Securities held by the Investors, at 175% (one hundred and seventy five percent.) of the fair market value determined in accordance with Applicable Laws assuming that such event of default as defined and agreed in writing between the Shareholders and the Company has not occurred, or the Investment Amount, whichever is higher.

### **12. GENERAL**

12.1 Any reference to "as agreed in writing between the Shareholders and the Company" shall mean the Investment Agreement dated 19 January, 2017, as amended from time to time and other documents executed by the Investors, Promoters, and Company.

12.2 Capitalised terms used but not defined herein shall have the meanings assigned to them as agreed in writing between the Shareholders and the Company.

S/No.	Signature, Name, Father/ Husband name, Address description, occupation and PAN No. (If any) of each of the subscribers	Signature, Name, Father/ Husband name Address & of Witness
1.	Sd/-  Mr. T. RAGHUNANDANA S/o. Late T.V.S. SHARMA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AADPT0426C	
2.	Sd/-  Ms. T. SHANTHI W/o. T.RAGHUNANDANA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AAVPS5245C	Sd/-
3	Sd/-  Mr.T. KESAVAN S/o. P. THATHAPPAN No. F-4, Jumbo vinayak, 21, Leelavathi Ammal Street, Madippakkam Chennai-600 091 Service PAN: AIHPK5560E	M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2 <sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.NO.5081
4.	Sd/-  Mr.D.W.LYONS S/o. Late V.T.LYONS No.63, Foxen Street, Perambur Chennai-600 011 Service PAN: APPLIED FOR	
5	Sd/-  Mr.JOSEPH FULBERT EDWARD S/o Late A. J. EDWARD No.17, 7 <sup>th</sup> Street, Thiruvalluvar Nagar	

	Errukkencherry Chennai-600 118 Service PAN: ADUPJ5877D	Sd/-
6	Sd/-  Mr. C. ROY SURESH KUMAR S/o. Late S.L. COLUMBUS No.33, N.G.O Colony Sriperumbudur-602 105 Service PAN: APPLIED FOR	M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2 <sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.No. 5081
7	Sd/-  Mr. S. MARIAPPAN S/o. S. SANKARA NARAYANAN No.146, Pandian Street Alwarthiru Nagar Chennai-600 087 Service PAN: AIRPM 9968L	

Place : Chennai

Date : 06.11.2003

For UPDATER SERVICES P LTD

  
Managing Director

FOR UPDATER SERVICES P LTD

Managing Director



**THE COMPANIES ACT, 2013  
(OR ANY REENACTMENT THEREOF)  
COMPANY LIMITED BY SHARES**

**AMENDED AND RESTATED ARTICLES OF ASSOCIATION**

**OF**

**\*\*\*UPDATER SERVICES LIMITED**

(Previously known as Updater Services Private Limited)

---

The Articles consist of two parts, Part 'A' and Part 'B'. The provisions of Part 'A' 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 special provisions of Part 'B'. As long as Part 'B' remains a part of the Articles, in the event of any conflict or inconsistency, the provisions of Part 'B' shall prevail over the provisions of Part 'A'.

---

**PART - A**

**PRELIMINARY**

The regulations contained in Table "F" in Schedule I to the Companies Act, 2013, so far as the same, may be applicable to a Public Company as defined in the Act, shall except, otherwise and to extent provided in these Articles, apply to this Company, in the same manner as if all such regulations of Table F are specifically contained in these Articles.

**INTERPRETATION**

1. In these regulations:
  - (a) "The Act" means the Companies Act, 2013
  - (b) "The Company" or "this Company" means UPDATER SERVICES LIMITED

(\*\*\* The word "PRIVATE" has been deleted vide special resolution passed at the Extraordinary general meeting of the Company held on 22.02.2022 for conversion of the Company from Private Limited to Public Limited)

- (c) "Directors" means the Directors for the time being of the Company or as the case maybe Directors assembled at a Board.
  - (d) "Board of Directors Meeting" or "Board Meeting" means a meeting of the Directors duly called and constituted or as the case may be, Directors assembled at a Board.
  - (e) "Person" includes Corporation.
  - (f) "The Office" means the registered office for the time being of the company.
  - (g) "Month" shall mean calendar month.
  - (h) "Proxy" includes attorney duly constituted under a Power of Attorney
  - (i) "The seal" means the Common Seal of the Company.
  - (j) "Executed" includes any mode of execution.
  - (k) "holder" in relation to shares means the member whose name is entered in the register of members as the holder of the shares.
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.

3. \*\*\*

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

4. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
5. (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,—

(\*\*\*3 The Restrictions related to Private Company has been deleted vide special resolution passed at the Extra-ordinary general meeting of the Company held on 22.02.2022 for conversion of the Company from Private Limited to Public Limited)

- (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 be under the seal and 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.
- 6. (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.
- 7. Except as required by law, no person shall be recognized 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 recognize (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.
- 8. (i) The company may exercise the powers of paying commissions conferred by subsection(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 rules made there under.
- (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.
- 9. (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 to 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.

10. 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 shares ranking paripassu therewith.
11. 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.

#### **TRANSFER OF SHARES**

12. (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.
13. The Board may, subject to the right of appeal conferred by section 58 declines 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.
14. The Board may decline to recognize any instrument of transfer unless-
  - (a) the instrument of transfer is in the form as prescribed in rules made under subsection(1) of section 56;
  - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) the instrument of transfer is in respect of only one class of shares.
15. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, 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

16. (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 sole holder, 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.
17. (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.  
(ii) 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.
18. (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.
19. 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 been complied with.



## ALTERATION OF CAPITAL

20. 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 there solution.
21. 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.
22. 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.
23. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law, -
  - (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.

## **BUYBACK OF SHARES**

24. 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**

25. All general meetings other than annual general meeting shall be called extra-ordinary general meeting.
26. (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**

27. (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.
28. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
29. 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.
30. 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

31. (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.

## BOARD OF DIRECTORS

32. The first directors of the Company shall be the following  
**Mr. T. RAGHUNANDANA**  
**Mrs. T. SHANTHI**
33. (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.
34. The Board may pay all expenses incurred in getting up and registering the company.
35. 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.
36. 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.
37. 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.
38. (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.

#### **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

39. 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.

40. 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.

#### **DEMATERIALISATION OF SECURITIES**

41. (i) Dematerialisation of securities:

Notwithstanding anything contained in these Articles, the company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996.

(ii) Options for Investors:

Every person subscribing to securities offered by the company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of the securities in respect of his holding.

(iii) Securities in depositories to be in fungible form.

All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sec.153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of securities held by it on behalf of the beneficial owners.

(iv) Rights of depositories and beneficial owners:

- (a) Notwithstanding anything contained in these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (c) The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository.

(v) Transfer of Securities:

Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of securities effected by a transferor both of whom are entered as beneficial owners in the records of a depository.

(vi) Allotment of securities dealt within a depository:

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the company shall intimate the details thereof to the depository immediately on allotment of such securities.

vii) Register and Index of Beneficial Owners:

The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of the Members and security holders for the purpose of these Articles and the provision relating to distinctive numbering shall not apply to the shares of the company which have been dematerialised.

## **THE SEAL**

42. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.



### **Dividends and Reserve**

43. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
44. 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.
45. (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.
46. (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.
47. 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.

48. (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.
49. 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.
50. 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.
51. No dividend shall bear interest against the company.

### **ACCOUNTS**

52. (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 authorized by the Board or by the company in general meeting.

### **WINDING UP**

53. Subject to the provisions of Chapter XX of the Act and rules made there under –
- (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**

54. 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.

### **CAPITALISATION OF RESERVES**

55. The Company in General Meeting may, upon recommendations of the Board, resolve
- (a) (i) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and
  - (ii) that such sum be accordingly set free for distribution in the manner specified in sub-clause (b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
  - (b) The sum aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in sub-clause (c) either in or towards:-
    - (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
    - (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to amongst such members in the proportions aforesaid; or
    - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
  - (c) A share premium account and a capital redemption reserve account may, for the purpose 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.
  - (d) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
56. (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall

- (i) Make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue of fully paid shares, if any, and
  - (ii) authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively credited as fully paid up of any further shares to which they may be titled upon such capitalization or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.
- (b) Any agreement made under such authority shall be effective and binding on all such members.

**ISSUE OF SECURITIES UNDER EMPLOYEES STOCK OPTION SCHEME  
OR ANY OTHER SCHEME\*\***

**\*\*57.** Subject to the provisions of these Articles and in accordance with the provisions of Section 54 of the Companies Act, 2013 and of various other laws governing the issue, the Board may issue and allot Securities under Employees Stock Option Schemes or any other scheme to Employees including its Directors other than independent directors and such other persons as the rule may allow from time to time.

*\*\*Clause 57 adopted by Special resolution passed by the members of the Company at the Extraordinary general meeting held on 17 April 2019*

**PART – B**

**1. Additional Definition**

- 1.1 “**1956 Act**” means the Companies Act, 1956 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto;
- 1.2 “**2013 Act**” means the Companies Act, 2013 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto and, or, any re-enactment thereof;
- 1.3 “**Accounting Standards**” means the applicable accounting standards in force in India from time to time, consistently applied during the relevant period, including the generally accepted accounting principles and standards, Indian Accounting Standard (Ind AS), and all pronouncements including the guidance notes and other authoritative statements of the Institute of Chartered Accountants of India;
- 1.4 “**Additional Funding Requirement**” means: (i) additional funding requirements as per the Business Plan; and, or, (ii) the Board determining that such additional funding is required from time to time in terms of these Articles, in compliance with Article 6;

- 1.5 “**Additional Securities**” has the meaning assigned to such term in Article 3.2.1;
- 1.6 “**Affiliate(s)**”, with respect to a Person, means (i) in the case of a Person other than a natural person, any other Person that either directly or indirectly through one or more Persons, Controls, is controlled by or is under common Control with such Person and any investment funds managed or advised by such specified Person, and (ii) in relation to a natural person, any Relative of such a natural person and any other Person, either directly or indirectly, controlled by such a natural person. In case of the Investors, the term ‘Affiliate’ shall be deemed to include any pooled investment fund(s) and, or, juristic entity managed by the same manager, managing member, limited partner / investor of pooled investment fund(s) of Investor I and, or, Investor II, general partner or management company or by an entity Controlling, Controlled by, or under common Control with such manager, managing member, general partner or management company, or any other pooled investment fund(s);
- 1.7 “**Affirmative Vote Matters**” has the meaning assigned to it in Article 6.1;
- 1.8 “**Alternate Director**” has the meaning assigned to such term in Article 4.5.1;
- 1.9 “**Applicable Laws**” means relevant and applicable central, state and local laws of India, including all statutes, enactments, acts of legislature, laws, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, administration, directions, directives, decisions, orders, executive orders, decrees, judicial decisions, orders of any Governmental Authority or other similar directives made pursuant to such laws, whether in effect on the date of these Articles or at any time thereafter;
- 1.10 “**Approvals**” means approvals, permissions, consents, validations, confirmations, waivers, permits, notices, filings, grants, concessions, certificates, registrations, exemption orders, licenses and, or, other authorisations required to be obtained from any Person, including Governmental Authorities, under Applicable Laws, contracts or equity;
- 1.11 “**Articles**” or “**Articles of Association**” means the articles of association of the Company, as amended from time to time; It is clarified that on and from the Restated Articles Effective Date, the “Articles” or “Articles of Association” means the Restated Articles;
- 1.12 “**Assets**”, in regard to the Company, means all properties and assets of such the Company, including movable, immovable, tangible or intangible assets belonging to the Company or used or held for use in connection with, necessary for the conduct of, or otherwise material to the business and, or, operations of the Company, including the Intellectual Property Rights;
- 1.13 “**Associate**”, in regard to a Person, means another Person in which such a Person and, or, its Affiliates have Significant Influence and includes partnerships and private trusts where such Person and its Affiliates is a partner, beneficiary and, or, trustee;
- 1.14 “**Best Security Services Limited**” shall mean Best Security Services Limited a private limited company existing under the Act and having its registered office at 42, Luz Avenue, Mylapore, Chennai – 600 004.
- 1.15 “**Board Meeting**” means a meeting of the Board duly convened in accordance with the 2013 Act, and these Articles;
- 1.16 “**Board**” means the board of directors of the Company as constituted from time to time in accordance with the provisions of these Articles and Applicable Laws;

- 1.17 **“Business Day(s)”** means any day other than Saturday, Sunday or any day on which banks in Chennai (India) or Mumbai (India) or Ebene (Mauritius) are closed for regular banking business;
- 1.18 **“Business Plan”** means, in relation to any Financial Year, the annual business plan of the Company as approved by the Board, including the budget for the relevant Financial Year in relation to the sales budget, revenue and operating expenditure, cash flow, capital expenditure and key financial ratios;
- 1.19 **“Business”** means the business of providing facilities management, production support services, staffing services, staffing solutions and other business support services, as carried on by the Company and as supplemented / expanded from time to time;
- 1.20 **“Chairman”** has the meaning assigned to such term in Article 4.6;
- 1.21 **“Committees”** has the meaning assigned to such terms in Article 4.9;
- 1.22 **“Company Representative”** has the meaning assigned to such term in Article 10.2.2(i);
- 1.23 **“Conflicting Business”** has the meaning assigned to such term in Article 10.1.1(i);
- 1.24 **“Control”**, in relation to any Person, means (i) the beneficial ownership, directly or indirectly, of more than 50% (fifty per cent.) of the voting rights or paid-up share capital of such a Person, (ii) the right to nominate a majority of the directors or members on the board of directors or other such governing body of that Person, and, or, (iii) the possession of power to cause direction of the management or policies of such a Person; Correlative terms such as “controlling” and “controlled” shall be construed in accordance with this definition;
- 1.25 **“Deed of Adherence”** means a deed in the form agreed in writing between the Shareholders and the Company;
- 1.26 **“Dilution Instruments”**, in regard to a company, means and includes preference shares, debentures, bonds, warrants, options or other securities or instruments which are convertible into or exercisable or exchangeable for or which carry a right to subscribe to or purchase equity shares or equity capital of such a company or any instrument or certificate or right representing a legal or beneficial ownership interest in equity shares or equity capital of such a company;
- 1.27 **“Dilution Price”** has the meaning assigned to such term in Article 3.3.2;
- 1.28 **“Dilutive Issuance”** has the meaning assigned to such term in Article 3.3.2;
- 1.29 **“Director(s)”** means a director on the Board, as constituted from time to time;
- 1.30 **“Dividend Policy”** means a policy formulated determining the distribution of dividends of the Company to the Shareholders in accordance with Applicable Law which is acceptable to the Investors;
- 1.31 **“Encumbrance(s)”** means all kinds of charges and encumbrances, including mortgage, pledge, lien, hypothecation, title defect, attachment in the decree of any court, court injunction, assignment by way of security, restriction or limitation of any nature whatsoever, including restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, or any other agreement or arrangement which has the effect of conferring security of any kind whatsoever; For the avoidance of doubt, it is clarified that, insofar as any shares



or securities are concerned, the term “encumbrances” includes any voting agreement, interest, option, right of pre-emption or transfer restriction in favour of any Person;

- 1.32 “**Equity Shares**”, means the equity shares of the Company having a face value of INR 10 (Indian Rupees ten) each per share;
- 1.33 “**ESOP**” means the Employee Stock Option Plan;
- 1.34 “**Event of Default**” has the meaning assigned to such term as agreed in writing between the Shareholders and the Company;
- 1.35 “**Exit Trade Sale**” means any transaction apart from an IPO that provides each of the Investors a complete exit from the Company and includes the following: (i) a strategic sale to any Person (including a Person engaged in a Conflicting Business) through either a sale of more than 51% (fifty one per cent.) of the Share Capital of the Company or less than 51% (fifty one per cent.) of the Share Capital of the Company that results in a change in Control; or (ii) a secondary sale of the Investor Shares to any Person;
- 1.36 “**Exit Trigger Event**” has the meaning assigned to such term in Article 8.3.1;
- 1.37 “**FCPA**” has the meaning assigned to such term in Article 10.2.1(iii);
- 1.38 “**Financial Statements**”, in regard to the Company, means the audited financial statements comprising an audited balance sheet as of the end of the relevant Financial Year and the related audited statement of income and statement of cash flows for such a Financial Year, together with the auditor’s report thereon and notes thereto prepared in accordance with Applicable Laws and Accounting Standards;
- 1.39 “**Financial Year**” means the period commencing from the 1<sup>st</sup> day of April of every calendar year and ending on the 31<sup>st</sup> day of March of the next calendar year;
- 1.40 “**Fully Diluted Basis**”, in regard to the Company, means that the calculation is to be made assuming that all outstanding Dilution Instruments (whether or not by their terms currently convertible, exercisable or exchangeable), options, warrants, outstanding commitments to issue Equity Shares or Dilution Instruments at a future date, whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged in accordance with their respective terms;
- 1.41 “**Government Official**” has the meaning assigned to such term in Article 10.2.1(iv);
- 1.42 “**Governmental Authority**” means any competent governmental, regulatory, statutory or administrative authority, agency, department, commission or instrumentality (whether local, municipal, national or otherwise), court, board or tribunal of competent jurisdiction or other law, rule or regulation making entity having jurisdiction on any of the Parties or the transactions contemplated by these Articles;
- 1.43 “**Indebtedness**” as applied to any Person, means any indebtedness of any kind (other than current trade accounts incurred or payable in the Ordinary Course), whether secured or unsecured, including any liability or financial obligation pertaining to borrowed money, any liability or financial obligation evidenced by a note, bond, debenture, letter of credit, draft or similar instrument, any obligation owed for all or any part of the deferred purchase price of property or services, any guarantee, warranty or indemnity extended by such Person to any other Person;

- 1.44 “**Independent Director**” has the meaning assigned to such term in the 2013 Act;
- 1.45 “**Indication of Interest**” has the meaning assigned to such term in Article **Error! Reference source not found.**(i);
- 1.46 “**Indication of Non Acceptance**” has the meaning assigned to such term in Article **Error! Reference source not found.**(ii);
- 1.47 “**Integrity Requirements**” means the integrity-related obligations including but not limited to obligations related to anti money laundering/countering of financing of terrorism, “know-your-customer” and fraud, corruption and Sanctionable Practices of the Company under (i) Applicable Laws and relevant codes of conduct and similar requirements, rules and codes conduct issued by industry self-regulatory organizations and similar trade associations, (ii) Article 10.2, and (iii) as agreed in writing between the Shareholders and the Company;
- 1.48 “**Interested Entities**” has the meaning assigned to such term in Article 10.1.2;
- 1.49 “**Investment Amount**” means the total amount invested by the Investors in the Company whether through subscription of Securities or through purchase of securities;
- 1.50 “**Investor Directors**” has the meaning assigned to such term in Article 4.2.1;
- 1.51 “**Investor I**” shall mean **INDIA BUSINESS EXCELLENCE FUND – II**, a unit scheme of Business Excellence Trust II, a trust created under the Indian Trust Act, 1882, whose trustee is Vistra ITCL (India) Limited (formerly known as **IL&FS TRUST COMPANY LIMITED**), a public company incorporated under the provisions of the 1956 Act and having its registered office at the IL&FS Financial Centre, C-22, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, India, acting through its investment manager, **MOPE INVESTMENT ADVISORS PRIVATE LIMITED**, a company registered in India under the 1956 Act having its registered office at Motilal Oswal Tower, Junction of Gokhale & Sayani Road, Prabhadevi, Mumbai – 400 025;
- 1.52 “**Investor II**” shall mean **INDIA BUSINESS EXCELLENCE FUND – IIA**, a public limited company incorporated under the laws of Mauritius and having its office at Suite 304, Third Floor, NG Tower, Cyber City, Ebene, Mauritius;
- 1.53 “**Investors**” shall mean Investor I & Investor II collectively
- 1.54 “**IPO**” has the meaning assigned to such term in Article 8.1.1;
- 1.55 “**Key Managerial Personnel**” has the meaning assigned to such term in sub-section (51) of section 2 of the 2013 Act;
- 1.56 “**Management**” has the meaning assigned to such term in Article 10.4.1;
- 1.57 “**Material Adverse Effect**” means any event, occurrence, fact, condition, change, development or effect that, individually or in the aggregate, has had or may reasonably be expected to have a material and adverse effect on: (i) the ability of the Company and, or, the Promoters to perform its obligations hereunder; and, or, (ii) the condition (financial or otherwise and including any material increase in provisions), operations, results of operations, prospects, Assets, liabilities or Business of the Company;
- 1.58 “**Non-Subscribing Shareholder**” has the meaning assigned to such term in Article 3.2.4;
- 1.59 “**Observer**” has the meaning assigned to such term in Article 4.3;

- 1.60 “**OFAC**” has the meaning assigned to such term in Article 10.2.1(vi);
- 1.61 “**Offer of Existing Securities**” has the meaning assigned to such term in Article 8.1.1 (ii);
- 1.62 “**Offer Price**” has the meaning assigned to such term in Article **Error! Reference source not found.**(i);
- 1.63 “**Ordinary Course**” as applied to any Person, means an action taken by or on behalf of such a Person that is consistent with past customs of such a Person and prudent business practices as per best industry standards, including with respect to quantity and frequency;
- 1.64 “**Original Director**” has the meaning assigned to such term in Article 4.5.1;
- 1.65 “**Permitted Investor Transferee**” has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.66 “**Permitted Recipients**” means the following: (i) funds under the management / advised / sub-advised by the respective managers of the Investors and their respective Affiliates and their respective directors, officers, employees, agents and advisors; and, or, (ii) valuation agencies undertaking the valuation of the Investors’ portfolio, etc.;
- 1.67 “**Person**” means and includes any natural person, limited or unlimited liability company, corporation, limited or unlimited liability partnership firm, proprietorship firm, Hindu undivided family, trust, union, association or any other entity that may be treated as a person under Applicable Laws;
- 1.68 “**PMLA**” has the meaning assigned to such term in Article 10.2.1(iii);
- 1.69 “**Promoter Director**” has the meaning assigned to such term in Article 4.2.1;
- 1.70 “**Promoter I**” shall mean **MR. RAGHUNANDANA TANGIRALA**, aged 56 years, s/o Mr. T.V. Subbiah Sarma, citizen of India having PAN AAPDPT0426C and permanent residence at No.7 D'Silva Road, Mylapore, Chennai- 600 004;
- 1.71 “**Promoter II**” shall mean **MRS. SHANTHI TANGIRALA**, aged 48 years, d/o Mr. Karunakaran Chathukutty Nair, citizen of India having PAN AAVPS5245C and permanent residence at No.7 D'Silva Road, Mylapore, Chennai- 600 004;
- 1.72 “**Promoter III**” shall mean **TANGI FACILITY SOLUTIONS PRIVATE LIMITED**, a private limited company with CIN – U74900TN2014PTC097603, established under the laws of India, having its registered office at Old No.42, New No. 2, Luz Avenue Mylapore, Chennai – 600 004
- 1.73 “**Promoters**” shall mean Promoter I, Promoter II & Promoter III collectively
- 1.74 “**Protective Covenants**” has the meaning assigned to such term in Article 10.1.7;
- 1.75 “**Related Party**” has the meaning assigned to such term in sub-section (76) of section 2 of the 2013 Act and, or, as per applicable Accounting Standards;
- 1.76 “**Relative(s)**” in connection with (i) Promoter I or Promoter II, means the children of Promoter I and Promoter II, and (ii) any other natural person, has the meaning assigned to such a term in the 2013 Act;

- 1.77 **“Restated Articles Effective Date”** means 10 February 2017;
- 1.78 **“ROFO Acceptance Notice”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.79 **“ROFO Eligible Shareholders”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.80 **“ROFO Notice”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.81 **“ROFO Period”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.82 **“ROFO Response Period”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.83 **“ROFO Transfer Period”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.84 **“Role”** means any investment / arrangement whereby the Promoters, either directly or indirectly, have or attain: (i) any shareholding /economic interest / investment in any business or any Person, (ii) a right to nominate management positions, (iii) a right to appoint / select persons on the board / governing body of such business or Person, or (iv) a role as an employee, director, lender, observer, consultant or advisor;
- 1.85 **“Sanctionable Practice”** means any Corrupt Practice, Fraudulent Practice, Coercive Practice, Collusive Practice, or Obstructive Practice, as those terms are interpreted in accordance with the Anti-Corruption Legislation and Anti-Corruption Guidelines as agreed in writing between the Shareholders and the Company;
- 1.86 **“Securities”**, in regard to the Company, means any form of securities and shares of the Company, including the Equity Shares and Dilution Instruments;
- 1.87 **“Share Capital”**, in regard to the Company, means the total issued, subscribed and paid up share capital of such the Company determined on a Fully Diluted Basis;
- 1.88 **“Shareholder(s)”** means the shareholder(s) of the Company from time to time;
- 1.89 **“Shareholders Meeting”** has the meaning assigned to such term in Article 5.1.1;
- 1.90 **“Shareholding Percentage”** means the respective percentage proportions in which the Share Capital is held by the Shareholders from time to time on Fully Diluted Basis. It is clarified that for the purposes of Article 3, any calculation of the Shareholding Percentage for determining the entitlement of a Shareholder in any proposed issuance shall be undertaken based on the Share Capital held by such a Shareholder immediately prior to such proposed issuance on Fully Diluted Basis;
- 1.91 **“Significant Influence”** means the possession of power to cause or prevent any actions pertaining to the management or policies of a Person, through the ownership or control or benefit of at least 20% (twenty percent) of total share capital or voting interest or economic interest of such a Person or the ability to nominate or have elected 1 (one) or more members of a governing body of such person or the ability to direct, restrict or otherwise influence any

management decision of such Person, whether through debt arrangements, contract, voting interest, membership to governing bodies such as a board of director, or otherwise;

- 1.92 **“Statutory Auditor”** means the statutory auditor of the Company from time to time;
- 1.93 **“Strategic Sale Closing Date”** has the meaning assigned to such term in Article 8.3.3;
- 1.94 **“Strategic Sale Exercise Notice”** has the meaning assigned to such term in Article 8.3.2;
- 1.95 **“Strategic Sale Right”** has the meaning assigned to such term in Article 8.3.1;
- 1.96 **“Strategic Sale Securities”** has the meaning assigned to such term in Article 8.3.2;
- 1.97 **“Strategic Transferee”** has the meaning assigned to such term in Article 8.3.1;
- 1.98 **“Subscribing Shareholder(s)”** has the meaning assigned to such term in Article 3.2.4;
- 1.99 **“Subscription Cut-Off Period”** has the meaning assigned to such term in Article 3.2.2;
- 1.100 **“Subsidiary”** has the meaning assigned to such term in sub-section (87) of section 2 of the 2013 Act;
- 1.101 **“Tag Exercise Notice”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.102 **“Tag Request Notice”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.103 **“Tag Response Period”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.104 **“Tag Right”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.105 **“Tag Securities”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.106 **“Taxes”** means any and all forms of taxation, imposts, duties, and levies, whether direct or indirect, deductible at source or otherwise, together with any interest, penalties, surcharges or fines relating thereto, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction. It is clarified that the term “Taxes” shall include any interest, surcharges, penalties or additional taxes payable in connection therewith; Correlative terms such as “tax” and “taxation” shall be construed in accordance with this definition;
- 1.107 **“Third Party”** means any Person other than the Shareholders and the Company;
- 1.108 **“Transfer Securities”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.109 **“Transfer”** means, whether directly or indirectly, any transfer, including any sale, assignment, pledge, hypothecation, creation of security interest in or lien or Encumbrance on, placing in trust (voting or otherwise), exchange, gift or transfer by operation of law or in any other way, whether or not voluntarily. Correlative terms such as “transferred”, “transferring” and “transferability” shall be construed in accordance with this definition.

1.110 “**Transferring Promoter**” has the meaning assigned to such term in Article **Error! Reference source not found.**;

1.111 “**Transferring Shareholder**” has the meaning assigned to such term in Article **Error! Reference source not found.**;

## 2. **UTILISATION OF PROCEEDS**

2.1 The Company shall, and the Promoters shall procure the Company to, utilise the Investment Amount solely and exclusively, for the purposes agreed in writing between the Shareholders and the Company.

2.2 Till such time as the Investment Amount has been utilized in accordance with Article 2.1, the Company shall, at each meeting of the Board, table a statement setting out the extent of utilization of Investment Amount.

## 3. **FURTHER FUNDING REQUIREMENTS**

### 3.1 **Furnishing of guarantees and securities to meet Additional Funding Requirements.**

3.1.1 Upon occurrence of an Additional Funding Requirement, additional funds shall be raised on terms approved, and from sources identified, by the Board. For the avoidance of doubt, it is clarified that the Investors shall not be obligated to provide any such guarantees or securities, whether directly or indirectly, to any banks or other financial institutions for any reason whatsoever.

3.1.2 The Investors do not have any obligation to provide additional funding in terms of this Article to the Company and they shall be entitled to provide such additional funding at their sole discretion.

### 3.2 **Fresh issue of Securities.**

3.2.1 If the Business Plan contemplates the issuance of fresh Securities to Shareholders or if the Board determines, subject to the provisions of Article 6, that an Additional Funding Requirement is to be met through issuance of fresh Securities to the Shareholders of the Company, then the Company shall issue fresh Securities to the Shareholders (“**Additional Securities**”), proportionate to their respective Shareholding Percentage in the Company. Such Additional Securities to be issued to the Shareholders shall be fully paid-up by the respective Shareholder in cash. Notwithstanding anything to the contrary contained in these Articles, any issuance of Additional Securities shall be on such terms and conditions as the Board may, subject to the provisions of Article 6, determine at its sole discretion.

3.2.2 Not less than 30 (thirty) days before the date of proposed issuance of the Additional Securities, the Company shall deliver to each Shareholder notice / letter of offer for the proposed issuance setting forth: (i) the aggregate number of Additional Securities proposed to be issued and the Shareholding Percentage of the relevant Shareholder; (ii) the price at which such Additional Securities are proposed to be issued and other terms of issuance, if any; and (iii) such other relevant details as the Board may deem fit or as may be required as per Applicable Laws. Within 15 (fifteen) days following delivery of the notice referred to in this Article (“**Subscription Cut-Off Period**”), each Shareholder electing to exercise its rights to subscribe to its Shareholding Percentage entitlement in the Additional Securities shall give a notice to the Company specifying the number of Additional Securities basis its Shareholding Percentage that it is willing to subscribe to and if such a subscription is being undertaken, in case of the Investors through any other Person (except a Person engaged in a



Conflicting Business) and in case of the Promoters through an Affiliate, then all documents that are required to be furnished in terms of Article **Error! Reference source not found.** or Article **Error! Reference source not found.** as the case may be, such as a duly executed Deed of Adherence and copies of all Approvals and consents required to be obtained under Applicable Laws, shall be furnished to the Board by the Investors and, or, the Promoters, as the case may be.

- 3.2.3 The Investors may indicate their willingness to subscribe to any unsubscribed portion of the Additional Securities offered, either directly or through any Person (except a Person engaged in a Conflicting Business) including their Affiliates. The Shareholders electing to exercise their rights shall, within a period of 15 (fifteen) days from the Subscription Cut-Off Period, remit the requisite funds towards the Additional Securities, which they have agreed to subscribe to, and the Company shall allot such Additional Securities to the Shareholders on the issuance date specified in the notice / letter of offer in regard to such Additional Securities. Failure by any Shareholder to give such a notice within the Subscription Cut-Off Period or remit the fund in the manner set forth above shall be deemed to be a waiver by such Shareholder of its rights under this Article with respect to the proposed issuance in question. The Promoters will be entitled to renounce the right to subscribe to Additional Securities in the Company in favour of any Affiliate, which comply with the provisions of these Articles, including by executing a Deed of Adherence. Provided that the Shareholding Percentage of Promoter I shall not fall below 25% (twenty five per cent.) of the Share Capital for any reason whatsoever.
- 3.2.4 In the event that a Shareholder ("**Non-Subscribing Shareholder**") does not subscribe or is not desirous of subscribing to its Shareholding Percentage of the Additional Securities entirely, then within a period of 3 (three) Business Days from the date of expiry of the Subscription Cut-Off Period; the Board shall send a written intimation to the other Shareholder(s) (for the purposes of this Article 3.2.4 and 3.2.5 "**Subscribing Shareholder(s)**"), which term specifically excludes every Non-Subscribing Shareholder), giving them an opportunity to subscribe to the unsubscribed portion of the Additional Securities offered to such Non-Subscribing Shareholder, either by themselves or, in case the Subscribing Shareholders are Investors, then through their Affiliates.
- 3.2.5 In the event that the Subscribing Shareholder(s) sends a notice to the Company, within a period of 7 (seven) days from the date of intimation by the Board as aforesaid, agreeing to subscribe to any or all of the unsubscribed Additional Securities and remits the requisite funds towards subscription to such unsubscribed Additional Securities within a period of 15 (fifteen) days from the Subscription Cut-Off Period, then the Board shall allot such unsubscribed Additional Securities to such willing Subscribing Shareholder(s). It is clarified that if more than 1 (one) Subscribing Shareholder notifies the Board of its intention to subscribe to unsubscribed Additional Securities as above, and the unsubscribed Additional Securities are less than the aggregate number of unsubscribed Additional Securities, then the unsubscribed Additional Securities shall be issued to such Subscribing Shareholders proportionate to their respective Shareholding Percentage in the Company.
- 3.3 **Anti-dilution.**
- 3.3.1 The Investors shall have a right, whether exercisable through itself or any other Person nominated in this regard (except a Person engaged in a Conflicting Business), to subscribe to any issuance by the Company of any Equity Shares or Dilution Instruments to any Third Party in proportion to their respective Shareholding Percentage in the Company.
- 3.3.2 Upon each issuance by the Company of any Equity Shares or Dilution Instruments at a price per Equity Share less than the price ("**Dilution Price**") at which the Investors subscribed to the Investor Shares ("**Dilutive Issuance**"), the Investors shall be entitled to, and the

Company shall provide and the Promoters shall procure the Company to provide to the Investors, dilution protection on weighted average basis.

- 3.3.3 The anti-dilution mechanism set forth in this Article shall be accomplished by issuance by the Company or transfer by the Promoters of such number of Equity Shares to the Investors and, or, any other Person nominated by the Investors for this purpose (except a Person engaged in a Conflicting Business) at the lowest price possible under Applicable Laws, so as to give full effect to the weighted average anti-dilution right of the Investors.
- 3.3.4 Upon each Dilutive Issuance, the Company and the Promoters shall take all necessary acts to put Investor I and Investor II in the position that they would have if the adjustment to the Dilution Price had been made, by issuance by the Company or transfer by the Promoters to Investor I and Investor II or any Person nominated by the Investors in this regard (except a Person engaged in a Conflicting Business) of such number of Equity Shares, whereby Investor I and Investor II or any Person nominated by the Investors in this regard (except a Person engaged in a Conflicting Business) are not required to pay any additional amounts for the issuance of such new Equity Shares or the transfer of Equity Shares. The above arrangement shall be implemented in accordance with Applicable Laws.
- 3.3.5 It is clarified that nothing in this Article shall apply to any issuance by the Company of any Equity Shares or Dilution Instruments as Additional Securities to the Shareholders pursuant to Article 3.2 of these Articles or an ESOP plan, in each case as approved by the Board in accordance with Article 4.7.5 of these Articles, or a Bonus Issue.

#### 4. **BOARD AND BOARD MEETINGS**

##### 4.1 **Management of the Company.**

The property, business and affairs of the Company shall be managed by and under the direction of the Board, and the Board shall be responsible for the overall management, supervision, direction and control of the Company. Subject to the provisions of these Articles, the Board may exercise all such powers of the Company and do all such lawful acts and things as are permitted under these Articles and Applicable Laws. The Board shall manage the Company in the overall, general, and strategic sense and shall ensure proper organization of the business of the Company and shall appoint / dismiss the members of the Management. The Board shall be entitled to delegate its powers to such persons and such Committees that the Board may create to assist it in developing and meeting its business strategy and objectives. The approval of the Shareholders shall be obtained on such matters as may be required under these Articles, and, or, Applicable Laws.

##### 4.2 **Composition of the Board. @@**

- 4.2.1 The Board shall not exceed 8 (Eight) Directors that will be appointed in terms of Article 4.2.2, or such other number of Directors as may be mutually agreed between the Shareholders and the Company in writing, from time to time. The Investors shall be entitled to nominate Directors in proportion to their respective Shareholding subject to a minimum of 2 (two) Directors (collectively, the “**Investor Directors**” and each, an “**Investor Director**”) and the Promoters shall be entitled to nominate Directors in proportion to their respective Shareholding subject to a minimum of 3 (three) Directors (collectively, the “**Promoter Directors**”, and each, a “**Promoter Director**”) in accordance with the terms and conditions set out in this Article. Provided that Promoter I shall at all times during the subsistence of these Articles be a Promoter Director.
- 4.2.2 Unless otherwise agreed between the Shareholders and the Company in writing and subject to Article 6 of these Articles, the Board shall be constituted in the following manner:

- (i) on and from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors and 3 (three) Promoter Directors;
- (ii) on and from 6 (six) months from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors, 3 (three) Promoter Directors and 1 (one) Independent Director identified by Investor I and Investor II and acceptable to the Promoters on the Board; and
- (iii) on and from 12 (twelve) months from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors, 3 (three) Promoter Directors and 2 (two) Independent Directors, out of such 2 (two) Independent Directors, 1 (one) will be identified by the Promoters and acceptable to Investor I and Investor II on the Board.

@@ Articles 4.2.1 and 4.2.2 substituted vide special resolution passed at the Extra-ordinary general meeting of the Company held on 22.02.2022

Provided that subject to the proviso to Article 4.2.2, 4.2.3 and Articles 10.16 and the right of the Investors to assign their rights, the number of Investor Directors on the Board shall not, at any time fall below 2 (two) Directors.

In the event of any increase in the number of Directors in terms of Article 4.2.1, the Board shall be constituted in a manner as may be mutually agreed between the Shareholders and the Company in writing.

- 4.2.3 The Investors may at any time remove from office any Investor Director(s) and, if desired, appoint another in his / her place. The Promoters may at any time remove from office any Promoter Director(s) and, if desired, appoint another in his / her place.
- 4.2.4 Subject to Article 4.2.2, the Board shall appoint such number of Independent Directors on the Board, as per the requirements of Applicable Laws. All such Independent Directors shall be acceptable to the Investors and Promoter I.
- 4.2.5 The Promoters and the Investors shall exercise all powers and rights available to them so as to fix the number of Directors in accordance with this Article and to ensure that the persons nominated by the Investors and the Promoters are expeditiously appointed or removed (as the Investors and the Promoters may specify in accordance with this Article) as a Director and the appointments and removals referred to in this Article result in the persons nominated / appointed or removed becoming or ceasing to be Directors, as applicable.

#### 4.3 **Observer.**

On and from the Restated Articles Effective Date, the Investors shall be entitled to appoint 1 (one) person as an observer to attend all Board Meetings in a non-voting capacity ("**Observer**"). The Observer shall have the right to receive all notices, documents and information provided to the Directors and be entitled to attend all meetings of the Board or Committees thereof, subject to the Observer being bound to confidentiality obligations as applicable to Directors. The Observer shall not be considered for quorum, and the Observer shall not be entitled to vote with respect to any resolution proposed to be passed at a Board meeting. The Company shall reimburse all out of pocket expenses incurred by the Observer in attending Board Meetings or otherwise perform its duties and functions as Observer.

#### 4.4 **Appointment, removal and retirement of Directors.**

- 4.4.1 Any appointment or removal of Directors shall be implemented in the following manner:

- (i) Appointment of Directors: Subject to the provisions of Article 4.2, each Shareholder shall have the right to, from time to time, issue a notice specifying their intention to nominate a Person as a Director on the Board. Such a notice shall be addressed to the Board and delivered to the Managing Director at the registered office of the Company or presented directly before the Board during a Board Meeting. The aforementioned notice should be accompanied by consent letter and such other documents which are required in terms of Applicable Laws from the prospective nominee. If any such notice along with the accompanying documents is delivered at a Board Meeting, the Board shall at the same meeting pass necessary resolutions in respect of appointment of such person as an additional director. If such a notice along with the accompanying documents is delivered to the Company, then the relevant officers of the Company shall, immediately and in any case within a period of 7 (seven) days from the date of receipt of such notice, either convene a meeting of the Board to pass necessary resolutions in respect of appointment of such Director(s) as additional director(s), or if it is not practicable to convene such Board Meeting, initiate, subject to Applicable Laws, the process for appointment of such Director(s) through a circular resolution in terms of Applicable Laws. Notwithstanding anything to the contrary contained in these Articles, any such nominee shall only be appointed as a Director if such a Person fulfils all criteria prescribed under Applicable Laws.
- (ii) Removal / replacement of Directors: Each Shareholder shall have the right to, from time to time, issue a notice specifying that they wish to remove all or any of the Directors appointed by them on the Board. Such a notice shall be addressed to the Board and delivered at the registered office of the Company or presented directly before the Board during a Board Meeting. The aforementioned notice should be accompanied by a resignation letter to this effect from the relevant Director(s) in the form prescribed by the 2013 Act, and if no such form is prescribed then as per standard secretarial practice. If any such notice along with the accompanying resignation letter is delivered at a meeting of the Board, the Board shall at the same meeting pass necessary resolutions in respect of such removal. If such a notice along with the accompanying resignation letter is delivered to the Company, then the relevant officers of the Company shall, immediately and in any case within a period of 7 (seven) days from the date of receipt of such notice, either convene a meeting of the Board to pass necessary resolutions in respect of removal of such Director(s), or if it is not practicable to convene such Board Meeting, initiate, subject to Applicable Laws, the process for removal of such Director(s) through a circular resolution in terms of Applicable Laws. If the relevant Shareholder wishes to replace a Director nominated by it in on the Board with another Person and provides consent letter and such other documents which are required in terms of Applicable Laws from the prospective nominee, then the Company shall, subject to such a nominee fulfilling all criteria prescribed under Applicable Laws, appoint the relevant Person as an additional director on the Board in the same Board Meeting where the other nominee Director of such a Shareholder is being removed. If the removal is being carried out through a circular resolution then another circular resolution shall be passed concurrently for appointment of the new nominee Director of such a Shareholder.
- (iii) Approval by Shareholders: If any appointment or removal of a Director, as the case may be, has to be approved by the Shareholders in a Shareholders Meeting as per Applicable Laws, then the Board shall convene an extraordinary general meeting of the Company promptly to approve the appointment or removal of such Director(s). All relevant actions in regard to appointment or removal of such Director(s) by the Shareholders shall be completed within a period of 30 (thirty) days from the date of receipt of notice mentioned in Article 4.4.1(i) or (ii), as the case may be.

- (iv) Retirement of Directors: It is clarified that the Investor Directors shall not be liable to retire by rotation.

4.4.2 The Shareholders and Company shall co-operate with each other in convening a meeting of the Board and, or, Shareholders to effect: (i) appointment of Director(s) so nominated; or (ii) removal of Director so requested, and to exercise its voting rights in any meeting of the Company, and shall cause any Director nominated by it exercise his voting rights in any Board Meetings, so as to give effect to the such appointment/removal.

4.4.3 Subject to the provisions of Applicable Laws and these Articles, no Director shall be removed during the term for which such Director was elected without the consent of the Shareholder, if any, who nominated such Director on the Board. Notwithstanding the foregoing, a Shareholder may ask for removal, substitution or recall for any reason, of any of the Directors nominated by such Shareholder by serving a notice in terms of Article 4.4.1.

4.4.4 The Directors shall not be required to hold qualification shares.

4.4.5 At any point in time, in the event the number of Directors nominated and appointed by the Investors or Promoters, as the case may be, is less than their entitlement under Article 4.2.2 (including for reason such as death, disqualification, inability to act or removal), then the Investors or Promoters, as the case may be, shall be entitled to nominate such Directors at their sole discretion at any time thereafter. No other Shareholder shall have the right to fill-in such vacancy.

#### 4.5 **Alternate Director.**

4.5.1 Any Director nominated by any Shareholder and appointed to the Board ("**Original Director**") shall be entitled, in accordance with Applicable Laws, to nominate an alternate (and such nominee shall be appointed by the Board as an "**Alternate Director**") to attend and vote at Board Meetings in his / her absence. Prior to the Original Director exercising any such rights, such Alternate Director appointee shall be required to be approved in writing by the Shareholder who nominated the Original Director. An Alternate Director shall be entitled to receive notice of all meetings of the Board, to attend and vote at any such meeting at which the Original Director appointing him is not personally present and at the meeting to exercise and discharge all the functions, powers and duties of his appointee or as a Director. An Alternate Director shall automatically vacate his office as an Alternate Director if the Original Director who appointed such an alternate is personally present or if such Original Director ceases to be a Director, in terms of these Articles and, or, Applicable Laws. Notwithstanding anything to the contrary contained in these Articles, Promoter I shall not be entitled to appoint an Alternate Director, except in case of his incapacitation due to ill health or if otherwise agreed in writing between the Shareholders and the Company.

4.5.2 All references to 'Directors' in these Articles shall be deemed to include a reference to their respective 'Alternate Director'. For the avoidance of doubt, it is clarified that all provisions applicable to an Investor Director shall equally apply to the Alternate Director appointed / proposed to be appointed in accordance with this Article and all actions taken by such Alternate Director shall be deemed to be actions taken by the relevant Original Director.

#### 4.6 **Chairman.**

At every Board Meeting, the chairman of the Board for such a Board Meeting ("**Chairman**") shall be Promoter I. The Chairman shall not have a casting vote or extra vote.

#### 4.7 Board Meetings.

- 4.7.1 Frequency and Location: The Board Meetings shall be held as often as circumstances require, including upon the written request of at least 1 (one) Director, and all such meetings should be held as soon as reasonably possible and in any event not later than 7 (seven) days from the date that such a request for convening a Board Meeting is received by the Chairman. Not less than 4 (four) Board Meetings shall be held in each year in a manner such that not more than 120 (one hundred and twenty) days elapse between 2 (two) consecutive Board Meetings. All Board Meetings shall be conducted in English.
- 4.7.2 Notice: A Board Meeting may be called by the Chairman or a Director by giving notice in writing to the company secretary, or any other Person nominated in this regard by the Board, specifying the date, time and agenda for such meeting; provided, however, any agenda for a Board Meeting shall be provided to each Investor at least 2 (two) days prior to the notice of the Board Meeting being issued to the Directors unless such right is waived by each Investor in writing. The company secretary (or such nominated person) shall upon receipt of such notice, give a copy of such notice to all Directors at their respective address registered with the Company and such notice shall be sent by hand delivery or by post or by email, accompanied by a written agenda specifying the business of such meeting and copies of papers relevant for such meeting. The Company shall ensure that sufficient information is included within such notice to the Directors to enable each Director to make a decision on the issue in question at such meeting. Every notice convening a meeting of the Board shall set forth in full and sufficient detail each item of the business to be transacted thereat, and no item or business shall be transacted at such meeting, unless the same has been stated in full and in sufficient detail in the notice convening the meeting, except as otherwise consented to by all the Directors or their respective Alternate Directors. Not less than a minimum 7 (seven) days' prior written notice shall be given to each Director for any Board Meeting, accompanied by the agenda for the Board Meeting; provided, however, a Board Meeting may, subject to the Applicable Laws, be called at shorter notice to transact urgent business subject to the condition that at least 1 (one) Investor Director and least 1 (one) Promoter Director shall have consented to the shorter notice and be present at/throughout such Board Meeting and, or, waived their presence. All documents presented or circulated to the Directors in regard to a Board Meeting shall be in English.
- 4.7.3 \*\*\*Quorum: The quorum for a meeting of the Board shall be 1/3<sup>rd</sup> of total strength or 2 (two) Directors, whichever is higher, provided however the quorum shall not be valid without the presence, in person or otherwise, of at least 1 (one) Investor Director, or his/her duly appointed Alternate Director throughout the relevant Board Meeting and Promoter I, unless waived by the Investors and, or, Promoter I, as the case may be. If the quorum is not present within 30 (thirty) minutes from the time when the meeting should have begun, or if during the meeting there is no longer a quorum, the meeting shall be adjourned for 1 (one) Business Day and shall be reconvened at the same place and time, or at such other date, place and, or, time as may be agreed to by the majority of the Directors (including at least 1 (one) Investor Director), with the same agenda. If at 2 (two) consecutively adjourned Board Meetings, the quorum is not present within 30 (thirty) minutes of the time appointed for the meeting, then, subject to the 2013 Act, the Directors present, in person or through Alternate Directors, at such meeting shall constitute the quorum and the Board Meeting shall proceed with respect to the business stated in the agenda for the Board Meeting; provided, however, even in such a reconvened/adjourned Board Meeting no Affirmative Vote Matter shall be discussed and, or, no resolution pertaining to an Affirmative Vote Matter shall be passed unless 1 (one) Investor Director is present during such a Board Meeting.



*\*\*\*- Altered vide resolution passed in the Extra Ordinary General Meeting held on 3<sup>rd</sup> December, 2022*

4.7.4 Voting: Each Director is entitled to cast 1 (one) vote at any Board Meeting.

4.7.5 Decisions of the Board: A decision shall be validly made and, or, a resolution validly passed at a Board Meeting only if passed at a validly constituted Board Meeting and, subject to the provisions of these Articles in regard to Affirmative Vote Matters, by a simple majority of the Directors present and voting at the relevant Board Meeting. A resolution in writing of the Board shall be as valid and effective as if it had been a resolution passed at a meeting of the Board duly convened and held, if the resolution is signed in support thereof by a majority of the Directors for the time being.



Without affecting the generality of the foregoing, where the resolution is with respect to, or includes, an Affirmative Vote Matter, then it shall require the written consent of the Investors for only such matter. Any such resolution bearing the signature of any Director and dispatched by email shall constitute a valid document for the purpose of this clause. It is clarified that where a resolution of the Board has been approved by a Promoter Director and, or, the Investor Director in respect of a specific matter, the Promoters and, or, the Investors, as the case may be, shall vote in accordance with such resolution in case that particular matter is taken up at a Shareholders' meeting of the Company.

4.7.6 Electronic Participation: The Board has the power to allow electronic or remote participation and voting in Board Meetings, subject to compliance with the relevant requirements under the 2013 Act. A Director may make a request for electronic or remote participation to the Board and the Board shall consider such a request favourably and provide such facility in accordance with the requirements of the 2013 Act. Accordingly, a reference to the presence of any Director for a meeting of the Board, shall include either physical presence or through video conferencing or electronic or remote means.

4.7.7 Maintenance of minutes: The Board shall record the minutes of its meetings as prescribed under the 2013 Act, provided that such minutes shall be subject to the written approval of the Investors.

#### **4.8 Resolution by Circulation.**

Except for resolutions which the 2013 Act requires to be passed at a physical meeting of the Board, a resolution of the Board may be passed by the Directors by circulation (provided that it has been circulated in draft form by hand delivery or by post or by email, together with the relevant papers, if any, to all the Directors in accordance with the requirement of these Articles, and 2013 Act), which resolution shall be valid and effective if, subject to the provisions of these Articles in regard to Affirmative Vote Matters, it is approved by a majority of Directors.

#### **4.9 Committees of the Board.**

Subject to the provisions of these Articles, and Applicable Laws, the Board shall have the power and right to constitute and disband, if necessary, committees or sub-committees and delegate such of the Board's powers to the aforesaid committees as the Board may deem fit ("**Committees**"). Only the Board can appoint a committee of Directors or delegate its powers to any Persons. Unless agreed in writing by the Investors, the Board shall, while forming such Committees, ensure that 1 (one) Investor Director and Promoter I is a member of each such Committee. The provisions relating to Board and Board Meetings contained herein (including relating to notice, quorum, quorum at adjourned meetings and Affirmative Vote Matters) shall apply *mutatis mutandis* to all the Committees and their respective meetings. All resolutions passed by the Committees shall have to be necessarily ratified by the Board.

#### **4.10 Record keeping.**

The Company shall keep a book of all resolutions and the minutes of all meetings of the Board in which there shall be recorded the time and place of such meeting, whether regular or special, and if special, however called, the notice thereof given, the names of those present and the processing thereof.

#### **4.11 Directors' Access.**

Any Director shall be entitled to examine the books, accounts and records of the Company and shall have, during normal business hours of the Company and with prior reasonable written notice, the right to reasonably inspect the properties and facilities of the Company. The Company shall provide such information relating to its business affairs and financial position as the relevant Director may require. Subject to the Applicable Laws, any Director may provide such information to the Shareholder who has nominated such a Director. The relevant Director and Shareholder would be bound by the confidentiality obligations as agreed in writing between the Shareholders, and the Company, in relation to such information received.

#### **4.12 Fees and Expenses of Directors.**

Subject to Applicable Laws, all expenses and costs incurred in connection with the convening and conduct of the Board Meetings shall be borne by the Company. The Company shall reimburse all out of pocket expenses incurred by the Investor Directors and the Promoter Directors (subject to any cap prescribed for whole-time directors in terms of Applicable Laws if applicable) in attending Board Meetings or business review meetings or otherwise perform their duties and functions as Directors. However, no sitting fees shall be paid to the Investor Directors and the Promoter Directors by the Company. Any reimbursements and sitting fees payable to Independent Directors shall be governed by the specific agreement between the Company and the Independent Director in this regard.

#### **4.13 Indemnification of Directors.**

4.13.2 The Company shall, subject to Applicable Laws, indemnify and keep indemnified the Directors against any:

- (i) act, omission or conduct of or by the Company or its employees or agents as a result of which any Director is made, in whole or in part, a party to, or otherwise incurs any loss or damage pursuant to, any proceedings arising out of or relating to any such conduct;

- (ii) action or omission by any Director at the request of or with the consent of the Company; and
- (iii) contravention of any of the Applicable Laws including, without limiting the generality of the foregoing, laws relating to provident fund, gratuity, labour, environment, pollution, the anti-bribery laws, and any action or proceedings taken against such Director in connection with any such contravention or alleged contravention.

#### **4.14 No Liability of Investor Director**

- 4.14.2 The Company recognizes that the Investor Directors shall not have any day-to-day managerial powers and that they will not be whole time, managing or executive directors of the Company and will not, subject to applicable Law, be held responsible for any default or failure of the Company in complying with the provisions of any applicable Law. 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 Investors and/or the Investor Directors.
- 4.14.3 Notwithstanding anything to the contrary contained in these Articles, no Investor Director shall be deemed to be an 'occupier' or 'officer in charge' or 'officer in default' for the purposes of the 2013 Act or any other Applicable Laws, as the Investor Directors are non-executive directors and do not have the power to and are not responsible for overall management, supervision, direction and control of the Company. Further, the Promoters and the Company shall ensure that the Investor Directors are not nominated as compliance officers, occupiers and/or employers and/or persons-in-charge, as the case may be, in order to ensure that, to the maximum extent permitted by Applicable Law, the Investor Directors do not incur any liability for any default or failure of the Company in complying with the provisions of any Applicable Laws.
- 4.14.4 In the event that any notice or proceedings have been filed against the Investor Directors by virtue of being Directors of the Company, the Company and the Promoters shall take all necessary steps to ensure that name of such Investor Directors is excluded/ deleted and the charges/proceedings against such Investor Directors are withdrawn and shall also take all steps to defend such Investor Directors against such proceedings and the Company shall pay all costs, damages, fines, levies etc. that may be levied against such Investor Director in such proceedings. The Investor Directors shall also be entitled to appoint any counsel at his/her own discretion, to defend any proceedings instituted against the Investor Directors by virtue of being Directors of the Company. All reasonable expenses borne by the Investor Directors in this regard shall be borne by the Company.

### **5. SHAREHOLDERS AND SHAREHOLDERS MEETINGS**

#### **5.1 Shareholders Meetings.**

- 5.1.1 Frequency of Shareholders Meeting: An annual general meeting of the Shareholders shall be held as per the provisions of the 2013 Act. Subject to the foregoing, the Board, on its own or at the request of either of the Investors, may convene an extraordinary general meeting of the Shareholders, whenever it may deem appropriate (each such meeting, a "**Shareholders Meeting**"). All such Shareholders Meetings shall be held at such place as the Board may determine from time to time. Shareholders Meetings shall be called at such times as may be required to procure any consent of the Shareholders in terms of the provisions of these Articles, and, or, the 2013 Act, and in any event at least once in each financial year. Subject to the provisions of the 2013 Act, the Shareholders shall be entitled to participate in Shareholders Meetings through their respective duly authorized representative(s), duly

constituted proxies or attorneys, as the case may be. English shall be the language used at all Shareholder meetings.

5.1.2 Notice: In accordance with provisions of the 2013 Act a minimum 21 (twenty one) days' prior written notice shall be given to all the Shareholders of any Shareholders Meeting, accompanied by the agenda for such meeting; provided, however, any agenda for a Shareholders Meeting shall be provided to each Investor at least (two) days prior to the notice of the Shareholder Meeting being issued to the Shareholders unless such right is waived by each Investor in writing. The aforesaid notice may be waived or a Shareholders Meeting may be called by giving a shorter notice with at least 95% (ninety five per cent.) of all the Shareholders entitled to vote at such meeting providing their written consent for such shorter notice. Subject to the 2013 Act, the notice of each general meeting shall include an agenda approved by the Board setting out the business proposed to be transacted at the meeting, together with copies of all relevant papers connected therewith and, or, proposed to be placed before or tabled at the Shareholders Meeting, and no item or business other than as set out in the agenda shall be transacted or discussed at any Shareholders Meeting unless agreed to / approved by the Investors and the Promoters in advance. The notice shall specify the place, date and time of the meeting. All documents presented or circulated to the Shareholders in regard to a Shareholders Meeting shall be in English.

5.1.3 \*\*\*Quorum: The quorum for any Shareholders Meeting shall be at least 5 (five) Shareholders present in person or through their respective duly authorized representative(s), duly constituted proxy(s) or attorney(s), as the case may be, 1 (one) of which shall be one of the Investors and the other Promoter I, at the beginning of the meeting and throughout the meeting (unless waived by the Investors and, or, the Promoter 1, as the case may be). If the quorum is not present within 30 (thirty) minutes from the time when the meeting is scheduled to begin or if during the meeting there is no longer a quorum, the meeting shall be adjourned for 2 (two) Business Days and shall be reconvened at the same place and time, or at such other day, date, place and, or, time as the Board may determine, with the same agenda.

***\*\*\*- Altered vide resolution passed in the Extra Ordinary General Meeting held on 3<sup>rd</sup> December, 2022***

5.1.4 Proxies and Authorised Representatives: Any Shareholder of the Company may appoint another Person as his proxy (and in case of a corporate Shareholder, its authorized representative) to attend a meeting and vote thereat on such Shareholder's behalf, provided that the power given to such proxy or representative must be in writing. Any Person possessing a proxy or other such written authorization with respect to any Securities shall be able to vote on such Securities, as the case may be, and participate in meetings as if such Person were a Shareholder, subject to Applicable Laws.

5.1.5 Chairman for Shareholders Meeting: The Chairman of Board shall be the chairman for the Shareholders Meeting. The chairman of the Shareholders Meetings shall not have any second or casting vote.

5.1.6 Voting: Subject to the Applicable Laws, voting on all matters to be considered at a Shareholders Meeting shall be by way of show of hands unless a poll is demanded in accordance with provisions of the 2013 Act.

5.1.7 Decisions of the Shareholders: Subject to the provisions of these Articles in regard to Affirmative Vote Matters, a decision shall be validly made and, or, a resolution validly passed at a Shareholders Meeting only if the requisite majority approves the relevant decision / resolution in compliance with the provisions of the 2013 Act.

- 5.1.8 Electronic Participation: The Shareholders may participate and vote in the Shareholders Meeting through electronic or remote participation and voting in the manner permitted under the 2013 Act, from time to time. A Shareholder may make a request for electronic or remote participation to the Board and the Board shall consider such a request favourably and provide such facility in accordance with the requirements of the 2013 Act. Accordingly, subject to Applicable Laws, a reference to the presence of any Shareholder for a meeting of the Shareholders, shall include either physical presence or through video conferencing or electronic or remote means, and the process that is to be followed in regard to Board Meetings for presence and voting through video conferencing or electronic or remote means under the 2013 Act shall be followed in regard to such Shareholders Meeting.

## 6. AFFIRMATIVE VOTE MATTERS

- 6.1 Notwithstanding any other provision of these Articles or any power conferred upon the Board by these Articles, and, or, the 2013 Act, with effect from the Restated Articles Effective Date, neither the Company nor any Shareholder, Director, Committee member, or any of their respective delegates or representatives shall take any decisions or actions in relation to any of the matters set forth in Article 6.5 ("**Affirmative Vote Matters**") with respect to the Company, in any meeting, forum, circular resolution or in any other manner whatsoever, without the affirmative prior written consent or approval of the Investors. It is agreed that any discussions pertaining to Affirmative Vote Matters shall necessarily be included in the agenda papers in relation to the relevant meeting in advance and shall not be taken up in a Board Meeting, meeting of any Committee or Shareholders Meeting, unless specifically agreed to, in writing, by the Investor.
- 6.2 The principle set out in this Article 6 is fundamental to the governance of the Company and each Party undertakes not to commit any act or omission that would violate this Article.
- 6.3 It is clarified that any consent by the Investors in relation to any of the Affirmative Vote Matters shall apply only in relation to the particular Affirmative Vote Matters and only in the context specified in the relevant notice and shall not constitute, or be deemed to constitute in any manner, a general consent for any other Affirmative Vote Matters, or a consent for the same Affirmative Vote Matters in any other context.
- 6.4 If any other provision of these Articles conflicts with the provisions of this Article, the provisions of this Article shall prevail and be given effect.
- 6.5 The following matters shall be considered Affirmative Vote Matters:
- i. Any amendment to these Articles, and, or the Memorandum of Association of the Company;
  - ii. Any decision in relation to winding up, liquidation, bankruptcy or dissolution of the Company or any Exit Trade Sale;

- iii. Any change in the composition (including structure and strength and, or, manner of election and, or, term of office) of the Board;
- iv. Any forming of a committee of the Board;
- v. Any decision in relation to Additional Funding Requirement;
- vi. Any capital expenditure in excess of INR 1,00,00,000 (Indian Rupees one crore) beyond the approved Business Plan;
- vii. Finalisation, approval and adoption of Business Plan and any changes or deviation of more than 10% (ten per cent.) from such Business Plan and, or, expansion plan;
- viii. Incurring of any Indebtedness or creation of any Encumbrance on the Assets, including any contingent liabilities beyond the amounts specified in the Business Plan and extension of any loans already borrowed;
- ix. Entering into any arrangements not included in the Business Plan in excess of INR 1,00,00,000 (Indian Rupees one crore);
- x. Any transaction involving the acquisition of substantially all the assets, shares, voting power or controlling interest in any other company, business, partnership firm, or body corporate by the Company, or investment in any other business / the same business as the Company;
- xi. Any transaction involving purchase, sale, lease, license or Transfer of Assets of the Company (including any vehicles and, or cars but excluding Intellectual Property Rights of the Company) in excess of INR 1,00,00,000 (Indian Rupees one crore) of the written down value of such Asset at the commencement of the relevant Financial Year or if not contemplated in the Business Plan;
- xii. Guarantees and credit enhancement (other than in the Ordinary Course) and entering into derivative contracts which are not contemplated in the Business Plan;
- xiii. Any transaction involving sale, license or Transfer of the Intellectual Property Rights of the Company involving an amount in excess of INR 10,00,000 (Indian Rupees ten lakhs);
- xiv. Any bonus or profit sharing scheme for Key Managerial Personnel, Management or the Promoters or Shareholders, and, or, any distribution of profits and, or, commission and, or remuneration to any Promoters, Key Managerial Personnel, Management or Director other than in the Ordinary Course;
- xv. Any payment, directly or indirectly, of salaries, bonuses, consulting fees or other compensation, payments, or fees to any Promoters or Shareholders of the Company or members of the Management except as contemplated by the Business Plan;
- xvi. Any appointment or removal, determination of the terms of employment and any significant changes in the terms of the employment agreement or arrangement of Directors, Management and, or, Key Managerial Personnel;
- xvii. Any merger, amalgamation, acquisition, recapitalization, reorganisation, business combination, consolidation, settlements with creditors and other business combinations or financial alliances or any change in Control of the Company and any decisions related to the terms and conditions of any restructuring of the



Company including (i) timing of such restructuring; (ii) share swap / consideration payable for such restructuring and (iii) appointment of independent advisors who shall advise the Company on matters related to such restructuring;

- xviii. Any decision to undertake an IPO or list the shares in any stock exchange and any decisions related to (i) pricing and other terms and conditions of the IPO, or (ii) timing of the IPO, or (iii) the stock exchanges on which the Equity Shares of the Company are to be listed, (iv) appointment of independent merchant banker(s), manager(s), arranger(s), or (v) any other matters in regard to the IPO;
- xix. Any authorization of or setting aside for payment of, or payment of dividends, or buyback/redemption of any Securities of the Company, or distribution of any kind, in cash or in property;
- xx. Granting to any holder of Securities any rights which have a priority greater than those granted to the Investors pursuant to these Articles;
- xxi. Any alteration in any manner whatsoever of the rights of the Investors under these Articles;
- xxii. Any action which adversely changes the rights of the Investors under these Articles or prevents the Investors from exercising their rights under these Articles;
- xxiii. Appointment, re-appointment, removal or change in terms of the statutory and internal auditors of the Company, including the scope of work, terms of reference, or any modifications and changes thereto;
- xxiv. Approval of Financial Statements and any change to such Financial Statements of the Company or the Subsidiaries;
- xxv. Any addition and, or, deletion of any off-balance sheet liability structure of the Company including, without limitation, leasing and drawing on bank guarantees, encumbrances, Transfer, pledge or creation of lien not in the Ordinary Course;
- xxvi. Any changes in the tax and accounting policies and, or practices and, or, the Financial Year of the Company.
- xxvii. Any transaction between the Company and a Related Party or modification of an existing related party transaction which is not in the Ordinary Course and, or, on an arm's-length basis;
- xxviii. Defence of any Litigation initiated by any Person (other than the indemnified parties in terms of the agreements between the Shareholders and the Company) where the amount involved is in excess of INR 10,00,000 (Indian Rupees ten lakh) in any Financial Year;
- xxix. Commencement of any Litigation where the amount involved is in excess of INR 25,00,000 (Indian Rupees twenty five lakh) or settlement and, or, withdrawal of any Litigation where the amount involved is in excess of INR 10,00,000 (Indian Rupees ten lakh);
- xxx. Any change in the Share Capital of the Company and, or, reduction of Share Capital;
- xxxi. Any variation of the rights and preferences attached to any Securities;

- xxxii. Any offer, sale of any Securities, issuance, listing of any Securities and creation of or taking on record any Encumbrance on the Securities;
- xxxiii. Any change in the nature of the business carried on by the Company or entering into any new business line or activity or in any way undertaking any new business initiative exceeding INR 3,00,00,000 (Indian Rupees three crores) that is not contemplated in the Business Plan whether in India or abroad or any change in the name or registered office of the Company;
- xxxiv. Creation of any new Subsidiary or joint venture by the Company;
- xxxv. Entering into, modification or termination of any material contract in existence or proposed to be entered into by the Company, including any decision in relation thereto, including waiver of any material default under or in relation to the breach of any material contract other than in the Ordinary Course;
- xxxvi. Entering into any arrangement or settlement with the debtors or the creditors of the Company other than in the Ordinary Course;
- xxxvii. Any decision in regard to creation of any stock option plan (by whatever name called), restricted stock plan or similar incentive or equity plan or effecting any ESOP / ESOS / Phantom Stock Plan / incentive pool plans, any grant of options or allotment of shares under such plans;
- xxxviii. Issuance or redemption of any debt securities / equity linked debt securities issued by the Company;
- xxxix. The Company entering into any contract to undertake any obligations (in relation to the Business) in relation to a transaction or arrangement where the Company is not a party;
- xl. The Company furnishing any performance / financial guarantee to any Person for any reason whatsoever;
- xli. Any agreement or commitment to give effect to any of the foregoing; and, or
- xlii. Any of the foregoing actions, if undertaken or agreed to be undertaken in respect of the Subsidiaries of the Company.

## **7. TRANSFER OF SECURITIES**

### **7.1 Affiliate Transfers by Investors**

Each of the Investors may Transfer Securities held by it to its Affiliates (each a "Permitted Investor Transferee") provided such Permitted Investor Transferee executes the Deed of Adherence prior to such Transfer. At least 30 (thirty) days prior to the permitted Transfer under this Article, the Investors shall send a notice to the other Shareholders and the Company stating the date on which the intended Transfer is to occur, the name and other relevant details of the Permitted Investor Transferee, the number and class of Securities involved and attaching: (i) a completed and duly executed Deed of Adherence and (ii) copies of all Approvals, consents and filings required to be obtained / filed under these Articles or Applicable Laws, if any. The Company shall after the expiry of the aforesaid 30 (thirty) day period and upon being presented with relevant documents required as per Applicable Laws, register / take on record such a Transfer of Securities to a Permitted Investor Transferee.

*\*\*\*- Altered vide resolution passed in the Extra Ordinary General Meeting held on 3<sup>rd</sup> December, 2022*

## 8. EXIT RIGHTS

### 8.1 IPO.

- 8.1.1 The Company shall, and the Promoters shall ensure that the Company shall, consummate an IPO involving all of the Securities held by the Investors in the Company at any time after 36 (thirty six months) but in any event before 48 (forty eight) months from the Restated Articles Effective Date. For the purposes of these Articles, an “**IPO**” means a firm underwritten initial



public offering of the Equity Shares or such other Securities (including depository receipts) as may be agreed to by the Investors in writing, either domestic or overseas, of the Company and consequent listing of the Securities of the Company on domestic or internationally recognised stock exchanges, either:

- (i) through a public issue of fresh Securities, or
- (ii) an offer of existing Securities by some or all the Shareholders (an “**Offer of Existing Securities**”); or
- (iii) a combination of (i) and (ii).

Provided that the Shareholders and the Company may mutually agree in good faith to extend the aforementioned time periods on account of any delays attributable to regulatory requirements under Applicable Laws.

- 8.1.2 The Board shall decide on the following matters:

- (i) the price, and other terms and conditions of the IPO;
- (ii) the timing of the IPO;
- (iii) the stock exchanges on which the Securities are to be listed;
- (iv) the firm of independent merchant banker(s), manager(s), arranger(s) of the IPO, who shall advise the Company on matters relating to such IPO, including but not limited to matters set out under (i) and (ii) above; and
- (v) any other matters related to the IPO,

with the consent of the Investors in the manner stated under Article 6 in respect of each of the aforementioned matters, and subject to such statutory guidelines as may be in force.

- 8.1.3 In the event of the IPO which entails an Offer of Existing Securities, each Investor shall have the right (but not the obligation) to offer any or all of its Securities for sale in the IPO, in priority to any other Shareholders of the Company, including the Promoters. In the event that further Securities are required to be offered by way of such Offer of Existing Securities under Applicable Laws, or if the Investors do not offer sufficient Securities as are required to be offered in terms of Applicable Laws, the Investors and Promoters shall offer such number of Securities that are in proportion to their Shareholding Percentage.
- 8.1.4 The Promoters shall vote in favour of and to do all acts and deeds necessary for effecting the IPO. In the event of an IPO, the Promoters shall offer such number of their Securities for a lock-in as may be required to meet the minimum promoter contribution or similar lock-in requirements under Applicable Laws. The Investors shall not be required to call themselves, and the Company shall not refer to any of the Investors as “founder” or “promoter” in the offer documents, nor shall be required to offer any of the Securities held by the Investors for such lock-in.
- 8.1.5 All fees and expenses (including payment of all costs relating to the listing and sponsorship, underwriting fees, listing fees, merchant bankers fees, bankers fees, brokerage, commission, reasonable legal fees of the Investors and any other costs that may be incurred due to the changes to Applicable Laws for the time being in force) required to be paid in respect of the IPO, shall be borne and paid by the Company and all intermediaries, agents and managers shall be appointed by the Company in consultation with the Investors.
- 8.1.6 The Company shall indemnify the Investors to the maximum extent permitted under Applicable Laws, against any loss, claim, damage, liability (including reasonable attorneys’ fees), cost or expense arising out of or relating to any misstatements and omissions of the Company in any registration statement, offering document or preliminary offering document, and like violations of Applicable Laws by the Company or any other error or omission of the Company in connection with a public offering hereunder, other than with respect to information provided by the Investors, in writing, expressly for inclusion therein.

## **8.2 Exit Trade Sale.**

- 8.2.1 The Company shall, and the Promoters shall ensure that the Company shall, consummate an Exit Trade Sale involving all of the Securities held by the Investors in the Company at any time after the date that is 48 (forty eight) months from the Restated Articles Effective Date in the event that the IPO is not consummated by such date.

Provided that the Shareholders and the Company may mutually agree in good faith to extend the aforementioned time periods on account of any delays attributable to regulatory requirements under Applicable Laws.

- 8.2.2 The Board shall, with the consent of the Investors in the manner stated under Article 6, and subject to such statutory guidelines as may be in force, decide on:
- (i) the nature of the Exit Trade Sale;
  - (ii) the identity of the purchaser (as applicable);
  - (iii) the price or valuation; and
  - (iv) all other matters related to the Exit Trade Sale.
- 8.2.3 Any such Exit Trade Sale shall be subject to the approval of the Investors.

- 8.2.4 The Promoters and the Investors shall vote in favour of and to do all acts and deeds necessary for effecting the Exit Trade Sale.
- 8.2.5 All fees and expenses (including *inter alia* payment of all costs relating to merchant bankers fees, bankers fees, brokerage, commission, reasonable legal fees of the Investors and any other costs that may be incurred due to the changes to Applicable Law for the time being in force) required to be paid in respect of the Exit Trade Sale, shall be borne and paid by the Company and all intermediaries, agents and managers shall be appointed by the Company in consultation with the Investors.

### 8.3 Strategic Sale Right of the Investor.

- 8.3.1 In case the Company does not successfully consummate an IPO in the manner contemplated in Article 8.1 before the expiry of 48 (forty eight) months from the Restated Articles Effective Date and, or if the Exit Trade Sale is not consummated within 54 (fifty four) months from the Restated Articles Effective Date, in each case for any reason whatsoever including due to the Investors not approving the IPO and, or, the Exit Trade Sale in terms of Article 6(**"Exit Trigger Event"**), then the Investors shall have the right, but not an obligation, exercisable jointly in accordance with this Article to sell the Securities held by such Investors in the Company to any Person (**"Strategic Transferee"**) and to require all or any of the Promoters to immediately sell all or any part of their respective Securities to the Strategic Transferee on terms and conditions, no less favourable to the Promoters than those offered to the Investors by the Strategic Transferee (**"Strategic Sale Right"**). The Promoters irrevocably grant the Investors an option to exercise the aforesaid Strategic Sale Right and to negotiate the terms and conditions for sale of the Strategic Sale Securities to the Strategic Transferee, including the price at which the Strategic Sale Securities shall be purchased by such a Strategic Transferee. Provided that pursuant to exercise of such Strategic Sale Right, the Investors should have divested all the Securities held by them in the Company.
- 8.3.2 In the event the Investors elect to exercise their Strategic Sale Right, they shall deliver a written notice of such election to the Promoters (a **"Strategic Sale Exercise Notice"**). The Strategic Sale Exercise Notice shall specify: (i) the name and address and identity of the Strategic Transferee, (ii) the number of Securities that the Promoters shall be required to sell to the Strategic Transferee (**"Strategic Sale Securities"**), and (iii) the amount in cash of the proposed consideration for such sale. The Strategic Sale Exercise Notice shall be irrevocable and shall constitute a binding agreement by the Promoters to sell and Transfer the Strategic Sale Securities to the Strategic Transferee without the requirement of any further acceptance or acknowledgement of the Strategic Sale Exercise Notice by the Promoters.
- 8.3.3 Within 30 (thirty) days of the receipt of the Strategic Sale Exercise Notice or such other date as may be specified in the Strategic Sale Exercise Notice (**"Strategic Sale Closing Date"**), the Promoters shall take all steps necessary to give effect to the provisions of this Article and to the Strategic Sale Right of the Investors. The Company and the Promoters shall take all necessary and desirable actions in connection with the consummation of the transactions contemplated in this Article, including passing of all necessary resolutions and obtaining all necessary consents to give effect to the Strategic Sale Right, the timely execution and delivery of such agreements and instruments and other actions reasonably necessary to cooperate with the Strategic Transferee, to provide such access and information as may be requested by the Strategic Transferee, participate in meetings with the Strategic Transferee, permit the Strategic Transferee to conduct a due diligence on the Company, and to provide the representations, warranties, indemnities, covenants, and other provisions and agreements customary to such sale. The Shareholders and the Company agree and acknowledge that the Investors shall not be required to make any representations and, or, provide indemnities in

connection with the Securities that are transferred by the Promoters to the Strategic Transferee.

- 8.3.4 The closing of any purchase of the Strategic Sale Securities by the Strategic Transferee from the Promoters shall take place on the Strategic Sale Closing Date and simultaneous with the closing of the purchase of Securities by the Strategic Transferee from the Investors. On the Strategic Sale Closing Date, the Promoters shall deliver all documents and instruments as may be required in accordance with the Applicable Laws to effect a Transfer of the Strategic Sale Securities free from and clear of any or all Encumbrances, including duly executed transfer instructions to the relevant depository participant, as applicable. The Strategic Sale Securities that are to be sold pursuant to the Strategic Sale Right shall be free and clear of any Encumbrance.
- 8.3.5 The Strategic Transferee purchasing the Strategic Sale Securities shall make payment in full for the Strategic Sale Securities to the relevant bank accounts of the Promoters, the details of which shall be intimated in writing by the Promoters to the Investors. On the Strategic Sale Closing Date, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale and transfer of the Securities held by the Investors and the Strategic Sale Securities to the Strategic Sale Transferee.
- 8.3.6 If the Promoters do not, on the Strategic Sale Closing Date provide duly executed transfer instructions in accordance with the requirements of Applicable Laws to the relevant depository participant, in regard to all the Strategic Sale Securities, the Promoters shall be deemed to have irrevocably authorized any Person nominated by the Investors to be the Promoters' agent and attorney to execute all necessary sale and Transfer(s) documents on their behalf and against receipt by the Company (on trust for the Promoters) and in accordance with the requirements of this Article and deliver such documents to the Strategic Transferee and the Directors shall forthwith register the Strategic Transferee as the holder thereof. After the Strategic Transferee has been registered as the holder, the validity of such proceedings shall not be questioned by the Promoters or any Person.
- 8.3.7 On the Strategic Sale Closing Date, the Investors shall cause each of the Directors nominated by them to resign from the Board, and the Promoters shall cause such number of Directors nominated by them to resign from the Board, such that the Strategic Sale Transferee gets the right to nominate a majority of Directors on the Board with immediate effect. Provided that, if required by the Strategic Transferee, the Promoters shall ensure that Promoter I is retained in his present position in the management of the Company for a reasonable transition period as determined by such Strategic Transferee pursuant to such Strategic Sale.
- 8.3.8 If the Strategic Transferee refuses to consummate the transaction contemplated by this Article, then the Investors and the Promoters shall not have any liability whatsoever in regard to such a Strategic Transferee, and such failure shall not preclude the right of the Investors to exercise their Strategic Sale Right at a future date.
- 8.3.9 Upon occurrence of an Exit Trigger Event, without prejudice to the right of the Investors to explore options to exercise their Strategic Sale Right, the Promoters shall have the obligation to identify prospective Strategic Transferee(s) and procure non-binding offers from such Persons and present it to the Investors to facilitate the Strategic Sale Right of the Investors. The Investors shall have the sole discretion to accept or reject such offers procured by the Promoters and if the Investors reject any of the offers procured by the Promoters then the obligation of the Promoters to continue to explore and identify other Strategic Transferee(s) shall continue and shall not fall away or stand diluted in any manner.
- 8.4 Notwithstanding anything to the contrary contained herein, any exit provided to the Investor pursuant to this Article 8 that entails sale of the Securities held by the Investor should



necessarily require payment of consideration for such Securities in cash, unless otherwise agreed by the Investors in writing.

## **9. INFORMATION RIGHTS AND INSPECTION**

### **9.1 Information Rights.**

9.1.1 So long as the Investors, along with their Affiliates, holds any Securities in the Company, the Company shall provide to the Investors and Permitted Recipients:

- (i) monthly information statements in a format prescribed by the Investors pursuant to discussions with the Promoters, containing such information as is required to understand the business (including details of significant events impacting or expected to impact the Company), by not later than 20 (twenty) days following the end of the month to which they relate;
- (ii) un-audited quarterly financial statements, within 30 (thirty) days from the end of the period to which they relate, duly certified by the managing director and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (iii) un-audited half-yearly financial statements, within 45 (forty five) days from the end of the period to which they relate, duly certified by the managing director and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (iv) annual audited financial statements, within 90 (ninety) days from the end of the period to which they relate, duly certified by the Promoters and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (v) a copy of the auditors' report, within 120 (one hundred and twenty) days from the end of the period to which it relates;
- (vi) minutes of all Board Meetings, Shareholders Meetings and any meetings of the Committees, as soon as practicable, and in any case within 15 (fifteen) days of the date of the relevant meeting; and
- (vii) projection of any debt and equity requirements for each of the next (two) financial quarters, as soon as practicable.

9.1.2 The Financial Statements delivered under this Article 9.1 shall at least include a balance sheet, a statement of profit or loss, and a statement of cash flows for the relevant period and shall be prepared in English in accordance with Accounting Standards consistently applied with past practice for prior periods.

9.1.3 All information and documents to be provided by the Company under this Article 9.1 shall be prepared and provided in English.

### **9.2 Right of Inspection.**

9.2.1 So long as the Investors, along with their Affiliates, holds any Securities in the Company, the Investors shall, by giving a notice of at least 7 (seven) days, be entitled to carry out inspection of site, stores, accounts, documents, records, premises, and equipment and all other Assets of the Company during normal working hours through its authorized representatives and, or, agents at its own cost, and the Company shall use reasonable efforts

to provide such information, data, documents, evidence as may be required for the purpose of and in the course of such inspection in connection therewith. The Investors shall have the right to make copies of, all books of account, records, including the corporate and the financial records, audited accounts and management accounts. The Company shall provide all possible assistance to the Investors or their respective authorised representatives (including legal advisors, accountants and other professional advisors) in this regard. In the event that any concerns are raised pursuant to such inspection and audit, the Company shall address and resolve such concerns promptly to the satisfaction of the relevant Party. The Investors shall also be entitled to consult and discuss matters concerning the Company or its business with the Directors, Key Managerial Personnel, employees, statutory auditors, accounting advisors and legal advisors of the Company. It shall be the responsibility of the Promoters to ensure that the obligations under this Article 9.2 are given full effect. The reasonable costs of any such inspection including appointment of any auditors for this purpose shall be borne by the Company.

9.2.2 The Investors shall be entitled to standard information, inspection and visitation rights, in compliance with the requirements of Applicable Laws.

All inspection, auditing or other activities conducted by a Shareholder, pursuant to this Article 9.2 shall be conducted in a manner so as not to interfere unreasonably with the conduct of the business of the Company.

## 10. OTHER COVENANTS

### 10.1 Protective Covenant.

10.1.1 The Promoters agree that they shall not, and shall ensure that their Affiliates and Associates do not (except, where relevant, through the Company and its Subsidiaries), directly or indirectly,:

- (i) set up, solicit business on behalf of, render any services to, engage in, guarantee any obligations of, extend credit to or have any ownership interests, in any Conflicting Business. For the purposes of these Articles, “**Conflicting Business**” means the business of providing facilities management services, production support services, staffing solutions and other business support services that, directly competes with the business of the Company as carried on from time to time;
- (ii) assume any Role in any Person engaged in, or proposed to be engaged in, any Conflicting Business;
- (iii) solicit and render services to or for, or accept from, anyone who is a client or customer of the Company (whether present or future), any Conflicting Business, or persuade or attempt in any manner to persuade any client or customer of the Company to cease to do business or to reduce the amount of business which any such client or customer has customarily done or is reasonably expected to do with the Company;
- (iv) interfere or seek to interfere or take such steps as may interfere with the continuance of supplies to the Company (or the terms relating to such supplies) from any suppliers who have been supplying goods or services to the Company; and
- (v) employ as an employee or retain as a consultant any Person (including an individual, firm, corporation or other form of entity) who is then, or at any time during the 6 (six) month period prior to the date of the purported solicitation, was an employee

of, or exclusive consultant to the Company, or persuade or attempt to persuade any employee of, or exclusive consultant to, the Company, to leave the employment of the Company or to become employed as an employee or retained as a consultant by any other Person.

10.1.2 Notwithstanding anything to the contrary agreed in writing between the Shareholders and the Company, and without prejudice to restrictions contained in Article 10.1.1, the Promoters shall not, individually or together, at any time, have any Role or have any interest, directly or indirectly, in any Persons / businesses, irrespective of the nature of the business / operations (“Interested Entities”) which is not in compliance with this Article 10.1. The Interested Entities are set forth in Article 10.1.3. As and when a Promoter acquires / assumes any Role / interest in any new Person / business, the relevant Promoter shall issue a written intimation to the Investors and upon a Promoter acquiring / assuming such a Role / interest in the manner aforesaid, the relevant Person / Business shall be treated as an Interested Entity for the purposes of these Articles. Further, each Promoter shall, as and when it ceases to have any Role / interest in any Interested Entity issue a written intimation to the Investors as soon as practicable. As and when a Promoter acquires / assumes any additional Role / interest or enhancing its shareholding or interest in any Interested Entity, the relevant Promoter shall issue a written intimation to the Investors.

10.1.3 The details of Interested Entities are as follows:

<i>S.No.</i>	<i>Name of Interested Entity</i>	<i>Nature and Extent of Interest</i>
1.	Tangirala Infrastructure Development Private Limited	(i) director;  (ii) shareholder – legally and beneficially holding 50% (fifty per cent.) of the share capital
2.	Best Security Services Limited	(i) director;  (ii) shareholder – legally and beneficially holding 50% (fifty per cent.) of the share capital
3.	Tangi Facility Solutions Private Limited	(i) director;  (ii) shareholder – legally and beneficially holding 99% (ninety nine per cent.) of the share capital

10.1.4 Notwithstanding anything to the contrary contained herein, the restrictions contained in this Article 10 shall not be circumvented by the Promoters indirectly including through its Affiliates, Associates or any other Person.

10.1.5 The restrictions contained in Article 10.1.1 shall not apply to any financial / passive investments made by the Promoters subject to the Promoters having sought the prior written consent of the Investor for any investment exceeding INR 25,00,00,000 (Indian Rupees twenty five crores). Provided that for any financial / passive investment made by the Promoters not exceeding INR 25,00,00,000 (Indian Rupees twenty five crores), the Promoters shall intimate the Investors immediately after having made such investment.

- 10.1.6 The Shareholders and the Company acknowledge that (i) the type and periods of restriction imposed in the provisions of this Article 10.1 are fair and reasonable and are reasonably required in order to protect and maintain the legitimate business interests and the goodwill associated with the business carried on by the Company; and (ii) the time, scope and other provisions of this Article 10.1 have been specifically negotiated by parties and have been agreed to, in light of the investments made by the Investors in the Company, either directly or indirectly.
- 10.1.7 If any of the restraints contained in this Article 10.1 or any part thereof, is held to be unenforceable in a jurisdiction by reason of it extending for too great a period of time, or by reason of it being too extensive in any other respect, the Shareholders and the Company agree for only that particular jurisdiction that (i) such restraint shall be interpreted to extend only over the maximum period of time, geographic area or extent to which it may be enforceable, as determined by the court or arbitration panel making such determination, and (ii) in its reduced form, such restraint shall then be enforceable. Each of the restraints and agreements contained in this Article 10.1 (collectively, the "Protective Covenants") is separate, distinct, and severable.
- 10.1.8 The unenforceability of any portion of the Protective Covenant shall not affect the validity or enforceability of any other portion of the Protective Covenant or any other provision or provisions of these Articles.
- 10.1.9 The Promoters undertake that:
- (i) Promoter I shall devote all of his time, energy and efforts to the activities of Company and the promotion of the Business.
  - (ii) except with the prior written consent of the Investors, all new projects and businesses relating to the Conflicting Business, shall only be undertaken by the Company, and not through any other Affiliates or Associates of any of the Promoters or the Company or through the Relatives of Promoter I and Promoter II. Provided that the security business that is currently being carried on through Best Security Services Limited can be carried on by such an entity subject to the preceding portion of this Article 10.1.9(ii).
  - (iii) all opportunities for new projects and businesses relating to the Conflicting Business that are developed or sourced by, or offered to, the Promoters shall be referred exclusively to the Company.

## **10.2 Conduct of Business.**

- 10.2.1 The Company and the Promoters shall cause the Company, Promoters and their respective Affiliates (present or future) to agree and undertake, that:
- (i) the Company and its Subsidiaries shall devise and implement appropriate mechanisms and reporting systems to ensure:
    - (a) compliance with all Applicable Laws and Accounting Standards, including requisite corporate governance practices; and
    - (b) that all agreements, dealings and arrangements with any of the Shareholders, their Affiliates or other Related Parties and other transactions with a Related Party are on an arm's length basis with full disclosures to the Board;

- (ii) the Company and its Subsidiaries shall conduct its business in accordance with all Applicable Laws, terms and conditions of the agreed in writing between the Shareholders and the Company, these Articles and the Business Plan;
- (iii) they and, or, their Affiliates shall not engage, by themselves directly or by authorizing any Person to do so, in any offering, giving, receiving, or soliciting, any money, gifts, gratifications or any other thing of value to any Government Official or any other Person, that will amount to a violation of the U.S. Foreign Corrupt Practices Act; 15 U.S.C. §78dd-1, et seq. as amended (the “FCPA”), and the Prevention of Money Laundering Act, 2002 (“PMLA”) and other equivalent laws applicable to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, notwithstanding the applicability or non-applicability of the FCPA and, or, the PMLA to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, in relation to such conduct;
- (iv) they shall not and further undertake to ensure that their respective directors, officers, representatives, employees, advisors and agents do not, make any offer, payment, promise to pay or authorise the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any government official (including without limitation, any tax or customs official, any employee of a government owned or controlled company, or of a public international organization, or any person acting in an official capacity on behalf of a government, government owned or controlled company, or public international organization), or to any arbitration tribunal, or to any political party or an employee of any political party, domestic or foreign (or official thereof) (“Government Official”) or to any other Person who was or is in a position to help or hinder the business of the Company, the Promoter and, or, their respective Affiliates: (a) with the intent or purpose of influencing such Government Official or other Person in his official capacity, inducing such Government Official to do or omit to do any act in violation of the lawful duty of such official, or securing any improper advantage; (b) inducing such Government Official to use his influence with a government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality; (c) that would cause the Company, the Promoters and, or, their respective Affiliates and their respective directors, and employees to violate or be in violation of any applicable laws (including without limitation the FCPA, as amended from time to time, notwithstanding the applicability of the FCPA and, or, the PMLA to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, in relation to such conduct) or subject it or them to damages or penalties in a civil or criminal proceeding; or (d) that could reasonably be expected to have a Material Adverse Effect, if not discontinued;
- (v) the Company, the Promoters and their respective Affiliates shall comply with the FCPA policy, as adopted by the Board, effective from the Restated Articles Effective Date;
- (vi) each of the Company, the Promoters and their respective Affiliates are: (a) not currently identified on the Specially Designated Nationals and Blocked Persons List maintained by the U.S. Office of Foreign Assets Control, Department of the Treasury (“OFAC”) and, or, on any other similar list maintained by OFAC or any other U.S. governmental agency pursuant to any authorising statute, Order or regulation, and (b) not a person or entity with whom a citizen of the United States of America is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States law, regulation, or order of the President of the United States of America;

- (vii) they and their Affiliates and their respective directors, officers, representatives, employees, advisors and agents have not provided or collected funds with the intention that they be used, or in the knowledge that they are to be used, in order to carry out terrorist acts or support any terrorist organization;
- (viii) the Company, the Promoters and their respective Affiliates (as applicable) shall issue to the Investors, a certificate on an annual basis, in a form and substance satisfactory to Investor II, certifying compliance with the provisions of this Article 10.2; and
- (ix) the Company, its Subsidiaries and Promoter III shall adopt at the meetings of their respective Board of Directors and implement all compliance related policies and procedures in relation to matters set out in this Article, as the Investors may deem necessary from time to time.

#### 10.2.2 The Company and the Promoters shall:

- (i) cause the Company, the Promoters and their respective Affiliates and each of their respective officers, directors and employees (individually and collectively, a “**Company Representative**”) to: (a) engage only in lawful practices in commercial operations and in relation to Governmental Authorities or Government Official; (b) not make any bribe, rebate, payoff, influence payment, or any other payment that would be unlawful under any applicable Anti-Corruption Legislation and Anti-Corruption Guidelines as agreed in writing between the Shareholders and the Company;
- (ii) not engage in (or authorize or permit any of their Affiliates or any other Person acting on its behalf to engage in), any Sanctionable Practice with respect to any transaction as agreed in writing between the Shareholders and the Company or otherwise;
- (iii) not make or hold any investments in any entity that (a) is sanctioned pursuant to United Nations Security Council resolutions issued under Chapter VII of the United Nations Charter; (b) is on the World Bank Listing of Ineligible Firms and Individuals or (c) has been convicted, indicted or subjected to any similar criminal sanction, by any court or governmental body of competent jurisdiction, for engaging in money laundering or financing of terrorism or any Sanctionable Practice;
- (iv) upon being notified by the Investors of their concern that there has been a violation of the Articles 10.2.2(i) to (iii), the United Nations Security Council Resolutions, and, or, any Sanctionable Practices in relation to the foregoing, the Company shall cooperate in good faith with the Investors and its representatives in determining whether such a violation has occurred, and shall respond promptly and in reasonable detail to any notice from the Investors, and shall furnish documentary support for such response upon such request;
- (v) (the Promoters) not Transfer, and the Company shall not permit the Transfer of, any of their interests in the Company to any person or entities (a) named on lists promulgated from time to time by the United Nations Security Council or its committees pursuant to any resolution issued under Chapter VII of the United Nations Charter; (b) named on the World Bank Listing of Ineligible Firms and Individuals (see [www.worldbank.org/debarr](http://www.worldbank.org/debarr) or any successor website or location); and, or, (c) convicted, or subjected to any similar criminal sanction, by any court or governmental body of competent jurisdiction, for engaging in money laundering or financing of terrorism or any Sanctionable Practice, or in each case, to any successor in interest or ultimate beneficial owner thereof; and



- (vi) on becoming aware of any violation of the Integrity Requirements, they shall promptly notify the Investors.

### **10.3 Distribution of Profits.**

The Board shall determine the amount and the time of distribution of dividends in accordance with the Dividend Policy. The Shareholders and the Company agree that the profits of the Company, as and when distributed, shall be distributed to the Shareholders as per their Shareholding Percentage.

### **10.4 Key Managerial Personnel.**

10.4.1 Key Managerial Personnel shall be appointed by the Board from time to time in accordance with the requirements of Applicable Laws and the Company shall ensure that the position of chief executive officer, chief financial officer/ vice-president (finance) and business development head of the Company is not vacant for longer than a period of 60 (sixty) days at any point in time. The Persons including the Key Managerial Personnel so appointed by the Board from time to time including Mr. Raghunandana Tangirala, along with the executive directors of the Company, if any, shall hereinafter be referred to as the “**Management**”.

10.4.2 The Management shall be responsible for the day-to-day management of the Company and shall directly report to the Board. The Management shall operate within the authority specifically approved and granted by the Board and shall exercise such powers as may be delegated to them by the Board subject to its overall control, direction and supervision. The Management shall report to the Board in such manner as may be determined by the Board from time to time.

10.4.3 Any decision in regard to the appointment or termination, or change in the terms of appointment of any Key Managerial Personnel and, or member of the Management shall be subject to Article 6 .

### **10.5 Auditors and Accounting.**

10.5.1 The Company shall keep true and accurate accounting records of all operations in accordance with Applicable Laws and Accounting Standards, and such records shall be open for inspection by each Party or by its duly authorised representatives at all times during normal business hours and with sufficient notice so as not to disrupt the Company’s operations.

10.5.2 The Financial Statements of the Company shall be audited at the Company’s expense by the Statutory Auditor.

10.5.3 The accounting records shall be kept at the registered office of the Company or at such other place, in accordance with Applicable Laws, as the Board may deem fit and proper.

### **10.6 Indebtedness.**

In the event the Company proposes to incur any Indebtedness, including by borrowing funds from banks and financial institutions, the Investors shall not be asked, or be required to give any warranties, letter of comfort and, or, guarantees, of any nature whatsoever for any loans or with regard to any aspect of the business or functioning of the Company. In relation to any Indebtedness of the Company, the Investors shall not be required to pledge their Securities or provide any support to any Third Party, including but not limited to lenders of the Company.

## **10.7 Promoter Status.**

- 10.7.1 The Investors and, or, their Affiliates shall not be named or deemed as ‘promoters’ or ‘sponsors’ of the Company nor shall any declaration or statement be made to this effect, either directly or indirectly, in filings with regulatory or Governmental Authorities, offer documents or otherwise without the prior written consent of the Investors in writing.
- 10.7.2 The Investors, their officials, employees, nominee directors, managers, representatives or agents shall not be named or deemed as an ‘occupier’ or ‘officer in charge’ or ‘officer in default’ under any Applicable Laws. In the event any Governmental Authority takes a view or draws an inference that the Investors or their Affiliates or their officials, employees, nominee directors, managers, representatives or agents, is a ‘sponsor’, ‘occupier’ or ‘officer in charge’ or ‘officer in default’, then the Company and the Promoters shall co-operate with the Investors to make such representations and make full disclosures to the Investors or such body or authority as may be required by the Investors to dispel or correct such inference or view under the Applicable Laws.

## **10.8 Status of the Company.**

The Company is and shall be maintained as a ‘private limited company’ (as defined under the 2013 Act) and any conversion or action that would result in conversion of the Company to a public limited company (either directly, by converting Promoter III into a public limited company or otherwise) shall be subject to the prior written consent of the Investor and the terms of these Articles.

## **10.9 Tax Covenants.**

The Company and the Promoters shall act in good faith and shall pay all Taxes (direct and indirect), duties, cess, fees or any other amount payable (whether by way of Tax or otherwise), under the Applicable Laws. Further, the Company, and the Promoters shall take all steps to make the necessary Tax filings under the Applicable Laws (including but not limited to the return of income for the relevant Financial Years, withholding Tax returns etc.).

## **10.10 Business Plan.**

The Business Plan for each Financial Year shall be discussed and approved by the Board, which approval will require an affirmative vote by the Investors in accordance with Article 6, no later than 30 (thirty) days before the beginning of the relevant Financial Year. The Promoters and the Company shall take all steps necessary, including the exercise of their rights at Shareholders Meetings and causing their nominee Directors to exercise their rights at Board Meetings, to ensure that the Company carries on its business in accordance with the terms of the Business Plan agreed from time to time.

## **10.11 Related Party Transactions.**

Any transactions with Related Parties (including investments in, or loans to Related Parties, the formation of Affiliate entities or Subsidiaries) shall be conducted (i) on an arm’s-length basis; and (ii) with the consent of the majority disinterested directors and at least one Investor Director. Provided that any Related Party transactions which are in the Ordinary Course and are on an arm’s-length basis may be approved by the Board through provision of an omnibus approval subject to consent of the Investor in terms of Article 6.

## **10.12 Subsidiaries.**

10.12.1 Unless stated otherwise, any and all rights available to the Investors in or with respect to the Company as agreed in writing between the Shareholders and the Company, including, without limitation, the right under Article 6, shall be also available to the Investors in the wholly owned Subsidiaries of the Company, whether such Subsidiaries exist on the Restated Articles Effective Date or not. All obligations of the Promoters hereunder with respect to the Company also apply to the Promoters in respect of such wholly owned Subsidiaries. The Company shall ensure that all of the rights, preferences and privileges of the Investors which are contained in these Articles, including all management principles set out in these Articles, shall be continuously made applicable to each of the present or future wholly owned Subsidiaries of the Company and shall form part of the memorandum and articles of association or other charter documents of such Subsidiaries. The Investors shall have the right to appoint such number of directors on the board of directors of wholly owned Subsidiaries as they are entitled to appoint on the Board and the Promoters and Company shall ensure that the persons nominated by the Investors are appointed as additional directors on the board of directors of the Subsidiaries of the Company within 15 (fifteen) days of written notice by the Investor in this regard.

10.12.2 With respect to Subsidiaries other than wholly owned Subsidiaries of the Company, all rights available to the Investors in or with respect to the Company as agreed in writing between the Shareholders and the Company, including, without limitation, the right under Article 6, shall be exercised by the Board and by seeking specific consent of the Investor Directors, and, or, by the Company and, or, the Promoters voting appropriately at the meetings of the board of directors or shareholders of such Subsidiaries and, or, Associate Companies.

#### **10.13 Most Favoured Right**

The Company shall not, and the Promoters shall procure that the Company and its Subsidiaries shall not, directly or indirectly, or in any manner whatsoever, grant to any Persons (whether in regard to an issue of Securities or otherwise) rights that are superior or more favourable than the rights that have been granted to the Investors under these Articles. Without prejudice to the generality of the above, any rights that are more favourable and, or, superior than the right available to the Investors under these Articles, shall only be granted to any Person in regard to the Company with the prior written consent of the Investors, and such rights shall automatically, without there being any requirement to undertake any further act and, or, omission, be available to the Investors.

#### **10.14 Business Review Meetings**

The Company shall, and the Promoters shall procure that the Company shall, organize, at the Company's cost, business review meetings between the Shareholders and the Company at such regular intervals as may be mutually agreed in writing between the Company, the Promoter and the Investors.

#### **10.15 Fall away of Rights**

In the event the Investors (together with their Affiliates who hold Securities in the Company) hold less than 5% (five per cent.) of the Share Capital on a Fully Diluted Basis due to Transfer of the Securities held by the Investors or dilution of the Shareholding Percentage of the Investors, the rights conferred on the Investors pursuant to Articles 3.2 (*Fresh Issue of Securities*), 3.3 (*Anti-Dilution*), 4 (*Board and Board Meeting*), 5.1.2 (*Notice*), 5.1.3 (*Quorum*) 6 (*Affirmative Vote Matters*), 0 (*Restriction on Transfer of Promoter Securities*), 8 (*Exit Rights*) of these Articles shall cease (save and except as otherwise agreed in writing by the Shareholders and the Company). Notwithstanding the above, all other rights available to the Investors under these Articles, and the rights generally available to a shareholder

holding less than 5% (five per cent.) of the share capital of a company under Applicable Law, shall continue to be applicable to the Investors until the Investors ceases to hold any Securities in the Company.

#### **10.16 Day-to-day management of the Company**

The Promoters shall ensure that Promoter I remains in charge of day-to-day management and operations of the Company and is responsible for the conduct of Business of the Company.

### **11. EVENTS OF DEFAULT**

#### **11.1 Consequences of Default.**

On the occurrence of an event of default as defined and agreed in writing between the Shareholders and the Company, the Investors shall, without prejudice to any other rights or remedies they may have under Applicable Laws or any other contract, have the right (exercisable in its absolute discretion, but not the obligation) by delivery of a written notice to terminate irrevocably all the rights (but not obligations) of the Promoters and the Company under these Articles as well as the agreements between the Shareholders and the Company and require the Promoters to buy all of the Securities held by the Investors, at 175% (one hundred and seventy five percent.) of the fair market value determined in accordance with Applicable Laws assuming that such event of default as defined and agreed in writing between the Shareholders and the Company has not occurred, or the Investment Amount, whichever is higher.

### **12. GENERAL**

- 12.1 Any reference to “as agreed in writing between the Shareholders and the Company” shall mean the Investment Agreement dated 19 January, 2017, as amended from time to time and other documents executed by the Investors, Promoters, and Company.
- 12.2 Capitalised terms used but not defined herein shall have the meanings assigned to them as agreed in writing between the Shareholders and the Company.

S/No.	Signature, Name, Father/ Husband name, Address description, occupation and PAN No. (If any) of each of the subscribers	Signature, Name, Father/ Husband name Address & of Witness
1.	<p>Sd/-</p> <p>Mr. T. RAGHUNANDANA S/o. Late T.V.S. SHARMA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AADPT0426C</p>	<p>Sd/-</p> <p>M.DAMODARAN S/o. K. Munuswamy Old No: 1A, New No.28 Bazaar Road, 2<sup>nd</sup> Street Mylapore Chennai-600 004</p> <p>Company Secretary C.P.NO.5081</p>
2.	<p>Sd/-</p> <p>Ms. T. SHANTHI W/o. T.RAGHUNANDANA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AAVPS5245C</p>	
3	<p>Sd/-</p> <p>Mr.T. KESAVAN S/o. P. THATHAPPAN No. F-4, Jumbo vinayak, 21, Leelavathi Ammal Street, Madippakkam Chennai-600 091 Service PAN: AIHPK5560E</p>	
4.	<p>Sd/-</p> <p>Mr.D.W.LYONS S/o. Late V.T.LYONS No.63, Foxen Street, Perambur Chennai-600 011 Service PAN: APPLIED FOR</p>	
5	<p>Sd/-</p> <p>Mr.JOSEPH FULBERT EDWARD S/o Late A. J. EDWARD No.17, 7<sup>th</sup> Street, Thiruvalluvar Nagar Errukkencherry</p>	

	Chennai-600 118 Service PAN: ADUPJ5877D	Sd/-
6	Sd/-  Mr. C. ROY SURESH KUMAR S/o. Late S.L. COLUMBUS No.33, N.G.O Colony Sriperumbudur-602 105 Service PAN: APPLIED FOR	M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2 <sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.No. 5081
7	Sd/-  Mr. S. MARIAPPAN S/o. S. SANKARA NARAYANAN No.146, Pandian Street Alwarthiru Nagar Chennai-600 087 Service PAN: AIRPM 9968L	

Place : Chennai

Date : 06.11.2003



**THE COMPANIES ACT, 2013  
(OR ANY REENACTMENT THEREOF)  
COMPANY LIMITED BY SHARES**

**AMENDED AND RESTATED ARTICLES OF ASSOCIATION**

**OF**

**\*\*\*UPDATER SERVICES LIMITED**

(Previously known as Updater Services Private Limited)

---

The Articles consist of two parts, Part 'A' and Part 'B'. The provisions of Part 'A' 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 special provisions of Part 'B'. As long as Part 'B' remains a part of the Articles, in the event of any conflict or inconsistency, the provisions of Part 'B' shall prevail over the provisions of Part 'A'.

---

**PART - A**

**PRELIMINARY**

The regulations contained in Table "F" in Schedule I to the Companies Act, 2013, so far as the same, may be applicable to a Public Company as defined in the Act, shall except, otherwise and to extent provided in these Articles, apply to this Company, in the same manner as if all such regulations of Table F are specifically contained in these Articles.

**INTERPRETATION**

1. In these regulations:
  - (a) "The Act" means the Companies Act, 2013
  - (b) "The Company" or "this Company" means UPDATER SERVICES LIMITED

(\*\*\* The word "PRIVATE" has been deleted vide special resolution passed at the Extraordinary general meeting of the Company held on 22.02.2022 for conversion of the Company from Private Limited to Public Limited)

- (c) "Directors" means the Directors for the time being of the Company or as the case maybe Directors assembled at a Board.
  - (d) "Board of Directors Meeting" or "Board Meeting" means a meeting of the Directors duly called and constituted or as the case may be, Directors assembled at a Board.
  - (e) "Person" includes Corporation.
  - (f) "The Office" means the registered office for the time being of the company.
  - (g) "Month" shall mean calendar month
  - (h) "Proxy" includes attorney duly constituted under a Power of Attorney
  - (i) "The seal" means the Common Seal of the Company.
  - (j) "Executed" includes any mode of execution.
  - (k) "holder" in relation to shares means the member whose name is entered in the register of members as the holder of the shares.
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.

3. \*\*\*

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

4. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
5. (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,—

(\*\*\*) The Restrictions related to Private Company has been deleted vide special resolution passed at the Extra-ordinary general meeting of the Company held on 22.02.2022 for conversion of the Company from Private Limited to Public Limited)

- (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 be under the seal and 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.
6. (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.
7. Except as required by law, no person shall be recognized 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 recognize (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.
8. (i) The company may exercise the powers of paying commissions conferred by subsection (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 rules made there under.
- (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.
9. (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.

(iii) To every such separate meeting, the provisions of these regulations relating to 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.

10. 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 shares ranking *pari passu* therewith.
11. 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.

#### TRANSFER OF SHARES

12. (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.
13. The Board may, subject to the right of appeal conferred by section 58 declines 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.
14. The Board may decline to recognize any instrument of transfer unless-
- (a) the instrument of transfer is in the form as prescribed in rules made under subsection(1) of section 56;
  - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) the instrument of transfer is in respect of only one class of shares.
15. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, 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

16. (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 sole holder, 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.
17. (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.
- (ii) 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.
18. (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.
19. 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 been complied with.

## ALTERATION OF CAPITAL

20. 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 there solution
21. 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.
22. 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.
23. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law, -
- (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.



## **BUYBACK OF SHARES**

24. 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**

25. All general meetings other than annual general meeting shall be called extra-ordinary general meeting.
26. (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**

27. (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.
28. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
29. 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.
30. 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

31. (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.

## BOARD OF DIRECTORS

32. The first directors of the Company shall be the following  
**Mr. T. RAGHUNANDANA**  
**Mrs. T. SHANTHI**
33. (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.
34. The Board may pay all expenses incurred in getting up and registering the company
35. 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.
36. 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.
37. 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.
38. (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.

#### **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

39. 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.

40. 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.

#### **DEMATERIALISATION OF SECURITIES**

41. (i) Dematerialisation of securities:

Notwithstanding anything contained in these Articles, the company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996.

(ii) Options for investors:

Every person subscribing to securities offered by the company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of the securities in respect of his holding.

(iii) Securities in depositories to be in fungible form.

All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sec.153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of securities held by it on behalf of the beneficial owners.

(iv) Rights of depositories and beneficial owners:

- (a) Notwithstanding anything contained in these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (c) The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository.

(v) Transfer of Securities.

Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of securities effected by a transferor both of whom are entered as beneficial owners in the records of a depository.

(vi) Allotment of securities dealt within a depository

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the company shall intimate the details thereof to the depository immediately on allotment of such securities.

(vii) Register and Index of Beneficial Owners:

The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of the Members and security holders for the purpose of these Articles and the provision relating to distinctive numbering shall not apply to the shares of the company which have been dematerialised.

## **THE SEAL**

42. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

### Dividends and Reserve

43. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
44. 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.
45. (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.
46. (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.
47. 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.

48. (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.

49. 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.

50. 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.

51. No dividend shall bear interest against the company.

#### ACCOUNTS

52. (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 authorized by the Board or by the company in general meeting.

#### WINDING UP

53. Subject to the provisions of Chapter XX of the Act and rules made there under –

(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 wherein there is any liability.

## INDEMNITY

54. 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.

## CAPITALISATION OF RESERVES

55. The Company in General Meeting may, upon recommendations of the Board, resolve

- (a) (i) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and
- (ii) that such sum be accordingly set free for distribution in the manner specified in sub-clause (b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (b) The sum aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in sub-clause (c) either in or towards:
  - (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to amongst such members in the proportions aforesaid; or
  - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
- (c) A share premium account and a capital redemption reserve account may, for the purpose 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.
- (d) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

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



- (i) Make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue of fully paid shares, if any, and
  - (iii) authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively credited as fully paid up of any further shares to which they may be titled upon such capitalization or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.
- (h) Any agreement made under such authority shall be effective and binding on all such members.

#### **ISSUE OF SECURITIES UNDER EMPLOYEES STOCK OPTION SCHEME OR ANY OTHER SCHEME\*\***

- \*\*57** Subject to the provisions of these Articles and in accordance with the provisions of Section 54 of the Companies Act, 2013 and of various other laws governing the issue, the Board may issue and allot Securities under Employees Stock Option Schemes or any other scheme to Employees including its Directors other than independent directors and such other persons as the rule may allow from time to time.

*\*\*Clause 57 adopted by Special resolution passed by the members of the Company at the Extraordinary general meeting held on 17 April 2019*

## **PART – B**

### **1. Additional Definition**

- 1.1** “**1956 Act**” means the Companies Act, 1956 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto;
- 1.2** “**2013 Act**” means the Companies Act, 2013 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto and, or, any re-enactment thereof;
- 1.3** “**Accounting Standards**” means the applicable accounting standards in force in India from time to time, consistently applied during the relevant period, including the generally accepted accounting principles and standards, Indian Accounting Standard (Ind AS), and all pronouncements including the guidance notes and other authoritative statements of the Institute of Chartered Accountants of India
- 1.4** “**Additional Funding Requirement**” means: (i) additional funding requirements as per the Business Plan; and, or, (ii) the Board determining that such additional funding is required from time to time in terms of these Articles, in compliance with Article 6;

- 1.5 "Additional Securities" has the meaning assigned to such term in Article 3.2.1;
- 1.6 "Affiliate(s)", with respect to a Person, means (i) in the case of a Person other than a natural person, any other Person that either directly or indirectly through one or more Persons, Controls, is controlled by or is under common Control with such Person and any investment funds managed or advised by such specified Person, and (ii) in relation to a natural person, any Relative of such a natural person and any other Person, either directly or indirectly, controlled by such a natural person. In case of the Investors, the term "Affiliate" shall be deemed to include any pooled investment fund(s) and, or, juristic entity managed by the same manager, managing member, limited partner / investor of pooled investment fund(s) of Investor I and, or, Investor II, general partner or management company or by an entity Controlling, Controlled by, or under common Control with such manager, managing member, general partner or management company, or any other pooled investment fund(s).
- 1.7 "Affirmative Vote Matters" has the meaning assigned to it in Article 6.1;
- 1.8 "Alternate Director" has the meaning assigned to such term in Article 4.5.1;
- 1.9 "Applicable Laws" means relevant and applicable central, state and local laws of India, including all statutes, enactments, acts of legislature, laws, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, administration, directions, directives, decisions, orders, executive orders, decrees, judicial decisions, orders of any Governmental Authority or other similar directives made pursuant to such laws, whether in effect on the date of these Articles or at any time thereafter;
- 1.10 "Approvals" means approvals, permissions, consents, validations, confirmations, waivers, permits, notices, filings, grants, concessions, certificates, registrations, exemption orders, licenses and, or, other authorisations required to be obtained from any Person, including Governmental Authorities, under Applicable Laws, contracts or equity;
- 1.11 "Articles" or "Articles of Association" means the articles of association of the Company, as amended from time to time; It is clarified that on and from the Restated Articles Effective Date, the "Articles" or "Articles of Association" means the Restated Articles;
- 1.12 "Assets", in regard to the Company, means all properties and assets of such the Company, including movable, immovable, tangible or intangible assets belonging to the Company or used or held for use in connection with, necessary for the conduct of, or otherwise material to the business and, or, operations of the Company, including the Intellectual Property Rights;
- 1.13 "Associate", in regard to a Person, means another Person in which such a Person and, or, its Affiliates have Significant Influence and includes partnerships and private trusts where such Person and its Affiliates is a partner, beneficiary and, or, trustee;
- 1.14 "Best Security Services Limited" shall mean Best Security Services Limited a private limited company existing under the Act and having its registered office at 42, Luz Avenue, Mylapore, Chennai - 600 004.
- 1.15 "Board Meeting" means a meeting of the Board duly convened in accordance with the 2013 Act, and these Articles;
- 1.16 "Board" means the board of directors of the Company as constituted from time to time in accordance with the provisions of these Articles and Applicable Laws;

- 1.17 "Business Day(s)" means any day other than Saturday, Sunday or any day on which banks in Chennai (India) or Mumbai (India) or Ebene (Mauritius) are closed for regular banking business;
- 1.18 "Business Plan" means, in relation to any Financial Year, the annual business plan of the Company as approved by the Board, including the budget for the relevant Financial Year in relation to the sales budget, revenue and operating expenditure, cash flow, capital expenditure and key financial ratios;
- 1.19 "Business" means the business of providing facilities management, production support services, staffing services, staffing solutions and other business support services, as carried on by the Company and as supplemented / expanded from time to time;
- 1.20 "Chairman" has the meaning assigned to such term in Article 4.6;
- 1.21 "Committees" has the meaning assigned to such terms in Article 4.9;
- 1.22 "Company Representative" has the meaning assigned to such term in Article 10.2.2(i);
- 1.23 "Conflicting Business" has the meaning assigned to such term in Article 10.1.1(i);
- 1.24 "Control", in relation to any Person, means (i) the beneficial ownership, directly or indirectly, of more than 50% (fifty per cent.) of the voting rights or paid-up share capital of such a Person, (ii) the right to nominate a majority of the directors or members on the board of directors or other such governing body of that Person, and, or, (iii) the possession of power to cause direction of the management or policies of such a Person; Correlative terms such as "controlling" and "controlled" shall be construed in accordance with this definition;
- 1.25 "Deed of Adherence" means a deed in the form agreed in writing between the Shareholders and the Company;
- 1.26 "Dilution Instruments", in regard to a company, means and includes preference shares, debentures, bonds, warrants, options or other securities or instruments which are convertible into or exercisable or exchangeable for or which carry a right to subscribe to or purchase equity shares or equity capital of such a company or any instrument or certificate or right representing a legal or beneficial ownership interest in equity shares or equity capital of such a company;
- 1.27 "Dilution Price" has the meaning assigned to such term in Article 3.3.2;
- 1.28 "Dilutive Issuance" has the meaning assigned to such term in Article 3.3.2;
- 1.29 "Director(s)" means a director on the Board, as constituted from time to time;
- 1.30 "Dividend Policy" means a policy formulated determining the distribution of dividends of the Company to the Shareholders in accordance with Applicable Law which is acceptable to the Investors;
- 1.31 "Encumbrance(s)" means all kinds of charges and encumbrances, including mortgage, pledge, lien, hypothecation, title defect, attachment in the decree of any court, court injunction, assignment by way of security, restriction or limitation of any nature whatsoever, including restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, or any other agreement or arrangement which has the effect of conferring security of any kind whatsoever. For the avoidance of doubt, it is clarified that, insofar as any shares

or securities are concerned, the term 'encumbrances' includes any voting agreement, interest, option, right of pre-emption or transfer restriction in favour of any Person;

- 1.32 **"Equity Shares"**, means the equity shares of the Company having a face value of INR 10 (Indian Rupees ten) each per share;
- 1.33 **"ESOP"** means the Employee Stock Option Plan;
- 1.34 **"Event of Default"** has the meaning assigned to such term as agreed in writing between the Shareholders and the Company;
- 1.35 **"Exit Trade Sale"** means any transaction apart from an IPO that provides each of the Investors a complete exit from the Company and includes the following: (i) a strategic sale to any Person (including a Person engaged in a Conflicting Business) through either a sale of more than 51% (fifty one per cent.) of the Share Capital of the Company or less than 51% (fifty one per cent.) of the Share Capital of the Company that results in a change in Control; or (ii) a secondary sale of the Investor Shares to any Person;
- 1.36 **"Exit Trigger Event"** has the meaning assigned to such term in Article 8.3.1;
- 1.37 **"FCPA"** has the meaning assigned to such term in Article 10.2 1(iii);
- 1.38 **"Financial Statements"**, in regard to the Company, means the audited financial statements comprising an audited balance sheet as of the end of the relevant Financial Year and the related audited statement of income and statement of cash flows for such a Financial Year, together with the auditor's report thereon and notes thereto prepared in accordance with Applicable Laws and Accounting Standards;
- 1.39 **"Financial Year"** means the period commencing from the 1<sup>st</sup> day of April of every calendar year and ending on the 31<sup>st</sup> day of March of the next calendar year;
- 1.40 **"Fully Diluted Basis"**, in regard to the Company, means that the calculation is to be made assuming that all outstanding Dilution Instruments (whether or not by their terms currently convertible, exercisable or exchangeable), options, warrants, outstanding commitments to issue Equity Shares or Dilution Instruments at a future date, whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged in accordance with their respective terms;
- 1.41 **"Government Official"** has the meaning assigned to such term in Article 10.2 1(iv);
- 1.42 **"Governmental Authority"** means any competent governmental, regulatory, statutory or administrative authority, agency, department, commission or instrumentality (whether local, municipal, national or otherwise), court, board or tribunal of competent jurisdiction or other law, rule or regulation making entity having jurisdiction on any of the Parties or the transactions contemplated by these Articles;
- 1.43 **"Indebtedness"** as applied to any Person, means any indebtedness of any kind (other than current trade accounts incurred or payable in the Ordinary Course), whether secured or unsecured, including any liability or financial obligation pertaining to borrowed money, any liability or financial obligation evidenced by a note, bond, debenture, letter of credit, draft or similar instrument, any obligation owed for all or any part of the deferred purchase price of property or services, any guarantee, warranty or indemnity extended by such Person to any other Person;

- 1.44 “Independent Director” has the meaning assigned to such term in the 2013 Act.
- 1.45 “Indication of Interest” has the meaning assigned to such term in Article **Error! Reference source not found.**(i).
- 1.46 “Indication of Non Acceptance” has the meaning assigned to such term in Article **Error! Reference source not found.**(i);
- 1.47 “Integrity Requirements” means the integrity related obligations including but not limited to obligations related to anti money laundering/countering of financing of terrorism, “know-your-customer” and fraud, corruption and Sanctionable Practices of the Company under (i) Applicable Laws and relevant codes of conduct and similar requirements, rules and codes conduct issued by industry self-regulatory organizations and similar trade associations, (ii) Article 10.2. and (iii) as agreed in writing between the Shareholders and the Company;
- 1.48 “Interested Entities” has the meaning assigned to such term in Article 10.1.2;
- 1.49 “Investment Amount” means the total amount invested by the Investors in the Company whether through subscription of Securities or through purchase of securities;
- 1.50 “Investor Directors” has the meaning assigned to such term in Article 4.2.1;
- 1.51 “Investor I” shall mean **INDIA BUSINESS EXCELLENCE FUND – II**, a unit scheme of Business Excellence Trust II, a trust created under the Indian Trust Act, 1882, whose trustee is Vista (TCL (India) Limited (formerly known as **IL&FS TRUST COMPANY LIMITED**), a public company incorporated under the provisions of the 1956 Act and having its registered office at the IL&FS Financial Centre, C-22, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, India, acting through its investment manager, **MOPE INVESTMENT ADVISORS PRIVATE LIMITED**, a company registered in India under the 1956 Act having its registered office at Motilal Oswal Tower, Junction of Gokhale & Sayani Road, Prabhadevi, Mumbai - 400 025;
- 1.52 “Investor II” shall mean **INDIA BUSINESS EXCELLENCE FUND – IIA**, a public limited company incorporated under the laws of Mauritius and having its office at Suite 304, Third Floor, NG Tower, Cyber City, Ebene, Mauritius;
- 1.53 “Investors” shall mean Investor I & Investor II collectively
- 1.54 “IPO” has the meaning assigned to such term in Article 3.1.1;
- 1.55 “Key Managerial Personnel” has the meaning assigned to such term in sub-section (51) of section 2 of the 2013 Act,
- 1.56 “Management” has the meaning assigned to such term in Article 10.4.1;
- 1.57 “Material Adverse Effect” means any event, occurrence, fact, condition, change, development or effect that, individually or in the aggregate, has had or may reasonably be expected to have a material and adverse effect on: (i) the ability of the Company and, or, the Promoters to perform its obligations hereunder; and, or, (ii) the condition (financial or otherwise and including any material increase in provisions), operations, results of operations, prospects, Assets, liabilities or Business of the Company;
- 1.58 “Non-Subscribing Shareholder” has the meaning assigned to such term in Article 3.2.4,
- 1.59 “Observer” has the meaning assigned to such term in Article 4.3;

- 1.60 "OFAC" has the meaning assigned to such term in Article 10.2.1(v);
- 1.61 "Offer of Existing Securities" has the meaning assigned to such term in Article 8.1.1 (a);
- 1.62 "Offer Price" has the meaning assigned to such term in Article **Error! Reference source not found.**(i);
- 1.63 "Ordinary Course" as applied to any Person, means an action taken by or on behalf of such a Person that is consistent with past customs of such a Person and prudent business practices as per best industry standards, including with respect to quantity and frequency;
- 1.64 "Original Director" has the meaning assigned to such term in Article 4.5.1;
- 1.65 "Permitted Investor Transferee" has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.66 "Permitted Recipients" means the following: (i) funds under the management / advised / sub-advised by the respective managers of the Investors and their respective Affiliates and their respective directors, officers, employees, agents and advisors; and, or, (ii) valuation agencies undertaking the valuation of the Investors' portfolio, etc.;
- 1.67 "Person" means and includes any natural person, limited or unlimited liability company, corporation, limited or unlimited liability partnership firm, proprietorship firm, Hindu undivided family, trust, union, association or any other entity that may be treated as a person under Applicable Laws;
- 1.68 "PMLA" has the meaning assigned to such term in Article 10.2.1(iii);
- 1.69 "Promoter Director" has the meaning assigned to such term in Article 4.2.1;
- 1.70 "Promoter I" shall mean **MR. RAGHUNANDANA TANGIRALA**, aged 56 years, s/o Mr. T.V. Subbiah Sarma, citizen of India having PAN AAPDPT0426C and permanent residence at No.7 D'Silva Road, Mylapore, Chennai- 600 004;
- 1.71 "Promoter II" shall mean **MRS. SHANTHI TANGIRALA**, aged 48 years, d/o Mr. Kurunakaran Chathukutty Nair, citizen of India having PAN AAVPS524SC and permanent residence at No.7 D'Silva Road, Mylapore, Chennai- 600 004;
- 1.72 "Promoter III" shall mean **TANGI FACILITY SOLUTIONS PRIVATE LIMITED**, a private limited company with CIN - U74900TN2014PTC097603, established under the laws of India, having its registered office at Old No.42, New No. 2, Luz Avenue Mylapore, Chennai – 600 004;
- 1.73 "Promoters" shall mean Promoter I, Promoter II & Promoter III collectively
- 1.74 "Protective Covenants" has the meaning assigned to such term in Article 10.1.7;
- 1.75 "Related Party" has the meaning assigned to such term in sub-section (76) of section 2 of the 2013 Act and, or, as per applicable Accounting Standards;
- 1.76 "Relative(s)" in connection with (i) Promoter I or Promoter II, means the children of Promoter I and Promoter II, and (ii) any other natural person, has the meaning assigned to such a term in the 2013 Act;

- 1.77 "Restated Articles Effective Date" means 19 February 2017;
- 1.78 "ROFO Acceptance Notice" has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.79 "ROFO Eligible Shareholders" has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.80 "ROFO Notice" has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.81 "ROFO Period" has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.82 "ROFO Response Period" has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.83 "ROFO Transfer Period" has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.84 "Role" means any investment / arrangement whereby the Promoters, either directly or indirectly, have or attain: (i) any shareholding /economic interest / investment in any business or any Person, (ii) a right to nominate management positions, (iii) a right to appoint / select persons on the board / governing body of such business or Person, or (iv) a role as an employee, director, lender, observer, consultant or advisor;
- 1.85 "Sanctionable Practice" means any Corrupt Practice, Fraudulent Practice, Coercive Practice, Collusive Practice, or Obstructive Practice, as those terms are interpreted in accordance with the Anti-Corruption Legislation and Anti-Corruption Guidelines as agreed in writing between the Shareholders and the Company;
- 1.86 "Securities", in regard to the Company, means any form of securities and shares of the Company, including the Equity Shares and Dilution Instruments;
- 1.87 "Share Capital", in regard to the Company, means the total issued, subscribed and paid up share capital of such the Company determined on a Fully Diluted Basis;
- 1.88 "Shareholder(s)" means the shareholder(s) of the Company from time to time;
- 1.89 "Shareholders Meeting" has the meaning assigned to such term in Article 5.1.1.
- 1.90 "Shareholding Percentage" means the respective percentage proportions in which the Share Capital is held by the Shareholders from time to time on Fully Diluted Basis. It is clarified that for the purposes of Article 3, any calculation of the Shareholding Percentage for determining the entitlement of a Shareholder in any proposed issuance shall be undertaken based on the Share Capital held by such a Shareholder immediately prior to such proposed issuance on Fully Diluted Basis;
- 1.91 "Significant Influence" means the possession of power to cause or prevent any actions pertaining to the management or policies of a Person, through the ownership or control or benefit of at least 20% (twenty percent) of total share capital or voting interest or economic interest of such a Person or the ability to nominate or have elected 1 (one) or more members of a governing body of such person or the ability to direct, restrict or otherwise influence any



management decision of such Person, whether through debt arrangements, contract, voting interest, membership to governing bodies such as a board of director, or otherwise,

- 1.92 "Statutory Auditor" means the statutory auditor of the Company from time to time;
- 1.93 "Strategic Sale Closing Date" has the meaning assigned to such term in Article 8.3.3;
- 1.94 "Strategic Sale Exercise Notice" has the meaning assigned to such term in Article 8.3.2;
- 1.95 "Strategic Sale Right" has the meaning assigned to such term in Article 8.3.1;
- 1.96 "Strategic Sale Securities" has the meaning assigned to such term in Article 8.3.2;
- 1.97 "Strategic Transferee" has the meaning assigned to such term in Article 8.3.1;
- 1.98 "Subscribing Shareholder(s)" has the meaning assigned to such term in Article 3.2.4;
- 1.99 "Subscription Cut-Off Period" has the meaning assigned to such term in Article 3.2.2;
- 1.100 "Subsidiary" has the meaning assigned to such term in sub-section (B7) of section 2 of the 2013 Act;
- 1.101 "Tag Exercise Notice" has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.102 "Tag Request Notice" has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.103 "Tag Response Period" has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.104 "Tag Right" has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.105 "Tag Securities" has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.106 "Taxes" means any and all forms of taxation, imposts, duties, and levies, whether direct or indirect, deductible at source or otherwise, together with any interest, penalties, surcharges or fines relating thereto, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction. It is clarified that the term "Taxes" shall include any interest, surcharges, penalties or additional taxes payable in connection therewith. Correlative terms such as "tax" and "taxation" shall be construed in accordance with this definition;
- 1.107 "Third Party" means any Person other than the Shareholders and the Company;
- 1.108 "Transfer Securities" has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.109 "Transfer" means, whether directly or indirectly, any transfer, including any sale, assignment, pledge, hypothecation, creation of security interest in or lien or Encumbrance on, placing in trust (voting or otherwise), exchange, gift or transfer by operation of law or in any other way, whether or not voluntarily. Correlative terms such as "transferred", "transferring" and "transferability" shall be construed in accordance with this definition.

1.110 "Transferring Promoter" has the meaning assigned to such term in Article Error! Reference source not found.;

1.111 "Transferring Shareholder" has the meaning assigned to such term in Article Error! Reference source not found.;

## **2. UTILISATION OF PROCEEDS**

2.1 The Company shall, and the Promoters shall procure the Company to, utilise the Investment Amount solely and exclusively, for the purposes agreed in writing between the Shareholders and the Company

2.2 Till such time as the Investment Amount has been utilized in accordance with Article 2.1, the Company shall, at each meeting of the Board, table a statement setting out the extent of utilization of Investment Amount.

## **3. FURTHER FUNDING REQUIREMENTS**

### **3.1 Furnishing of guarantees and securities to meet Additional Funding Requirements.**

3.1.1 Upon occurrence of an Additional Funding Requirement, additional funds shall be raised on terms approved, and from sources identified, by the Board. For the avoidance of doubt, it is clarified that the Investors shall not be obligated to provide any such guarantees or securities, whether directly or indirectly, to any banks or other financial institutions for any reason whatsoever.

3.1.2 The Investors do not have any obligation to provide additional funding in terms of this Article to the Company and they shall be entitled to provide such additional funding at their sole discretion.

### **3.2 Fresh Issue of Securities.**

3.2.1 If the Business Plan contemplates the issuance of fresh Securities to Shareholders or if the Board determines, subject to the provisions of Article 6, that an Additional Funding Requirement is to be met through issuance of fresh Securities to the Shareholders of the Company, then the Company shall issue fresh Securities to the Shareholders ("Additional Securities"), proportionate to their respective Shareholding Percentage in the Company. Such Additional Securities to be issued to the Shareholders shall be fully paid-up by the respective Shareholder in cash. Notwithstanding anything to the contrary contained in these Articles, any issuance of Additional Securities shall be on such terms and conditions as the Board may, subject to the provisions of Article 6, determine at its sole discretion.

3.2.2 Not less than 30 (thirty) days before the date of proposed issuance of the Additional Securities, the Company shall deliver to each Shareholder notice / letter of offer for the proposed issuance setting forth: (i) the aggregate number of Additional Securities proposed to be issued and the Shareholding Percentage of the relevant Shareholder, (ii) the price at which such Additional Securities are proposed to be issued and other terms of issuance, if any; and (iii) such other relevant details as the Board may deem fit or as may be required as per Applicable Laws. Within 15 (fifteen) days following delivery of the notice referred to in this Article ("Subscription Cut-Off Period"), each Shareholder electing to exercise its rights to subscribe to its Shareholding Percentage entitlement in the Additional Securities shall give a notice to the Company specifying the number of Additional Securities basis its Shareholding Percentage that it is willing to subscribe to and if such a subscription is being undertaken, in case of the Investors through any other Person except a Person engaged in a

Conflicting Business) and in case of the Promoters through an Affiliate, then all documents that are required to be furnished in terms of Article ~~Error! Reference source not found.~~ or Article ~~Error! Reference source not found.~~, as the case may be, such as a duly executed Deed of Adherence and copies of all Approvals and consents required to be obtained under Applicable Laws, shall be furnished to the Board by the Investors and, or, the Promoters, as the case may be.

- 3.2.3 The Investors may indicate their willingness to subscribe to any unsubscribed portion of the Additional Securities offered, either directly or through any Person (except a Person engaged in a Conflicting Business) including their Affiliates. The Shareholders electing to exercise their rights shall, within a period of 15 (fifteen) days from the Subscription Cut-Off Period, remit the requisite funds towards the Additional Securities, which they have agreed to subscribe to, and the Company shall allot such Additional Securities to the Shareholders on the issuance date specified in the notice / letter of offer in regard to such Additional Securities. Failure by any Shareholder to give such a notice within the Subscription Cut-Off Period or remit the fund in the manner set forth above shall be deemed to be a waiver by such Shareholder of its rights under this Article with respect to the proposed issuance in question. The Promoters will be entitled to renounce the right to subscribe to Additional Securities in the Company in favour of any Affiliate, which comply with the provisions of these Articles, including by executing a Deed of Adherence. Provided that the Shareholding Percentage of Promoter I shall not fall below 25% (twenty five per cent.) of the Share Capital for any reason whatsoever.
- 3.2.4 In the event that a Shareholder ("Non-Subscribing Shareholder") does not subscribe or is not desirous of subscribing to its Shareholding Percentage of the Additional Securities entirely, then within a period of 3 (three) Business Days from the date of expiry of the Subscription Cut-Off Period, the Board shall send a written intimation to the other Shareholder(s) (for the purposes of this Article 3.2.4 and 3.2.5 "Subscribing Shareholder(s)"), which term specifically excludes every Non-Subscribing Shareholder), giving them an opportunity to subscribe to the unsubscribed portion of the Additional Securities offered to such Non-Subscribing Shareholder, either by themselves or, in case the Subscribing Shareholders are Investors, then through their Affiliates.
- 3.2.5 In the event that the Subscribing Shareholder(s) sends a notice to the Company, within a period of 7 (seven) days from the date of intimation by the Board as aforesaid, agreeing to subscribe to any or all of the unsubscribed Additional Securities and remits the requisite funds towards subscription to such unsubscribed Additional Securities within a period of 15 (fifteen) days from the Subscription Cut-Off Period, then the Board shall allot such unsubscribed Additional Securities to such willing Subscribing Shareholder(s). It is clarified that if more than 1 (one) Subscribing Shareholder notifies the Board of its intention to subscribe to unsubscribed Additional Securities as above, and the unsubscribed Additional Securities are less than the aggregate number of unsubscribed Additional Securities, then the unsubscribed Additional Securities shall be issued to such Subscribing Shareholders proportionate to their respective Shareholding Percentage in the Company.
- 3.3 **Anti-dilution.**
- 3.3.1 The Investors shall have a right, whether exercisable through itself or any other Person nominated in this regard (except a Person engaged in a Conflicting Business), to subscribe to any issuance by the Company of any Equity Shares or Dilution Instruments to any Third Party in proportion to their respective Shareholding Percentage in the Company.
- 3.3.2 Upon each issuance by the Company of any Equity Shares or Dilution Instruments at a price per Equity Share less than the price ("Dilution Price") at which the Investors subscribed to the Investor Shares ("Dilutive Issuance"), the Investors shall be entitled to, and the

Company shall provide and the Promoters shall procure the Company to provide to the Investors, dilution protection on weighted average basis.

3.3.3 The anti-dilution mechanism set forth in this Article shall be accomplished by issuance by the Company or transfer by the Promoters of such number of Equity Shares to the Investors and, or, any other Person nominated by the Investors for this purpose (except a Person engaged in a Conflicting Business) at the lowest price possible under Applicable Laws, so as to give full effect to the weighted average anti-dilution right of the Investors.

3.3.4 Upon each Dilutive Issuance, the Company and the Promoters shall take all necessary acts to put Investor I and Investor II in the position that they would have if the adjustment to the Dilution Price had been made, by issuance by the Company or transfer by the Promoters to Investor I and Investor II or any Person nominated by the Investors in this regard (except a Person engaged in a Conflicting Business) of such number of Equity Shares, whereby Investor I and Investor II or any Person nominated by the Investors in this regard (except a Person engaged in a Conflicting Business) are not required to pay any additional amounts for the issuance of such new Equity Shares or the transfer of Equity Shares. The above arrangement shall be implemented in accordance with Applicable Laws.

3.3.5 It is clarified that nothing in this Article shall apply to any issuance by the Company of any Equity Shares or Dilution Instruments as Additional Securities to the Shareholders pursuant to Article 3.2 of these Articles or an ESOP plan, in each case as approved by the Board in accordance with Article 4.7.5 of these Articles, or a Bonus Issue.

#### **4. BOARD AND BOARD MEETINGS**

##### **4.1 Management of the Company.**

The property, business and affairs of the Company shall be managed by and under the direction of the Board, and the Board shall be responsible for the overall management, supervision, direction and control of the Company. Subject to the provisions of these Articles, the Board may exercise all such powers of the Company and do all such lawful acts and things as are permitted under these Articles and Applicable Laws. The Board shall manage the Company in the overall, general, and strategic sense and shall ensure proper organization of the business of the Company and shall appoint / dismiss the members of the Management. The Board shall be entitled to delegate its powers to such persons and such Committees that the Board may create to assist it in developing and meeting its business strategy and objectives. The approval of the Shareholders shall be obtained on such matters as may be required under these Articles, and, or, Applicable Laws.

##### **4.2 Composition of the Board. *(prior)***

4.2.1 The Board shall not exceed 8 (Eight) Directors that will be appointed in terms of Article 4.2.2, or such other number of Directors as may be mutually agreed between the Shareholders and the Company in writing, from time to time. The Investors shall be entitled to nominate Directors in proportion to their respective Shareholding subject to a minimum of 2 (two) Directors (collectively, the "Investor Directors" and each, an "Investor Director") and the Promoters shall be entitled to nominate Directors in proportion to their respective Shareholding subject to a minimum of 3 (three) Directors (collectively, the "Promoter Directors", and each, a "Promoter Director") in accordance with the terms and conditions set out in this Article. Provided that Promoter I shall at all times during the subsistence of these Articles be a Promoter Director.

4.2.2 Unless otherwise agreed between the Shareholders and the Company in writing and subject to Article 6 of these Articles, the Board shall be constituted in the following manner:

- (ii) on and from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors and 3 (three) Promoter Directors;
- (iii) on and from 6 (six) months from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors, 3 (three) Promoter Directors and 1 (one) Independent Director identified by Investor I and Investor II and acceptable to the Promoters on the Board; and
- (iii) on and from 12 (twelve) months from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors, 3 (three) Promoter Directors and 2 (two) Independent Directors, out of such 2 (two) Independent Directors, 1 (one) will be identified by the Promoters and acceptable to Investor I and Investor II on the Board.

~~@@@~~ Articles 4.2.1 and 4.2.2 substituted vide special resolution passed at the Extra-ordinary general meeting of the Company held on 22.02.2022

Provided that subject to the proviso to Article 4.2.2, 4.2.3 and Articles 10.16 and the right of the Investors to assign their rights, the number of Investor Directors on the Board shall not, at any time fall below 2 (two) Directors.

In the event of any increase in the number of Directors in terms of Article 4.2.1, the Board shall be constituted in a manner as may be mutually agreed between the Shareholders and the Company in writing.

- 4.2.3 The Investors may at any time remove from office any Investor Director(s) and, if desired, appoint another in his / her place. The Promoters may at any time remove from office any Promoter Director(s) and, if desired, appoint another in his / her place.
- 4.2.4 Subject to Article 4.2.2, the Board shall appoint such number of Independent Directors on the Board, as per the requirements of Applicable Laws. All such Independent Directors shall be acceptable to the Investors and Promoter I.
- 4.2.5 The Promoters and the Investors shall exercise all powers and rights available to them so as to fix the number of Directors in accordance with this Article and to ensure that the persons nominated by the Investors and the Promoters are expeditiously appointed or removed (as the Investors and the Promoters may specify in accordance with this Article) as a Director and the appointments and removals referred to in this Article result in the persons nominated / appointed or removed becoming or ceasing to be Directors, as applicable.

#### 4.3 Observer.

On and from the Restated Articles Effective Date, the Investors shall be entitled to appoint 1 (one) person as an observer to attend all Board Meetings in a non-voting capacity ("Observer"). The Observer shall have the right to receive all notices, documents and information provided to the Directors and be entitled to attend all meetings of the Board or Committees thereof, subject to the Observer being bound to confidentiality obligations as applicable to Directors. The Observer shall not be considered for quorum, and the Observer shall not be entitled to vote with respect to any resolution proposed to be passed at a Board meeting. The Company shall reimburse all out of pocket expenses incurred by the Observer in attending Board Meetings or otherwise perform its duties and functions as Observer.

#### 4.4 Appointment, removal and retirement of Directors.

- 4.4.1 Any appointment or removal of Directors shall be implemented in the following manner:

- (i) Appointment of Directors: Subject to the provisions of Article 4.2, each Shareholder shall have the right to, from time to time, issue a notice specifying their intention to nominate a Person as a Director on the Board. Such a notice shall be addressed to the Board and delivered to the Managing Director at the registered office of the Company or presented directly before the Board during a Board Meeting. The aforementioned notice should be accompanied by consent letter and such other documents which are required in terms of Applicable Laws from the prospective nominee. If any such notice along with the accompanying documents is delivered at a Board Meeting, the Board shall at the same meeting pass necessary resolutions in respect of appointment of such person as an additional director. If such a notice along with the accompanying documents is delivered to the Company, then the relevant officers of the Company shall, immediately and in any case within a period of 7 (seven) days from the date of receipt of such notice, either convene a meeting of the Board to pass necessary resolutions in respect of appointment of such Director(s) as additional director(s), or if it is not practicable to convene such Board Meeting, initiate, subject to Applicable Laws, the process for appointment of such Director(s) through a circular resolution in terms of Applicable Laws. Notwithstanding anything to the contrary contained in these Articles, any such nominee shall only be appointed as a Director if such a Person fulfils all criteria prescribed under Applicable Laws.
- (ii) Removal / replacement of Directors: Each Shareholder shall have the right to, from time to time, issue a notice specifying that they wish to remove all or any of the Directors appointed by them on the Board. Such a notice shall be addressed to the Board and delivered at the registered office of the Company or presented directly before the Board during a Board Meeting. The aforementioned notice should be accompanied by a resignation letter to this effect from the relevant Director(s) in the form prescribed by the 2013 Act, and if no such form is prescribed then as per standard secretarial practice. If any such notice along with the accompanying resignation letter is delivered at a meeting of the Board, the Board shall at the same meeting pass necessary resolutions in respect of such removal. If such a notice along with the accompanying resignation letter is delivered to the Company, then the relevant officers of the Company shall, immediately and in any case within a period of 7 (seven) days from the date of receipt of such notice, either convene a meeting of the Board to pass necessary resolutions in respect of removal of such Director(s), or if it is not practicable to convene such Board Meeting, initiate, subject to Applicable Laws, the process for removal of such Director(s) through a circular resolution in terms of Applicable Laws. If the relevant Shareholder wishes to replace a Director nominated by it in on the Board with another Person and provides consent letter and such other documents which are required in terms of Applicable Laws from the prospective nominee, then the Company shall, subject to such a nominee fulfilling all criteria prescribed under Applicable Laws, appoint the relevant Person as an additional director on the Board in the same Board Meeting where the other nominee Director of such a Shareholder is being removed. If the removal is being carried out through a circular resolution then another circular resolution shall be passed concurrently for appointment of the new nominee Director of such a Shareholder.
- (iii) Approval by Shareholders: If any appointment or removal of a Director, as the case may be, has to be approved by the Shareholders in a Shareholders Meeting as per Applicable Laws, then the Board shall convene an extraordinary general meeting of the Company promptly to approve the appointment or removal of such Director(s). All relevant actions in regard to appointment or removal of such Director(s) by the Shareholders shall be completed within a period of 30 (thirty) days from the date of receipt of notice mentioned in Article 4.4.1(i) or (ii), as the case may be.

(iv) Retirement of Directors: it is clarified that the Investor Directors shall not be liable to retire by rotation.

4.4.2 The Shareholders and Company shall co-operate with each other in convening a meeting of the Board and, or, Shareholders to effect: (i) appointment of Director(s) so nominated; or (ii) removal of Director so requested, and to exercise its voting rights in any meeting of the Company, and shall cause any Director nominated by it exercise his voting rights in any Board Meetings, so as to give effect to the such appointment/removal.

4.4.3 Subject to the provisions of Applicable Laws and these Articles, no Director shall be removed during the term for which such Director was elected without the consent of the Shareholder, if any, who nominated such Director on the Board. Notwithstanding the foregoing, a Shareholder may ask for removal, substitution or recall for any reason, of any of the Directors nominated by such Shareholder by serving a notice in terms of Article 4.4.1.

4.4.4 The Directors shall not be required to hold qualification shares.

4.4.5 At any point in time, in the event the number of Directors nominated and appointed by the Investors or Promoters, as the case may be, is less than their entitlement under Article 4.2.2 (including for reason such as death, disqualification, inability to act or removal), then the Investors or Promoters, as the case may be, shall be entitled to nominate such Directors at their sole discretion at any time thereafter. No other Shareholder shall have the right to fill-in such vacancy.

#### 4.5 **Alternate Director.**

4.5.1 Any Director nominated by any Shareholder and appointed to the Board ("Original Director") shall be entitled, in accordance with Applicable Laws, to nominate an alternate (and such nominee shall be appointed by the Board as an "Alternate Director") to attend and vote at Board Meetings in his / her absence. Prior to the Original Director exercising any such rights, such Alternate Director appointee shall be required to be approved in writing by the Shareholder who nominated the Original Director. An Alternate Director shall be entitled to receive notice of all meetings of the Board, to attend and vote at any such meeting at which the Original Director appointing him is not personally present and at the meeting to exercise and discharge all the functions, powers and duties of his appointee or as a Director. An Alternate Director shall automatically vacate his office as an Alternate Director if the Original Director who appointed such an alternate is personally present or if such Original Director ceases to be a Director, in terms of these Articles and, or, Applicable Laws. Notwithstanding anything to the contrary contained in these Articles, Promoter I shall not be entitled to appoint an Alternate Director, except in case of his incapacitation due to ill health or if otherwise agreed in writing between the Shareholders and the Company.

4.5.2 All references to 'Directors' in these Articles shall be deemed to include a reference to their respective 'Alternate Director'. For the avoidance of doubt, it is clarified that all provisions applicable to an Investor Director shall equally apply to the Alternate Director appointed / proposed to be appointed in accordance with this Article and all actions taken by such Alternate Director shall be deemed to be actions taken by the relevant Original Director.

#### 4.6 **Chairman.**

At every Board Meeting, the chairman of the Board for such a Board Meeting ("Chairman") shall be Promoter I. The Chairman shall not have a casting vote or extra vote.



#### 4.7 Board Meetings.

- 4.7.1 Frequency and Location: The Board Meetings shall be held as often as circumstances require, including upon the written request of at least 1 (one) Director, and all such meetings should be held as soon as reasonably possible and in any event not later than 7 (seven) days from the date that such a request for convening a Board Meeting is received by the Chairman. Not less than 4 (four) Board Meetings shall be held in each year in a manner such that not more than 120 (one hundred and twenty) days elapse between 2 (two) consecutive Board Meetings. All Board Meetings shall be conducted in English.
- 4.7.2 Notice: A Board Meeting may be called by the Chairman or a Director by giving notice in writing to the company secretary, or any other Person nominated in this regard by the Board, specifying the date, time and agenda for such meeting; provided, however, any agenda for a Board Meeting shall be provided to each Investor at least 2 (two) days prior to the notice of the Board Meeting being issued to the Directors unless such right is waived by each Investor in writing. The company secretary (or such nominated person) shall upon receipt of such notice, give a copy of such notice to all Directors at their respective address registered with the Company and such notice shall be sent by hand delivery or by post or by email, accompanied by a written agenda specifying the business of such meeting and copies of papers relevant for such meeting. The Company shall ensure that sufficient information is included within such notice to the Directors to enable each Director to make a decision on the issue in question at such meeting. Every notice convening a meeting of the Board shall set forth in full and sufficient detail each item of the business to be transacted thereat, and no item or business shall be transacted at such meeting, unless the same has been stated in full and in sufficient detail in the notice convening the meeting, except as otherwise consented to by all the Directors or their respective Alternate Directors. Not less than a minimum 7 (seven) days' prior written notice shall be given to each Director for any Board Meeting, accompanied by the agenda for the Board Meeting; provided, however, a Board Meeting may, subject to the Applicable Laws, be called at shorter notice to transact urgent business subject to the condition that at least 1 (one) Investor Director and least 1 (one) Promoter Director shall have consented to the shorter notice and be present at/throughout such Board Meeting and, or, waived their presence. All documents presented or circulated to the Directors in regard to a Board Meeting shall be in English.
- 4.7.3 \*\*\*Quorum: The quorum for a meeting of the Board shall be 1/3<sup>rd</sup> of total strength or 2 (two) Directors, whichever is higher, provided however the quorum shall not be valid without the presence, in person or otherwise, of at least 1 (one) Investor Director, or his/her duly appointed Alternate Director throughout the relevant Board Meeting and Promoter 1, unless waived by the Investors and, or, Promoter 1, as the case may be. If the quorum is not present within 30 (thirty) minutes from the time when the meeting should have begun, or if during the meeting there is no longer a quorum, the meeting shall be adjourned for 1 (one) Business Day and shall be reconvened at the same place and time, or at such other date, place and, or, time as may be agreed to by the majority of the Directors (including at least 1 (one) Investor Director), with the same agenda. If at 2 (two) consecutively adjourned Board Meetings, the quorum is not present within 30 (thirty) minutes of the time appointed for the meeting, then, subject to the 2013 Act, the Directors present, in person or through Alternate Directors, at such meeting shall constitute the quorum and the Board Meeting shall proceed with respect to the business stated in the agenda for the Board Meeting; provided, however, even in such a reconvened/adjourned Board Meeting no Affirmative Vote Matter shall be discussed and, or, no resolution pertaining to an Affirmative Vote Matter shall be passed unless 1 (one) Investor Director is present during such a Board Meeting.

*811- Altered vide resolution passed in the Extra Ordinary General Meeting held on 3<sup>rd</sup> December, 2022*

4.7.4 Voting: Each Director is entitled to cast 1 (one) vote at any Board Meeting

4.7.5 Decisions of the Board: A decision shall be validly made and, or, a resolution validly passed at a Board Meeting only if passed at a validly constituted Board Meeting and, subject to the provisions of these Articles in regard to Affirmative Vote Matters, by a simple majority of the Directors present and voting at the relevant Board Meeting. A resolution in writing of the Board shall be as valid and effective as if it had been a resolution passed at a meeting of the Board duly convened and held, if the resolution is signed in support thereof by a majority of the Directors for the time being.

Without affecting the generality of the foregoing, where the resolution is with respect to, or includes, an Affirmative Vote Matter, then it shall require the written consent of the Investors for only such matter. Any such resolution bearing the signature of any Director and dispatched by email shall constitute a valid document for the purpose of this clause. It is clarified that where a resolution of the Board has been approved by a Promoter Director and, or, the Investor Director in respect of a specific matter, the Promoters and, or, the Investors, as the case may be, shall vote in accordance with such resolution in case that particular matter is taken up at a Shareholders' meeting of the Company.

4.7.6 Electronic Participation: The Board has the power to allow electronic or remote participation and voting in Board Meetings, subject to compliance with the relevant requirements under the 2013 Act. A Director may make a request for electronic or remote participation to the Board and the Board shall consider such a request favourably and provide such facility in accordance with the requirements of the 2013 Act. Accordingly, a reference to the presence of any Director for a meeting of the Board, shall include either physical presence or through video conferencing or electronic or remote means.

4.7.7 Maintenance of minutes: The Board shall record the minutes of its meetings as prescribed under the 2013 Act, provided that such minutes shall be subject to the written approval of the Investors.

#### 4.8 Resolution by Circulation.

Except for resolutions which the 2013 Act requires to be passed at a physical meeting of the Board, a resolution of the Board may be passed by the Directors by circulation (provided that it has been circulated in draft form by hand delivery or by post or by email, together with the relevant papers, if any, to all the Directors in accordance with the requirement of these Articles, and 2013 Act), which resolution shall be valid and effective if, subject to the provisions of these Articles in regard to Affirmative Vote Matters, it is approved by a majority of Directors.

#### **4.9 Committees of the Board.**

Subject to the provisions of these Articles, and Applicable Laws, the Board shall have the power and right to constitute and disband, if necessary, committees or sub-committees and delegate such of the Board's powers to the aforesaid committees as the Board may deem fit ("Committees"). Only the Board can appoint a committee of Directors or delegate its powers to any Persons. Unless agreed in writing by the Investors, the Board shall, while forming such Committees, ensure that 1 (one) Investor Director and Promoter 1 is a member of each such Committee. The provisions relating to Board and Board Meetings contained herein (including relating to notice, quorum, quorum at adjourned meetings and Affirmative Vote Matters) shall apply *mutatis mutandis* to all the Committees and their respective meetings. All resolutions passed by the Committees shall have to be necessarily ratified by the Board.

#### **4.10 Record keeping.**

The Company shall keep a book of all resolutions and the minutes of all meetings of the Board in which there shall be recorded the time and place of such meeting, whether regular or special, and if special, however called, the notice thereof given, the names of those present and the processing thereof.

#### **4.11 Directors' Access.**

Any Director shall be entitled to examine the books, accounts and records of the Company and shall have, during normal business hours of the Company and with prior reasonable written notice, the right to reasonably inspect the properties and facilities of the Company. The Company shall provide such information relating to its business affairs and financial position as the relevant Director may require. Subject to the Applicable Laws, any Director may provide such information to the Shareholder who has nominated such a Director. The relevant Director and Shareholder would be bound by the confidentiality obligations as agreed in writing between the Shareholders, and the Company, in relation to such information received.

#### **4.12 Fees and Expenses of Directors.**

Subject to Applicable Laws, all expenses and costs incurred in connection with the convening and conduct of the Board Meetings shall be borne by the Company. The Company shall reimburse all out of pocket expenses incurred by the Investor Directors and the Promoter Directors (subject to any cap prescribed for whole-time directors in terms of Applicable Laws if applicable) in attending Board Meetings or business review meetings or otherwise perform their duties and functions as Directors. However, no sitting fees shall be paid to the Investor Directors and the Promoter Directors by the Company. Any reimbursements and sitting fees payable to Independent Directors shall be governed by the specific agreement between the Company and the Independent Director in this regard.

#### **4.13 Indemnification of Directors.**

##### **4.13.2 The Company shall, subject to Applicable Laws, indemnify and keep indemnified the Directors against any:**

- (i) act, omission or conduct of or by the Company or its employees or agents as a result of which any Director is made, in whole or in part, a party to, or otherwise incurs any loss or damage pursuant to, any proceedings arising out of or relating to any such conduct.

- (ii) action or omission by any Director at the request of or with the consent of the Company, and
- (iii) contravention of any of the Applicable Laws including, without limiting the generality of the foregoing, laws relating to provident fund, gratuity, labour, environment, pollution, the anti-bribery laws, and any action or proceedings taken against such Director in connection with any such contravention or alleged contravention.

#### **4.14 No Liability of Investor Director**

- 4.14.2** The Company recognizes that the Investor Directors shall not have any day-to-day managerial powers and that they will not be whole time, managing or executive directors of the Company and will not, subject to applicable Law, be held responsible for any default or failure of the Company in complying with the provisions of any applicable Law. 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 Investors and/or the Investor Directors.
- 4.14.3** Notwithstanding anything to the contrary contained in these Articles, no Investor Director shall be deemed to be an 'occupier' or 'officer in charge' or 'officer in default' for the purposes of the 2013 Act or any other Applicable Laws, as the Investor Directors are non-executive directors and do not have the power to and are not responsible for overall management, supervision, direction and control of the Company. Further, the Promoters and the Company shall ensure that the Investor Directors are not nominated as compliance officers, occupiers and/or employers and/or persons-in-charge, as the case may be, in order to ensure that, to the maximum extent permitted by Applicable Law, the Investor Directors do not incur any liability for any default or failure of the Company in complying with the provisions of any Applicable Laws.
- 4.14.4** In the event that any notice or proceedings have been filed against the Investor Directors by virtue of being Directors of the Company, the Company and the Promoters shall take all necessary steps to ensure that name of such Investor Directors is excluded/ deleted and the charges/proceedings against such Investor Directors are withdrawn and shall also take all steps to defend such Investor Directors against such proceedings and the Company shall pay all costs, damages, fines, levies etc. that may be levied against such Investor Director in such proceedings. The Investor Directors shall also be entitled to appoint any counsel at his/her own discretion, to defend any proceedings instituted against the Investor Directors by virtue of being Directors of the Company. All reasonable expenses borne by the Investor Directors in this regard shall be borne by the Company.

### **5. SHAREHOLDERS AND SHAREHOLDERS MEETINGS**

#### **5.1 Shareholders Meetings.**

- 5.1.1 Frequency of Shareholders Meeting:** An annual general meeting of the Shareholders shall be held as per the provisions of the 2013 Act. Subject to the foregoing, the Board, on its own or at the request of either of the Investors, may convene an extraordinary general meeting of the Shareholders, whenever it may deem appropriate (each such meeting, a "**Shareholders Meeting**"). All such Shareholders Meetings shall be held at such place as the Board may determine from time to time. Shareholders Meetings shall be called at such times as may be required to procure any consent of the Shareholders in terms of the provisions of these Articles, and, or, the 2013 Act, and in any event at least once in each financial year. Subject to the provisions of the 2013 Act, the Shareholders shall be entitled to participate in Shareholders Meetings through their respective duly authorized representative(s), duly

constituted proxies or attorneys, as the case may be. English shall be the language used at all Shareholders meetings.

5.1.2 Notice: In accordance with provisions of the 2013 Act a minimum 21 (twenty one) days' prior written notice shall be given to all the Shareholders of any Shareholders Meeting, accompanied by the agenda for such meeting; provided, however, any agenda for a Shareholders Meeting shall be provided to each Investor at least (two) days prior to the notice of the Shareholder Meeting being issued to the Shareholders unless such right is waived by each Investor in writing. The aforesaid notice may be waived or a Shareholders Meeting may be called by giving a shorter notice with at least 95% (ninety five per cent) of all the Shareholders entitled to vote at such meeting providing their written consent for such shorter notice. Subject to the 2013 Act, the notice of each general meeting shall include an agenda approved by the Board setting out the business proposed to be transacted at the meeting, together with copies of all relevant papers connected therewith and, or, proposed to be placed before or tabled at the Shareholders Meeting, and no item or business other than as set out in the agenda shall be transacted or discussed at any Shareholders Meeting unless agreed to / approved by the Investors and the Promoters in advance. The notice shall specify the place, date and time of the meeting. All documents presented or circulated to the Shareholders in regard to a Shareholders Meeting shall be in English.

5.1.3 \*\*\*Quorum: The quorum for any Shareholders Meeting shall be at least 5 (five) Shareholders present in person or through their respective duly authorized representative(s), duly constituted proxy(s) or attorney(s), as the case may be, 1 (one) of which shall be one of the Investors and the other Promoter I, at the beginning of the meeting and throughout the meeting (unless waived by the Investors and, or, the Promoter I, as the case may be). If the quorum is not present within 30 (thirty) minutes from the time when the meeting is scheduled to begin or if during the meeting there is no longer a quorum, the meeting shall be adjourned for 2 (two) Business Days and shall be reconvened at the same place and time, or at such other day, date, place and, or, time as the Board may determine, with the same agenda.

*\*\*\*- Altered vide resolution passed in the Extra Ordinary General Meeting held on 3<sup>rd</sup> December, 2022*

5.1.4 Proxies and Authorised Representatives: Any Shareholder of the Company may appoint another Person as his proxy (and in case of a corporate Shareholder, its authorized representative) to attend a meeting and vote thereat on such Shareholder's behalf, provided that the power given to such proxy or representative must be in writing. Any Person possessing a proxy or other such written authorization with respect to any Securities shall be able to vote on such Securities, as the case may be, and participate in meetings as if such Person were a Shareholder, subject to Applicable Laws.

5.1.5 Chairman for Shareholders Meeting: The Chairman of Board shall be the chairman for the Shareholders Meeting. The chairman of the Shareholders Meetings shall not have any second or casting vote.

5.1.6 Voting: Subject to the Applicable Laws, voting on all matters to be considered at a Shareholders Meeting shall be by way of show of hands unless a poll is demanded in accordance with provisions of the 2013 Act.

5.1.7 Decisions of the Shareholders: Subject to the provisions of these Articles in regard to Affirmative Vote Matters, a decision shall be validly made and, or, a resolution validly passed at a Shareholders Meeting only if the requisite majority approves the relevant decision / resolution in compliance with the provisions of the 2013 Act.

- 5.1.8 Electronic Participation: The Shareholders may participate and vote in the Shareholders Meeting through electronic or remote participation and voting in the manner permitted under the 2013 Act, from time to time. A Shareholder may make a request for electronic or remote participation to the Board and the Board shall consider such a request favourably and provide such facility in accordance with the requirements of the 2013 Act. Accordingly, subject to Applicable Laws, a reference to the presence of any Shareholder for a meeting of the Shareholders, shall include either physical presence or through video conferencing or electronic or remote means, and the process that is to be followed in regard to Board Meetings for presence and voting through video conferencing or electronic or remote means under the 2013 Act shall be followed in regard to such Shareholders Meeting.

## 6. AFFIRMATIVE VOTE MATTERS

- 6.1 Notwithstanding any other provision of these Articles or any power conferred upon the Board by these Articles, and, or, the 2013 Act, with effect from the Restated Articles Effective Date, neither the Company nor any Shareholder, Director, Committee member, or any of their respective delegates or representatives shall take any decisions or actions in relation to any of the matters set forth in Article 6.5 ("Affirmative Vote Matters") with respect to the Company, in any meeting, forum, circular resolution or in any other manner whatsoever, without the affirmative prior written consent or approval of the Investors. It is agreed that any discussions pertaining to Affirmative Vote Matters shall necessarily be included in the agenda papers in relation to the relevant meeting in advance and shall not be taken up in a Board Meeting, meeting of any Committee or Shareholders Meeting, unless specifically agreed to, in writing, by the Investor.
- 6.2 The principle set out in this Article 6 is fundamental to the governance of the Company and each Party undertakes not to commit any act or omission that would violate this Article.
- 6.3 It is clarified that any consent by the Investors in relation to any of the Affirmative Vote Matters shall apply only in relation to the particular Affirmative Vote Matters and only in the context specified in the relevant notice and shall not constitute, or be deemed to constitute in any manner, a general consent for any other Affirmative Vote Matters, or a consent for the same Affirmative Vote Matters in any other context.
- 6.4 If any other provision of these Articles conflicts with the provisions of this Article, the provisions of this Article shall prevail and be given effect.
- 6.5 The following matters shall be considered Affirmative Vote Matters:
- i. Any amendment to these Articles, and, or the Memorandum of Association of the Company;
  - ii. Any decision in relation to winding up, liquidation, bankruptcy or dissolution of the Company or any Exit Trade Sale.

- iii. Any change in the composition (including structure and strength) and, in, manner of election and, or, term of office) of the Board;
- iv. Any forming of a committee of the Board;
- v. Any decision in relation to Additional Funding Requirement;
- vi. Any capital expenditure in excess of INR 1,00,00,000 (Indian Rupees one crore) beyond the approved Business Plan;
- vii. Finalisation, approval and adoption of Business Plan and any changes or deviation of more than 10% (ten per cent.) from such Business Plan and, or, expansion plan;
- viii. Incurring of any Indebtedness or creation of any Encumbrance on the Assets, including any contingent liabilities beyond the amounts specified in the Business Plan and extension of any loans already borrowed;
- ix. Entering into any arrangements not included in the Business Plan in excess of INR 1,00,00,000 (Indian Rupees one crore);
- x. Any transaction involving the acquisition of substantially all the assets, shares, voting power or controlling interest in any other company, business, partnership firm, or body corporate by the Company, or investment in any other business / the same business as the Company;
- xi. Any transaction involving purchase, sale, lease, license or Transfer of Assets of the Company (including any vehicles an, or cars but excluding Intellectual Property Rights of the Company) in excess of INR 1,00,00,000 (Indian Rupees one crore) of the written down value of such Asset at the commencement of the relevant Financial Year or if not contemplated in the Business Plan;
- xii. Guarantees and credit enhancement (other than in the Ordinary Course) and entering into derivative contracts which are not contemplated in the Business Plan;
- xiii. Any transaction involving sale, license or Transfer of the Intellectual Property Rights of the Company involving an amount in excess of INR 10,00,000 (Indian Rupees ten lakhs);
- xiv. Any bonus or profit sharing scheme for Key Managerial Personnel, Management or the Promoters or Shareholders, and, or, any distribution of profits and, or, commission and, or remuneration to any Promoters, Key Managerial Personnel, Management or Director other than in the Ordinary Course;
- xv. Any payment, directly or indirectly, of salaries, bonuses, consulting fees or other compensation, payments, or fees to any Promoters or Shareholders of the Company or members of the Management except as contemplated by the Business Plan;
- xvi. Any appointment or removal, determination of the terms of employment and any significant changes in the terms of the employment agreement or arrangement of Directors, Management and, or, Key Managerial Personnel;
- xvii. Any merger, amalgamation, acquisition, recapitalization, reorganisation, business combination, consolidation, settlements with creditors and other business combinations or financial alliances or any change in Control of the Company and any decisions related to the terms and conditions of any restructuring of the



- Company including (i) timing of such restructuring, (ii) share swap / consideration payable for such restructuring and (iii) appointment of independent advisers who shall advise the Company on matters related to such restructuring.
- xviii. Any decision to undertake an IPO or list the shares in any stock exchange and any decisions related to (i) pricing and other terms and conditions of the IPO, or (ii) timing of the IPO, or (iii) the stock exchanges on which the Equity Shares of the Company are to be listed, (iv) appointment of independent merchant banker(s), manager(s), arranger(s), or (v) any other matters in regard to the IPO;
  - xix. Any authorization of or setting aside for payment of, or payment of dividends, or buyback/redemption of any Securities of the Company, or distribution of any kind, in cash or in property;
  - xx. Granting to any holder of Securities any rights which have a priority greater than those granted to the Investors pursuant to these Articles;
  - xxi. Any alteration in any manner whatsoever of the rights of the Investors under these Articles;
  - xxii. Any action which adversely changes the rights of the Investors under these Articles or prevents the Investors from exercising their rights under these Articles;
  - xxiii. Appointment, re-appointment, removal or change in terms of the statutory and internal auditors of the Company, including the scope of work, terms of reference, or any modifications and changes thereto;
  - xxiv. Approval of Financial Statements and any change to such Financial Statements of the Company or the Subsidiaries;
  - xxv. Any addition and, or, deletion of any off-balance sheet liability structure of the Company including, without limitation, leasing and drawing on bank guarantees, encumbrances, Transfer, pledge or creation of lien not in the Ordinary Course;
  - xxvi. Any changes in the tax and accounting policies and, or practices and, or, the Financial Year of the Company;
  - xxvii. Any transaction between the Company and a Related Party or modification of an existing related party transaction which is not in the Ordinary Course and, or, on an arm's-length basis;
  - xxviii. Defence of any Litigation initiated by any Person (other than the indemnified parties in terms of the agreements between the Shareholders and the Company) where the amount involved is in excess of INR 10,00,000 (Indian Rupees ten lakh) in any Financial Year;
  - xxix. Commencement of any Litigation where the amount involved is in excess of INR 25,00,000 (Indian Rupees twenty five lakh) or settlement and, or, withdrawal of any Litigation where the amount involved is in excess of INR 10,00,000 (Indian Rupees ten lakh);
  - xxx. Any change in the Share Capital of the Company and, or, reduction of Share Capital;
  - xxxi. Any variation of the rights and preferences attached to any Securities;

- xxvii. Any offer, sale of any Securities, issuance, listing of any Securities and creation of or taking on record any Encumbrance on the Securities;
- xxviii. Any change in the nature of the business carried on by the Company or entering into any new business line or activity or in any way undertaking any new business initiative exceeding INR 3,00,00,000 (Indian Rupees three crores) that is not contemplated in the Business Plan whether in India or abroad or any change in the name or registered office of the Company;
- xxix. Creation of any new Subsidiary or joint venture by the Company;
- xxx. Entering into, modification or termination of any material contract in existence or proposed to be entered into by the Company, including any decision in relation thereto, including waiver of any material default under or in relation to the breach of any material contract other than in the Ordinary Course;
- xxxi. Entering into any arrangement or settlement with the debtors or the creditors of the Company other than in the Ordinary Course;
- xxxii. Any decision in regard to creation of any stock option plan (by whatever name called), restricted stock plan or similar incentive or equity plan or effecting any ESOP / ESOS / Phantom Stock Plan / incentive pool plans, any grant of options or allotment of shares under such plans;
- xxxiii. Issuance or redemption of any debt securities / equity linked debt securities issued by the Company;
- xxxiv. The Company entering into any contract to undertake any obligations (in relation to the Business) in relation to a transaction or arrangement where the Company is not a party;
- xxxv. The Company furnishing any performance / financial guarantee to any Person for any reason whatsoever;
- xxxvi. Any agreement or commitment to give effect to any of the foregoing; and, or
- xxxvii. Any of the foregoing actions, if undertaken or agreed to be undertaken in respect of the Subsidiaries of the Company.

## 7. TRANSFER OF SECURITIES

### 7.1 Affiliate Transfers by Investors

Each of the Investors may Transfer Securities held by it to its Affiliates (each a "Permitted Investor Transferee") provided such Permitted Investor Transferee executes the Deed of Adherence prior to such Transfer. At least 30 (thirty) days prior to the permitted transfer under this Article, the Investors shall send a notice to the other Shareholders and the Company stating the date on which the intended Transfer is to occur, the name and other relevant details of the Permitted Investor Transferee, the number and class of Securities involved and attaching: (i) a completed and duly executed Deed of Adherence and (ii) copies of all Approvals, consents and filings required to be obtained / filed under these Articles or Applicable Laws, if any. The Company shall after the expiry of the aforesaid 30 (thirty) day period and upon being presented with relevant documents required as per Applicable Laws, register / take on record such a Transfer of Securities to a Permitted Investor Transferee.

*\*\*\*. Altered vide resolution passed in the Extra Ordinary General Meeting held on 3<sup>rd</sup> December, 2022*

## 8 EXIT RIGHTS

### 8.1 IPO.

8.1.1 The Company shall, and the Promoters shall ensure that the Company shall, consummate an IPO involving all of the Securities held by the Investors in the Company at any time after 36 (thirty six months) but in any event before 48 (forty eight) months from the Restated Articles Effective Date. For the purposes of these Articles, an "IPO" means a firm underwritten initial

public offering of the Equity Shares or such other Securities (including depository receipts) as may be agreed to by the Investors in writing, either domestic or overseas, of the Company and consequent listing of the Securities of the Company on domestic or internationally recognised stock exchanges, either:

- (i) through a public issue of fresh Securities, or
- (ii) an offer of existing Securities by some or all the Shareholders (an "Offer of Existing Securities"); or
- (iii) a combination of (i) and (ii).

Provided that the Shareholders and the Company may mutually agree in good faith to extend the aforementioned time periods on account of any delays attributable to regulatory requirements under Applicable Laws.

8.1.2 The Board shall decide on the following matters:

- (i) the price, and other terms and conditions of the IPO;
- (ii) the timing of the IPO;
- (iii) the stock exchanges on which the Securities are to be listed;
- (iv) the firm of independent merchant banker(s), manager(s), arranger(s) of the IPO, who shall advise the Company on matters relating to such IPO, including but not limited to matters set out under (i) and (ii) above; and
- (v) any other matters related to the IPO,

with the consent of the Investors in the manner stated under Article 6 in respect of each of the aforementioned matters, and subject to such statutory guidelines as may be in force.

- 8.1.3 In the event of the IPO which entails an Offer of Existing Securities, each Investor shall have the right (but not the obligation) to offer any or all of its Securities for sale in the IPO, in priority to any other Shareholders of the Company, including the Promoters. In the event that further Securities are required to be offered by way of such Offer of Existing Securities under Applicable Laws, or if the Investors do not offer sufficient Securities as are required to be offered in terms of Applicable Laws, the Investors and Promoters shall offer such number of Securities that are in proportion to their Shareholding Percentage.
- 8.1.4 The Promoters shall vote in favour of and to do all acts and deeds necessary for effecting the IPO. In the event of an IPO, the Promoters shall offer such number of their Securities for a lock-in as may be required to meet the minimum promoter contribution or similar lock-in requirements under Applicable Laws. The Investors shall not be required to call themselves, and the Company shall not refer to any of the Investors as "founder" or "promoter" in the offer documents, nor shall be required to offer any of the Securities held by the Investors for such lock-in.
- 8.1.5 All fees and expenses (including payment of all costs relating to the listing and sponsorship, underwriting fees, listing fees, merchant bankers fees, bankers fees, brokerage, commission, reasonable legal fees of the Investors and any other costs that may be incurred due to the changes in Applicable Laws for the time being in force) required to be paid in respect of the IPO, shall be borne and paid by the Company and all intermediaries, agents and managers shall be appointed by the Company in consultation with the Investors.
- 8.1.6 The Company shall indemnify the Investors to the maximum extent permitted under Applicable Laws, against any loss, claim, damage, liability (including reasonable attorneys' fees), cost or expense arising out of or relating to any misstatements and omissions of the Company in any registration statement, offering document or preliminary offering document, and like violations of Applicable Laws by the Company or any other error or omission of the Company in connection with a public offering hereunder, other than with respect to information provided by the Investors, in writing, expressly for inclusion therein.

## 8.2 Exit Trade Sale.

- 8.2.1 The Company shall, and the Promoters shall ensure that the Company shall, consummate an Exit Trade Sale involving all of the Securities held by the Investors in the Company at any time after the date that is 48 (forty eight) months from the Restated Articles Effective Date in the event that the IPO is not consummated by such date.

Provided that the Shareholders and the Company may mutually agree in good faith to extend the aforementioned time periods on account of any delays attributable to regulatory requirements under Applicable Laws.

- 8.2.2 The Board shall, with the consent of the Investors in the manner stated under Article 6, and subject to such statutory guidelines as may be in force, decide on:

- (i) the nature of the Exit Trade Sale;
- (ii) the identity of the purchaser (as applicable);
- (iii) the price or valuation; and
- (iv) all other matters related to the Exit Trade Sale.

- 8.2.3 Any such Exit Trade Sale shall be subject to the approval of the Investors.

- 8.2.4 The Promoters and the Investors shall vote in favour of and to do all acts and deeds necessary for effecting the Exit Trade Sale.
- 8.2.5 All fees and expenses (including *inter alia* payment of all costs relating to merchant bankers fees, bunkers fees, brokerage, commission, reasonable legal fees of the Investors and any other costs that may be incurred due to the changes to Applicable Law for the time being in force) required to be paid in respect of the Exit Trade Sale, shall be borne and paid by the Company and all intermediaries, agents and managers shall be appointed by the Company in consultation with the Investors.

### 8.3 Strategic Sale Right of the Investor.

- 8.3.1 In case the Company does not successfully consummate an IPO in the manner contemplated in Article 8.1 before the expiry of 48 (forty eight) months from the Restated Articles Effective Date and, or if the Exit Trade Sale is not consummated within 54 (fifty four) months from the Restated Articles Effective Date, in each case for any reason whatsoever including due to the Investors not approving the IPO and, or, the Exit Trade Sale in terms of Article 6 ("Exit Trigger Event"), then the Investors shall have the right, but not an obligation, exercisable jointly in accordance with this Article to sell the Securities held by such Investors in the Company to any Person ("Strategic Transferee") and to require all or any of the Promoters to immediately sell all or any part of their respective Securities to the Strategic Transferee on terms and conditions, no less favourable to the Promoters than those offered to the Investors by the Strategic Transferee ("Strategic Sale Right"). The Promoters irrevocably grant the Investors an option to exercise the aforesaid Strategic Sale Right and to negotiate the terms and conditions for sale of the Strategic Sale Securities to the Strategic Transferee, including the price at which the Strategic Sale Securities shall be purchased by such a Strategic Transferee. Provided that pursuant to exercise of such Strategic Sale Right, the Investors should have divested all the Securities held by them in the Company.
- 8.3.2 In the event the Investors elect to exercise their Strategic Sale Right, they shall deliver a written notice of such election to the Promoters (a "Strategic Sale Exercise Notice"). The Strategic Sale Exercise Notice shall specify: (i) the name and address and identity of the Strategic Transferee, (ii) the number of Securities that the Promoters shall be required to sell to the Strategic Transferee ("Strategic Sale Securities"), and (iii) the amount in cash of the proposed consideration for such sale. The Strategic Sale Exercise Notice shall be irrevocable and shall constitute a binding agreement by the Promoters to sell and Transfer the Strategic Sale Securities to the Strategic Transferee without the requirement of any further acceptance or acknowledgment of the Strategic Sale Exercise Notice by the Promoters.
- 8.3.3 Within 30 (thirty) days of the receipt of the Strategic Sale Exercise Notice or such other date as may be specified in the Strategic Sale Exercise Notice ("Strategic Sale Closing Date"), the Promoters shall take all steps necessary to give effect to the provisions of this Article and to the Strategic Sale Right of the Investors. The Company and the Promoters shall take all necessary and desirable actions in connection with the consummation of the transactions contemplated in this Article, including passing of all necessary resolutions and obtaining all necessary consents to give effect to the Strategic Sale Right, the timely execution and delivery of such agreements and instruments and other actions reasonably necessary to cooperate with the Strategic Transferee, to provide such access and information as may be requested by the Strategic Transferee, participate in meetings with the Strategic Transferee, permit the Strategic Transferee to conduct a due diligence on the Company, and to provide the representations, warranties, indemnities, covenants, and other provisions and agreements customary to such sale. The Shareholders and the Company agree and acknowledge that the Investors shall not be required to make any representations and, or, provide indemnities in

connection with the Securities that are transferred by the Promoters to the Strategic Transferee.

- 8.3.4 The closing of any purchase of the Strategic Sale Securities by the Strategic Transferee from the Promoters shall take place on the Strategic Sale Closing Date and simultaneous with the closing of the purchase of Securities by the Strategic Transferee from the Investors. On the Strategic Sale Closing Date, the Promoters shall deliver all documents and instruments as may be required in accordance with the Applicable Laws to effect a transfer of the Strategic Sale Securities free from and clear of any or all Encumbrances, including duly executed transfer instructions to the relevant depository participant, as applicable. The Strategic Sale Securities that are to be sold pursuant to the Strategic Sale Right shall be free and clear of any Encumbrance.
- 8.3.5 The Strategic Transferee purchasing the Strategic Sale Securities shall make payment in full for the Strategic Sale Securities to the relevant bank accounts of the Promoters, the details of which shall be intimated in writing by the Promoters to the Investors. On the Strategic Sale Closing Date, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale and transfer of the Securities held by the Investors and the Strategic Sale Securities to the Strategic Sale Transferee.
- 8.3.6 If the Promoters do not, on the Strategic Sale Closing Date provide duly executed transfer instructions in accordance with the requirements of Applicable Laws to the relevant depository participant, in regard to all the Strategic Sale Securities, the Promoters shall be deemed to have irrevocably authorized any Person nominated by the Investors to be the Promoters' agent and attorney to execute all necessary sale and Transfer(s) documents on their behalf and against receipt by the Company (on trust for the Promoters) and in accordance with the requirements of this Article and deliver such documents to the Strategic Transferee and the Directors shall forthwith register the Strategic Transferee as the holder thereof. After the Strategic Transferee has been registered as the holder, the validity of such proceedings shall not be questioned by the Promoters or any Person.
- 8.3.7 On the Strategic Sale Closing Date, the Investors shall cause each of the Directors nominated by them to resign from the Board, and the Promoters shall cause such number of Directors nominated by them to resign from the Board, such that the Strategic Sale Transferee gets the right to nominate a majority of Directors on the Board with immediate effect. Provided that, if required by the Strategic Transferee, the Promoters shall ensure that Promoter 1 is retained in his present position in the management of the Company for a reasonable transition period as determined by such Strategic Transferee pursuant to such Strategic Sale.
- 8.3.8 If the Strategic Transferee refuses to consummate the transaction contemplated by this Article, then the Investors and the Promoters shall not have any liability whatsoever in regard to such a Strategic Transferee, and such failure shall not preclude the right of the Investors to exercise their Strategic Sale Right at a future date.
- 8.3.9 Upon occurrence of an Exit Trigger Event, without prejudice to the right of the Investors to explore options to exercise their Strategic Sale Right, the Promoters shall have the obligation to identify prospective Strategic Transferee(s) and procure non-binding offers from such Persons and present it to the Investors to facilitate the Strategic Sale Right of the Investors. The Investors shall have the sole discretion to accept or reject such offers procured by the Promoters and if the Investors reject any of the offers procured by the Promoters then the obligation of the Promoters to continue to explore and identify other Strategic Transferee(s) shall continue and shall not fall away or stand diluted in any manner.
- 8.4 Notwithstanding anything to the contrary contained herein, any exit provided to the Investor pursuant to this Article 8 that entails sale of the Securities held by the Investor should

necessarily require payment of consideration for such Securities in cash, unless otherwise agreed by the Investors in writing.

## **9. INFORMATION RIGHTS AND INSPECTION**

### **9.1 Information Rights.**

9.1.1 So long as the Investors, along with their Affiliates, holds any Securities in the Company, the Company shall provide to the Investors and Permitted Recipients:

- (i) monthly information statements in a format prescribed by the Investors pursuant to discussions with the Promoters, containing such information as is required to understand the business (including details of significant events impacting or expected to impact the Company), by not later than 20 (twenty) days following the end of the month to which they relate;
- (ii) un-audited quarterly financial statements, within 30 (thirty) days from the end of the period to which they relate, duly certified by the managing director and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (iii) un-audited half-yearly financial statements, within 45 (forty five) days from the end of the period to which they relate, duly certified by the managing director and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (iv) annual audited financial statements, within 90 (ninety) days from the end of the period to which they relate, duly certified by the Promoters and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (v) a copy of the auditors' report, within 120 (one hundred and twenty) days from the end of the period to which it relates;
- (vi) minutes of all Board Meetings, Shareholders Meetings and any meetings of the Committees, as soon as practicable, and in any case within 15 (fifteen) days of the date of the relevant meeting; and
- (vii) projection of any debt and equity requirements for each of the next (two) financial quarters, as soon as practicable.

9.1.2 The Financial Statements delivered under this Article 9.1 shall at least include a balance sheet, a statement of profit or loss, and a statement of cash flows for the relevant period and shall be prepared in English in accordance with Accounting Standards consistently applied with past practice for prior periods.

9.1.3 All information and documents to be provided by the Company under this Article 9.1 shall be prepared and provided in English.

### **9.2 Right of Inspection.**

9.2.1 So long as the Investors, along with their Affiliates, holds any Securities in the Company, the Investors shall, by giving a notice of at least 7 (seven) days, be entitled to carry out inspection of site, stores, accounts, documents, records, premises, and equipment and all other Assets of the Company during normal working hours through its authorized representatives and, or, agents at its own cost, and the Company shall use reasonable efforts



to provide such information, data, documents, evidence as may be required for the purpose of and in the course of such inspection in connection therewith. The Investors shall have the right to make copies of all books of account, records, including the corporate and the financial records, audited accounts and management accounts. The Company shall provide all possible assistance to the Investors or their respective authorised representatives (including legal advisors, accountants and other professional advisors) in this regard. In the event that any concerns are raised pursuant to such inspection and audit, the Company shall address and resolve such concerns promptly to the satisfaction of the relevant Party. The Investors shall also be entitled to consult and discuss matters concerning the Company or its business with the Directors, Key Managerial Personnel, employees, statutory auditors, accounting advisors and legal advisors of the Company. It shall be the responsibility of the Promoters to ensure that the obligations under this Article 9.2 are given full effect. The reasonable costs of any such inspection including appointment of any auditors for this purpose shall be borne by the Company.

9.2.2 The Investors shall be entitled to standard information, inspection and visitation rights, in compliance with the requirements of Applicable Laws.

All inspection, auditing or other activities conducted by a Shareholder, pursuant to this Article 9.2 shall be conducted in a manner so as not to interfere unreasonably with the conduct of the business of the Company.

## 10. OTHER COVENANTS

### 10.1 Protective Covenant.

10.1.1 The Promoters agree that they shall not, and shall ensure that their Affiliates and Associates do not (except, where relevant, through the Company and its Subsidiaries), directly or indirectly:

- (i) set up, solicit business on behalf of, render any services to, engage in, guarantee any obligations of, extend credit to or have any ownership interests, in any **Conflicting Business**. For the purposes of these Articles, "**Conflicting Business**" means the business of providing facilities management services, production support services, staffing solutions and other business support services that, directly competes with the business of the Company as carried on from time to time;
- (ii) assume any Role in any Person engaged in, or proposed to be engaged in, any **Conflicting Business**;
- (iii) solicit and render services to or for, or accept from, anyone who is a client or customer of the Company (whether present or future), any **Conflicting Business**, or persuade or attempt in any manner to persuade any client or customer of the Company to cease to do business or to reduce the amount of business which any such client or customer has customarily done or is reasonably expected to do with the Company;
- (iv) interfere or seek to interfere or take such steps as may interfere with the continuance of supplies to the Company (or the terms relating to such supplies) from any suppliers who have been supplying goods or services to the Company; and
- (v) employ as an employee or retain as a consultant any Person (including an individual, firm, corporation or other form of entity) who is then, or at any time during the 6 (six) month period prior to the date of the purported solicitation, was an employee

of, or exclusive consultant to the Company, or persuade or attempt to persuade any employee of, or exclusive consultant to, the Company, to leave the employment of the Company or to become employed as an employee or retained as a consultant by any other Person.

10.1.2 Notwithstanding anything to the contrary agreed in writing between the Shareholders and the Company, and without prejudice to restrictions contained in Article 10.1.1, the Promoters shall not, individually or together, at any time, have any Role or have any interest, directly or indirectly, in any Persons / Businesses, irrespective of the nature of the business / operations ("Interested Entities") which is not in compliance with this Article 10.1. The Interested Entities are set forth in Article 10.1.3. As and when a Promoter acquires / assumes any Role / interest in any new Person / business, the relevant Promoter shall issue a written intimation to the Investors and upon a Promoter acquiring / assuming such a Role / interest in the manner aforesaid, the relevant Person / Business shall be treated as an Interested Entity for the purposes of these Articles. Further, each Promoter shall, as and when it ceases to have any Role / interest in any Interested Entity issue a written intimation to the Investors as soon as practicable. As and when a Promoter acquires / assumes any additional Role / interest or enhancing its shareholding or interest in any Interested Entity, the relevant Promoter shall issue a written intimation to the Investors.

10.1.3 The details of Interested Entities are as follows:

<i>S.No.</i>	<i>Name of Interested Entity</i>	<i>Nature and Extent of Interest</i>
1.	Tangirala Infrastructure Development Private Limited	(i) director;  (ii) shareholder – legally and beneficially holding 50% (fifty per cent.) of the share capital
2.	Best Security Services Limited	(i) director,  (ii) shareholder – legally and beneficially holding 50% (fifty per cent.) of the share capital
3.	Tangi Facility Solutions Private Limited	(i) director;  (ii) shareholder – legally and beneficially holding 99% (ninety nine per cent.) of the share capital

10.1.4 Notwithstanding anything to the contrary contained herein, the restrictions contained in this Article 10 shall not be circumvented by the Promoters indirectly including through its Affiliates, Associates or any other Person.

10.1.5 The restrictions contained in Article 10.1.1 shall not apply to any financial / passive investments made by the Promoters subject to the Promoters having sought the prior written consent of the Investor for any investment exceeding INR 25,00,00,000 (Indian Rupees twenty five crores). Provided that for any financial / passive investment made by the Promoters not exceeding INR 25,00,00,000 (Indian Rupees twenty five crores), the Promoters shall intimate the Investors immediately after having made such investment.

10.1.6 The Shareholders and the Company acknowledge that (i) the type and periods of restriction imposed in the provisions of this Article 10.1 are fair and reasonable and are reasonably required in order to protect and maintain the legitimate business interests and the goodwill associated with the business carried on by the Company; and (ii) the time, scope and other provisions of this Article 10.1 have been specifically negotiated by parties and have been agreed to, in light of the investments made by the Investors in the Company, either directly or indirectly.

10.1.7 If any of the restraints contained in this Article 10.1 or any part thereof, is held to be unenforceable in a jurisdiction by reason of it extending for too great a period of time, or by reason of it being too extensive in any other respect, the Shareholders and the Company agree for only that particular jurisdiction that (i) such restraint shall be interpreted to extend only over the maximum period of time, geographic area or extent to which it may be enforceable, as determined by the court or arbitration panel making such determination, and (ii) in its reduced form, such restraint shall then be enforceable. Each of the restraints and agreements contained in this Article 10.1 (collectively, the "Protective Covenants") is separate, distinct, and severable.

10.1.8 The unenforceability of any portion of the Protective Covenant shall not affect the validity or enforceability of any other portion of the Protective Covenant or any other provision or provisions of these Articles.

10.1.9 The Promoters undertake that

- (i) Promoter I shall devote all of his time, energy and efforts in the activities of Company and the promotion of the Business.
- (ii) except with the prior written consent of the Investors, all new projects and businesses relating to the Conflicting Business, shall only be undertaken by the Company, and not through any other Affiliates or Associates of any of the Promoters or the Company or through the Relatives of Promoter I and Promoter II. Provided that the security business that is currently being carried on through Best Security Services Limited can be carried on by such an entity subject to the preceding portion of this Article 10.1.9(ii).
- (iii) all opportunities for new projects and businesses relating to the Conflicting Business that are developed or sourced by, or offered to, the Promoters shall be referred exclusively to the Company.

## 10.2 Conduct of Business.

10.2.1 The Company and the Promoters shall cause the Company, Promoters and their respective Affiliates (present or future) to agree and undertake, that:

- (i) the Company and its Subsidiaries shall devise and implement appropriate mechanisms and reporting systems to ensure:
  - (a) compliance with all Applicable Laws and Accounting Standards, including requisite corporate governance practices; and
  - (b) that all agreements, dealings and arrangements with any of the Shareholders, their Affiliates or other Related Parties and other transactions with a Related Party are on an arm's length basis with full disclosures to the Board;

- (ii) the Company and its Subsidiaries shall conduct its business in accordance with all Applicable Laws, terms and conditions of the agreed in writing between the Shareholders and the Company, these Articles and the Business Plan;
- (iii) they and, or, their Affiliates shall not engage, by themselves directly or by authorizing any Person to do so, in any offering, giving, receiving, or soliciting, any money, gifts, gratifications or any other thing of value to any Government Official or any other Person, that will amount to a violation of the U.S. Foreign Corrupt Practices Act: 15 U.S.C. §78dd-1, et seq. as amended (the "FCPA"), and the Prevention of Money Laundering Act, 2002 ("PMLA") and other equivalent laws applicable to the Company. Promoters, their respective Affiliates and, or, any Persons authorized by them, notwithstanding the applicability or non-applicability of the FCPA and, or, the PMLA to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, in relation to such conduct;
- (iv) they shall not and further undertake to ensure that their respective directors, officers, representatives, employees, advisers and agents do not, make any offer, payment, promise to pay or authorize the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any government official (including without limitation, any tax or customs official, any employee of a government owned or controlled company, or of a public international organization, or any person acting in an official capacity on behalf of a government, government owned or controlled company, or public international organization), or to any arbitration tribunal, or to any political party or an employee of any political party, domestic or foreign (or official thereof) ("Government Official") or to any other Person who was or is in a position to help or hinder the business of the Company, the Promoter and, or, their respective Affiliates: (a) with the intent or purpose of influencing such Government Official or other Person in his official capacity, inducing such Government Official to do or omit to do any act in violation of the lawful duty of such official, or securing any improper advantage; (b) inducing such Government Official to use his influence with a government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality; (c) that would cause the Company, the Promoters and, or, their respective Affiliates and their respective directors, and employees to violate or be in violation of any applicable laws (including without limitation the FCPA, as amended from time to time, notwithstanding the applicability of the FCPA and, or, the PMLA to the Company. Promoters, their respective Affiliates and, or, any Persons authorized by them, in relation to such conduct) or subject it or them to damages or penalties in a civil or criminal proceeding, or (d) that could reasonably be expected to have a Material Adverse Effect, if not discontinued;
- (v) the Company, the Promoters and their respective Affiliates shall comply with the FCPA policy, as adopted by the Board, effective from the Restated Articles Effective Date;
- (vi) each of the Company, the Promoters and their respective Affiliates are: (a) not currently identified on the Specially Designated Nationals and Blocked Persons List maintained by the U.S. Office of Foreign Assets Control, Department of the Treasury ("OFAC") and, or, on any other similar list maintained by OFAC or any other U.S. governmental agency pursuant to any authorising statute, Order or regulation, and (b) not a person or entity with whom a citizen of the United States of America is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States law, regulation, or order of the President of the United States of America.

- (vii) they and their Affiliates and their respective directors, officers, representatives, employees, advisors and agents have not provided or collected funds with the intention that they be used, or in the knowledge that they are to be used, in order to carry out terrorist acts or support any terrorist organization;
- (viii) the Company, the Promoters and their respective Affiliates (as applicable) shall issue to the Investors, a certificate on an annual basis, in a form and substance satisfactory to Investor II, certifying compliance with the provisions of this Article 10.2; and
- (ix) the Company, its Subsidiaries and Promoter III shall adopt at the meetings of their respective Board of Directors and implement all compliance related policies and procedures in relation to matters set out in this Article, as the Investors may deem necessary from time to time.

10.2.2 The Company and the Promoters shall:

- (i) cause the Company, the Promoters and their respective Affiliates and each of their respective officers, directors and employees (individually and collectively, a "Company Representative") to: (a) engage only in lawful practices in commercial operations and in relation to Governmental Authorities or Government Official, (b) not make any bribe, rebate, payoff, influence payment, or any other payment that would be unlawful under any applicable Anti-Corruption Legislation and Anti-Corruption Guidelines as agreed in writing between the Shareholders and the Company;
- (ii) not engage in (or authorize or permit any of their Affiliates or any other Person acting on its behalf to engage in), any Sanctionable Practice with respect to any transaction as agreed in writing between the Shareholders and the Company or otherwise;
- (iii) not make or hold any investments in any entity that (a) is sanctioned pursuant to United Nations Security Council resolutions issued under Chapter VII of the United Nations Charter, (b) is on the World Bank Listing of Ineligible Firms and Individuals or (c) has been convicted, indicted or subjected to any similar criminal sanction, by any court or governmental body of competent jurisdiction, for engaging in money laundering or financing of terrorism or any Sanctionable Practice;
- (iv) upon being notified by the Investors of their concern that there has been a violation of the Articles 10.2.2(i) to (iii), the United Nations Security Council Resolutions, and, or, any Sanctionable Practices in relation to the foregoing, the Company shall cooperate in good faith with the Investors and its representatives in determining whether such a violation has occurred, and shall respond promptly and in reasonable detail to any notice from the Investors, and shall furnish documentary support for such response upon such request;
- (v) (the Promoters) not Transfer, and the Company shall not permit the Transfer of, any of their interests in the Company to any person or entities (a) named on lists promulgated from time to time by the United Nations Security Council or its committees pursuant to any resolution issued under Chapter VII of the United Nations Charter; (b) named on the World Bank Listing of Ineligible Firms and Individuals (see [www.worldbank.org/doharr](http://www.worldbank.org/doharr) or any successor website or location); and, or, (c) convicted, or subjected to any similar criminal sanction, by any court or governmental body of competent jurisdiction, for engaging in money laundering or financing of terrorism or any Sanctionable Practice, or in each case, in any successor in interest or ultimate beneficial owner thereof; and

- (vi) on becoming aware of any violation of the Integrity Requirements, they shall promptly notify the Investors.

#### **10.3 Distribution of Profits.**

The Board shall determine the amount and the time of distribution of dividends in accordance with the Dividend Policy. The Shareholders and the Company agree that the profits of the Company, as and when distributed, shall be distributed to the Shareholders as per their Shareholding Percentage.

#### **10.4 Key Managerial Personnel.**

- 10.4.1 Key Managerial Personnel shall be appointed by the Board from time to time in accordance with the requirements of Applicable Laws and the Company shall ensure that the position of chief executive officer, chief financial officer/ vice-president (finance) and business development head of the Company is not vacant for longer than a period of 60 (sixty) days at any point in time. The Persons including the Key Managerial Personnel so appointed by the Board from time to time including Mr. Raghunandana Tangirala, along with the executive directors of the Company, if any, shall hereinafter be referred to as the "Management".
  - 10.4.2 The Management shall be responsible for the day-to-day management of the Company and shall directly report to the Board. The Management shall operate within the authority specifically approved and granted by the Board and shall exercise such powers as may be delegated to them by the Board subject to its overall control, direction and supervision. The Management shall report to the Board in such manner as may be determined by the Board from time to time.
  - 10.4.3 Any decision in regard to the appointment or termination, or change in the terms of appointment of any Key Managerial Personnel and, or member of the Management shall be subject to Article 6 .
- #### **10.5 Auditors and Accounting.**
- 10.5.1 The Company shall keep true and accurate accounting records of all operations in accordance with Applicable Laws and Accounting Standards, and such records shall be open for inspection by each Party or by its duly authorised representatives at all times during normal business hours and with sufficient notice so as not to disrupt the Company's operations.
  - 10.5.2 The Financial Statements of the Company shall be audited at the Company's expense by the Statutory Auditor.
  - 10.5.3 The accounting records shall be kept at the registered office of the Company or at such other place, in accordance with Applicable Laws, as the Board may deem fit and proper.

#### **10.6 Indebtedness.**

In the event the Company proposes to incur any Indebtedness, including by borrowing funds from banks and financial institutions, the Investors shall not be asked, or be required to give any warranties, letter of comfort and, or, guarantees, of any nature whatsoever for any loans or with regard to any aspect of the business or functioning of the Company. In relation to any Indebtedness of the Company, the Investors shall not be required to pledge their Securities or provide any support to any Third Party, including but not limited to lenders of the Company.

#### **10.7 Promoter Status.**

10.7.1 The Investors and, or, their Affiliates shall not be named or deemed as 'promoters' or 'sponsors' of the Company nor shall any declaration or statement be made to this effect, either directly or indirectly, in filings with regulatory or Governmental Authorities, offer documents or otherwise without the prior written consent of the Investors in writing.

10.7.2 The Investors, their officials, employees, nominee directors, managers, representatives or agents shall not be named or deemed as an 'occupier' or 'officer in charge' or 'officer in default' under any Applicable Laws. In the event any Governmental Authority takes a view or draws an inference that the Investors or their Affiliates or their officials, employees, nominee directors, managers, representatives or agents, is a 'sponsor', 'occupier' or 'officer in charge' or 'officer in default', then the Company and the Promoters shall co-operate with the Investors to make such representations and make full disclosures to the Investors or such body or authority as may be required by the Investors to dispel or correct such inference or view under the Applicable Laws.

#### **10.8 Status of the Company.**

The Company is and shall be maintained as a 'private limited company' (as defined under the 2013 Act) and any conversion or action that would result in conversion of the Company to a public limited company (either directly, by converting Promoter III into a public limited company or otherwise) shall be subject to the prior written consent of the Investor and the terms of these Articles.

#### **10.9 Tax Covenants.**

The Company and the Promoters shall act in good faith and shall pay all Taxes (direct and indirect), duties, cess, fees or any other amount payable (whether by way of Tax or otherwise), under the Applicable Laws. Further, the Company, and the Promoters shall take all steps to make the necessary Tax filings under the Applicable Laws (including but not limited to the return of income for the relevant Financial Years, withholding Tax returns etc.).

#### **10.10 Business Plan.**

The Business Plan for each Financial Year shall be discussed and approved by the Board, which approval will require an affirmative vote by the Investors in accordance with Article 6, no later than 30 (thirty) days before the beginning of the relevant Financial Year. The Promoters and the Company shall take all steps necessary, including the exercise of their rights at Shareholders Meetings and causing their nominee Directors to exercise their rights at Board Meetings, to ensure that the Company carries on its business in accordance with the terms of the Business Plan agreed from time to time.

#### **10.11 Related Party Transactions.**

Any transactions with Related Parties (including investments in, or loans to Related Parties, the formation of Affiliate entities or Subsidiaries) shall be conducted (i) on an arm's-length basis; and (ii) with the consent of the majority disinterested directors and at least one Investor Director. Provided that any Related Party transactions which are in the Ordinary Course and are on an arm's-length basis may be approved by the Board through provision of an omnibus approval subject to consent of the Investor in terms of Article 6.

#### **10.12 Subsidiaries.**



10.12.1 Unless stated otherwise, any and all rights available to the Investors in or with respect to the Company as agreed in writing between the Shareholders and the Company, including, without limitation, the right under Article 6, shall be also available to the Investors in the wholly owned Subsidiaries of the Company, whether such Subsidiaries exist on the Restated Articles Effective Date or not. All obligations of the Promoters hereunder with respect to the Company also apply to the Promoters in respect of such wholly owned Subsidiaries. The Company shall ensure that all of the rights, preferences and privileges of the Investors which are contained in these Articles, including all management principles set out in these Articles, shall be continuously made applicable in each of the present or future wholly owned Subsidiaries of the Company and shall form part of the memorandum and articles of association or other charter documents of such Subsidiaries. The Investors shall have the right to appoint such number of directors on the board of directors of wholly owned Subsidiaries as they are entitled to appoint on the Board and the Promoters and Company shall ensure that the persons nominated by the Investors are appointed as additional directors on the board of directors of the Subsidiaries of the Company within 15 (fifteen) days of written notice by the Investor in this regard.

10.12.2 With respect to Subsidiaries other than wholly owned Subsidiaries of the Company, all rights available to the Investors in or with respect to the Company as agreed in writing between the Shareholders and the Company, including, without limitation, the right under Article 6, shall be exercised by the Board and by seeking specific consent of the Investor Directors, and, or, by the Company and, or, the Promoters voting appropriately at the meetings of the board of directors or shareholders of such Subsidiaries and, or, Associate Companies.

#### 10.13 Most Favoured Right

The Company shall not, and the Promoters shall procure that the Company and its Subsidiaries shall not, directly or indirectly, or in any manner whatsoever, grant to any Persons (whether in regard to an issue of Securities or otherwise) rights that are superior or more favourable than the rights that have been granted to the Investors under these Articles. Without prejudice to the generality of the above, any rights that are more favourable and, or, superior than the right available to the Investors under these Articles, shall only be granted to any Person in regard to the Company with the prior written consent of the Investors, and such rights shall automatically, without there being any requirement to undertake any further act and, or, omission, be available to the Investors.

#### 10.14 Business Review Meetings

The Company shall, and the Promoters shall procure that the Company shall, organize, at the Company's cost, business review meetings between the Shareholders and the Company at such regular intervals as may be mutually agreed in writing between the Company, the Promoter and the Investors.

#### 10.15 Fall away of Rights

In the event the Investors (together with their Affiliates who hold Securities in the Company) hold less than 5% (five per cent.) of the Share Capital on a Fully Diluted Basis due to Transfer of the Securities held by the Investors or dilution of the Shareholding Percentage of the Investors, the rights conferred on the Investors pursuant to Articles 3.2 (*Fresh Issue of Securities*), 3.3 (*Anti-Dilution*), 4 (*Board and Board Meeting*), 5.1.2 (*Notice*), 5.1.3 (*Quorum*) 6 (*Affirmative Vote Matters*), 9.4 (*Restriction on Transfer of Promoter Securities*), 8 (*Exit Rights*) of these Articles shall cease (save and except as otherwise agreed in writing by the Shareholders and the Company). Notwithstanding the above, all other rights available to the Investors under these Articles, and the rights generally available to a shareholder

holding less than 5% (five per cent.) of the share capital of a company under Applicable Law, shall continue to be applicable to the Investors until the Investors ceases to hold any Securities in the Company.

#### **10.16 Day-to-day management of the Company**

The Promoters shall ensure that Promoter I remains in charge of day-to-day management and operations of the Company and is responsible for the conduct of Business of the Company.

### **11. EVENTS OF DEFAULT**

#### **11.1 Consequences of Default.**

On the occurrence of an event of default as defined and agreed in writing between the Shareholders and the Company, the Investors shall, without prejudice to any other rights or remedies they may have under Applicable Laws or any other contract, have the right (exercisable in its absolute discretion, but not the obligation) by delivery of a written notice to terminate irrevocably all the rights (but not obligations) of the Promoters and the Company under these Articles as well as the agreements between the Shareholders and the Company and require the Promoters to buy all of the Securities held by the Investors, at 175% (one hundred and seventy five percent ) of the fair market value determined in accordance with Applicable Laws assuming that such event of default as defined and agreed in writing between the Shareholders and the Company has not occurred, or the Investment Amount, whichever is higher.

### **12. GENERAL**

12.1 Any reference to "as agreed in writing between the Shareholders and the Company" shall mean the Investment Agreement dated 19 January, 2017, as amended from time to time and other documents executed by the Investors, Promoters, and Company.

12.2 Capitalised terms used but not defined herein shall have the meanings assigned to them as agreed in writing between the Shareholders and the Company

S/No.	Signature, Name, Father/ Husband name, Address description, occupation and PAN No. (If any) of each of the subscribers	Signature, Name, Father/ Husband name Address & of Witness
1.	<p>Sd/-</p> <p>Mr. T. RAGHUNANDANA S/o. Late T.V.S. SHARMA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AADPT0426C</p>	<p>Sd/-</p> <p>M.DAMODARAN S/o. K. Munuswamy Old No: 1A, New No.28 Bazaar Road, 2<sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.NO.5081</p>
2.	<p>Sd/-</p> <p>Ms. T. SHANTHI W/o. T.RAGHUNANDANA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AAVPS5245C</p>	
3	<p>Sd/-</p> <p>Mr.T. KESAVAN S/o. P. THIATHAPPAN No. F-4, Jumbo vinayak, 21, Leelavathi Ammal Street, Madippakkum Chennai-600 091 Service PAN: AIHPK5560F</p>	
4.	<p>Sd/-</p> <p>Mr.D.W.LYONS S/o. Late V.T.LYONS No.63, Foxen Street, Perambur Chennai-600 011 Service PAN: APPIJED FOR</p>	
5	<p>Sd/-</p> <p>Mr.JOSEPH FULBERT EDWARD S/o Late A. J. EDWARD No.17, 7<sup>th</sup> Street, Thiruvalluvar Nagar Erukkencherry</p>	

	Chennai-600 118 Service PAN: ADUPJ5877D	Sd/-  M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Razgar Road, 2 <sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.No. 5081
6	Sd/-  Mr. C. ROY SURESH KUMAR S/o. Late S.L. COULUMBUS No.33, N.G.O Colony Sripertimbudur-602 105 Service PAN: APPLIED FOR	
7	Sd/-  Mr. S. MARIAPPAN S/o. S. SANKARA NARAYANAN No.146, Pandian Street Alwarthiri Nagar Chennai-600 087 Service PAN: AIRPM 9968L	

Place : Chennai

Date : 06.11.2003

*\*The new set of Articles of Association adopted by Special resolution passed by the members of the Company at the Extra-ordinary general meeting held on 13 February, 2017*

**THE COMPANIES ACT, 2013**

**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION\***

**OF**

**UPDATER SERVICES PRIVATE LIMITED ("COMPANY")**

---

The Articles consist of two parts, Part 'A' and Part 'B'. The provisions of Part 'A' 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 special provisions of Part 'B'. As long as Part 'B' remains a part of the Articles, in the event of any conflict or inconsistency, the provisions of Part 'B' shall prevail over the provisions of Part 'A'.

---

**PART - A**

**PRELIMINARY**

The regulations contained in Table "F" in Schedule I to the Companies Act, 2013, so far as the same, may be applicable to a Private Company as defined in the Act, shall except, otherwise and to extent provided in these Articles, apply to this Company, in the same manner as if all such regulations of Table F are specifically contained in these Articles.

**INTERPRETATION**

1. In these regulations:
  - (a) "The Act" means the Companies Act, 2013
  - (b) "The Company" or "this Company" means UPDATER SERVICES PRIVATE LIMITED
  - (c) "Directors" means the Directors for the time being of the Company or as the case maybe Directors assembled at a Board.
  - (d) "Board of Directors Meeting" or "Board Meeting" means a meeting of the Directors duly called and constituted or as the case may be, Directors assembled at a Board.

For UPDATER SERVICES (P) LTD

  
Company Secretary

- (e) "Person" includes Corporation.
- (f) "The Office" means the registered office for the time being of the company.
- (g) "Month" shall mean calendar month.
- (h) "Proxy" includes attorney duly constituted under a Power of Attorney
- (i) "The seal" means the Common Seal of the Company.
- (j) "Executed" includes any mode of execution.
- (k) "holder" in relation to shares means the member whose name is entered in the register of members as the holder of the shares.

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.

### **PRIVATE COMPANY**

3. The Company is a private company within the meaning of section 2(68) of the Act,
- (i) The minimum paid up capital of the Company shall be Rs 1,00,000 (Rupees One lakh only) or such higher amounts as may be prescribed, and
  - (ii) By its articles
    - (a) Restricts the right to transfer Shares of the Company in the manner herein prescribed.
    - (b) Limits the number of members of the Company (exclusive of persons who are in employment of the Company, and persons who having been formerly in the employment of the Company, were members of the Company while in that employment and have continued to be members after the employment ceased) to 200 (two hundred); provided that two or more persons holding one or more Shares in the Company jointly, shall for the purpose of the Articles be treated as a single member.
    - (c) Prohibits any invitation to the public to subscribe for any securities of the Company.

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

4. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose

of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

5. (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 be under the seal and 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.
6. (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.
7. Except as required by law, no person shall be recognized 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 recognize (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.
8. (i) The company may exercise the powers of paying commissions conferred by subsection(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 rules made there under.



- (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.
- 9. (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 to 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.
- 10. 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 shares ranking paripassu therewith.
- 11. 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.

#### **TRANSFER OF SHARES**

- 12. (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.
- 13. The Board may, subject to the right of appeal conferred by section 58 declines 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.
- 14. The Board may decline to recognize any instrument of transfer unless-
  - (a) the instrument of transfer is in the form as prescribed in rules made under subsection(1) of section 56;
  - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

15. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, 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

16. (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 sole holder, 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.
17. (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.  
(ii) 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.
18. (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.
19. 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 been complied with.

#### ALTERATION OF CAPITAL

20. 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 there solution.
21. 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.
22. 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.
23. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law, -

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

### **BUYBACK OF SHARES**

- 24. 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**

- 25. All general meetings other than annual general meeting shall be called extra-ordinary general meeting.
- 26. (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**

- 27. (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.
- 28. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- 29. 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.
- 30. 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**

31. (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.

## **BOARD OF DIRECTORS**

32. The first directors of the Company shall be the following  
**Mr. T. RAGHUNANDANA**  
**Mrs. T. SHANTHI**
33. (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.
34. The Board may pay all expenses incurred in getting up and registering the company.
35. 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.
36. 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.
37. 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.
38. (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.

#### **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

39. 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.

40. 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.

#### **DEMATERIALIZATION OF SECURITIES**

41. (i) Dematerialisation of securities:

Notwithstanding anything contained in these Articles, the company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996.

(ii) Options for Investors:

Every person subscribing to securities offered by the company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of the securities in respect of his holding.

(iii) Securities in depositories to be in fungible form.

All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sec.153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of securities held by it on behalf of the beneficial owners.

(iv) Rights of depositories and beneficial owners:

- (a) Notwithstanding anything contained in these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (c) The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository.

(v) Transfer of Securities:

Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor both of whom are entered as beneficial owners in the records of a depository.

(vi) Allotment of securities dealt within a depository:

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the company shall intimate the details thereof to the depository immediately on allotment of such securities.

vii) Register and Index of Beneficial Owners:

The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of the Members and security holders for the purpose of these Articles and the provision relating to distinctive numbering shall not apply to the shares of the company which have been dematerialised.

## **THE SEAL**

42. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.



### **Dividends and Reserve**

43. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
44. 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.
45. (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.
46. (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.
47. 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.

48. (i) Any dividend, interest or other monies payable in cash in respect of shares maybe 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.
49. 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.
50. 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.
51. No dividend shall bear interest against the company.

#### ACCOUNTS

52. (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 authorized by the Board or by the company in general meeting.

#### WINDING UP

53. Subject to the provisions of Chapter XX of the Act and rules made there under –
- (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

54. 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.

### CAPITALISATION OF RESERVES

55. The Company in General Meeting may, upon recommendations of the Board, resolve
- (a)
    - (i) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and
    - (ii) that such sum be accordingly set free for distribution in the manner specified in sub-clause (b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
  - (b) The sum aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in sub-clause (c) either in or towards:-
    - (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
    - (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to amongst such members in the proportions aforesaid; or
    - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
  - (c) A share premium account and a capital redemption reserve account may, for the purpose 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.
  - (d) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
56. (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall

- (i) Make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue of fully paid shares, if any, and
  - (ii) authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively credited as fully paid up of any further shares to which they may be titled upon such capitalization or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.
- (b) Any agreement made under such authority shall be effective and binding on all such members.

## **PART – B**

### **1. Additional Definition**

- 1.1 “1956 Act” means the Companies Act, 1956 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto;
- 1.2 “2013 Act” means the Companies Act, 2013 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto and, or, any re-enactment thereof;
- 1.3 “Accounting Standards” means the applicable accounting standards in force in India from time to time, consistently applied during the relevant period, including the generally accepted accounting principles and standards, Indian Accounting Standard (Ind AS), and all pronouncements including the guidance notes and other authoritative statements of the Institute of Chartered Accountants of India;
- 1.4 “Additional Funding Requirement” means: (i) additional funding requirements as per the Business Plan; and, or, (ii) the Board determining that such additional funding is required from time to time in terms of these Articles, in compliance with Article 6;
- 1.5 “Additional Securities” has the meaning assigned to such term in Article 3.2.1;
- 1.6 “Affiliate(s)”, with respect to a Person, means (i) in the case of a Person other than a natural person, any other Person that either directly or indirectly through one or more Persons, Controls, is controlled by or is under common Control with such Person and any investment funds managed or advised by such specified Person, and (ii) in relation to a natural person, any Relative of such a natural person and any other Person, either directly or indirectly, controlled by such a natural person. In case of the Investors, the term ‘Affiliate’ shall be deemed to include any pooled investment fund(s) and, or, juristic entity managed by the same manager, managing member, limited partner / investor of pooled investment fund(s) of Investor I and, or, Investor II, general partner or management company or by an entity Controlling, Controlled by, or under common Control with such manager, managing member, general partner or management company, or any other pooled investment fund(s);
- 1.7 “Affirmative Vote Matters” has the meaning assigned to it in Article 6.1;
- 1.8 “Alternate Director” has the meaning assigned to such term in Article 4.5.1;

- 1.9 **"Applicable Laws"** means relevant and applicable central, state and local laws of India, including all statutes, enactments, acts of legislature, laws, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, administration, directions, directives, decisions, orders, executive orders, decrees, judicial decisions, orders of any Governmental Authority or other similar directives made pursuant to such laws, whether in effect on the date of these Articles or at any time thereafter;
- 1.10 **"Approvals"** means approvals, permissions, consents, validations, confirmations, waivers, permits, notices, filings, grants, concessions, certificates, registrations, exemption orders, licenses and, or, other authorisations required to be obtained from any Person, including Governmental Authorities, under Applicable Laws, contracts or equity;
- 1.11 **"Articles"** or **"Articles of Association"** means the articles of association of the Company, as amended from time to time; It is clarified that on and from the Restated Articles Effective Date, the **"Articles"** or **"Articles of Association"** means the Restated Articles;
- 1.12 **"Assets"**, in regard to the Company, means all properties and assets of such the Company, including movable, immovable, tangible or intangible assets belonging to the Company or used or held for use in connection with, necessary for the conduct of, or otherwise material to the business and, or, operations of the Company, including the Intellectual Property Rights;
- 1.13 **"Associate"**, in regard to a Person, means another Person in which such a Person and, or, its Affiliates have Significant Influence and includes partnerships and private trusts where such Person and its Affiliates is a partner, beneficiary and, or, trustee;
- 1.14 **"Best Security Services Private Limited"** shall mean Best Security Services Private Limited a private limited company existing under the Act and having its registered office at 42, Luz Avenue, Mylapore, Chennai – 600 004.
- 1.15 **"Board Meeting"** means a meeting of the Board duly convened in accordance with the 2013 Act, and these Articles;
- 1.16 **"Board"** means the board of directors of the Company as constituted from time to time in accordance with the provisions of these Articles and Applicable Laws;
- 1.17 **"Business Day(s)"** means any day other than Saturday, Sunday or any day on which banks in Chennai (India) or Mumbai (India) or Ebene (Mauritius) are closed for regular banking business;
- 1.18 **"Business Plan"** means, in relation to any Financial Year, the annual business plan of the Company as approved by the Board, including the budget for the relevant Financial Year in relation to the sales budget, revenue and operating expenditure, cash flow, capital expenditure and key financial ratios;
- 1.19 **"Business"** means the business of providing facilities management, production support services, staffing services, staffing solutions and other business support services, as carried on by the Company and as supplemented / expanded from time to time;
- 1.20 **"Chairman"** has the meaning assigned to such term in Article 4.6;
- 1.21 **"Committees"** has the meaning assigned to such terms in Article 4.9;
- 1.22 **"Company Representative"** has the meaning assigned to such term in Article 10.2.2(i);

- 1.23 **"Conflicting Business"** has the meaning assigned to such term in Article 10.1.1(i);
- 1.24 **"Control"**, in relation to any Person, means (i) the beneficial ownership, directly or indirectly, of more than 50% (fifty per cent.) of the voting rights or paid-up share capital of such a Person, (ii) the right to nominate a majority of the directors or members on the board of directors or other such governing body of that Person, and, or, (iii) the possession of power to cause direction of the management or policies of such a Person; Correlative terms such as "controlling" and "controlled" shall be construed in accordance with this definition;
- 1.25 **"Deed of Adherence"** means a deed in the form agreed in writing between the Shareholders and the Company;
- 1.26 **"Dilution Instruments"**, in regard to a company, means and includes preference shares, debentures, bonds, warrants, options or other securities or instruments which are convertible into or exercisable or exchangeable for or which carry a right to subscribe to or purchase equity shares or equity capital of such a company or any instrument or certificate or right representing a legal or beneficial ownership interest in equity shares or equity capital of such a company;
- 1.27 **"Dilution Price"** has the meaning assigned to such term in Article 3.3.2;
- 1.28 **"Dilutive Issuance"** has the meaning assigned to such term in Article 3.3.2;
- 1.29 **"Director(s)"** means a director on the Board, as constituted from time to time;
- 1.30 **"Dividend Policy"** means a policy formulated determining the distribution of dividends of the Company to the Shareholders in accordance with Applicable Law which is acceptable to the Investors;
- 1.31 **"Encumbrance(s)"** means all kinds of charges and encumbrances, including mortgage, pledge, lien, hypothecation, title defect, attachment in the decree of any court, court injunction, assignment by way of security, restriction or limitation of any nature whatsoever, including restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, or any other agreement or arrangement which has the effect of conferring security of any kind whatsoever; For the avoidance of doubt, it is clarified that, insofar as any shares or securities are concerned, the term "encumbrances" includes any voting agreement, interest, option, right of pre-emption or transfer restriction in favour of any Person;
- 1.32 **"Equity Shares"**, means the equity shares of the Company having a face value of INR 10 (Indian Rupees ten) each per share;
- 1.33 **"ESOP"** means the Employee Stock Option Plan;
- 1.34 **"Event of Default"** has the meaning assigned to such term as agreed in writing between the Shareholders and the Company;
- 1.35 **"Exit Trade Sale"** means any transaction apart from an IPO that provides each of the Investors a complete exit from the Company and includes the following: (i) a strategic sale to any Person (including a Person engaged in a Conflicting Business) through either a sale of more than 51% (fifty one per cent.) of the Share Capital of the Company or less than 51% (fifty one per cent.) of the Share Capital of the Company that results in a change in Control; or (ii) a secondary sale of the Investor Shares to any Person;
- 1.36 **"Exit Trigger Event"** has the meaning assigned to such term in Article 8.3.1;

- 1.37 **"FCPA"** has the meaning assigned to such term in Article 10.2.1(iii);
- 1.38 **"Financial Statements"**, in regard to the Company, means the audited financial statements comprising an audited balance sheet as of the end of the relevant Financial Year and the related audited statement of income and statement of cash flows for such a Financial Year, together with the auditor's report thereon and notes thereto prepared in accordance with Applicable Laws and Accounting Standards;
- 1.39 **"Financial Year"** means the period commencing from the 1<sup>st</sup> day of April of every calendar year and ending on the 31<sup>st</sup> day of March of the next calendar year;
- 1.40 **"Fully Diluted Basis"**, in regard to the Company, means that the calculation is to be made assuming that all outstanding Dilution Instruments (whether or not by their terms currently convertible, exercisable or exchangeable), options, warrants, outstanding commitments to issue Equity Shares or Dilution Instruments at a future date, whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged in accordance with their respective terms;
- 1.41 **"Government Official"** has the meaning assigned to such term in Article 10.2.1(iv);
- 1.42 **"Governmental Authority"** means any competent governmental, regulatory, statutory or administrative authority, agency, department, commission or instrumentality (whether local, municipal, national or otherwise), court, board or tribunal of competent jurisdiction or other law, rule or regulation making entity having jurisdiction on any of the Parties or the transactions contemplated by these Articles;
- 1.43 **"Indebtedness"** as applied to any Person, means any indebtedness of any kind (other than current trade accounts incurred or payable in the Ordinary Course), whether secured or unsecured, including any liability or financial obligation pertaining to borrowed money, any liability or financial obligation evidenced by a note, bond, debenture, letter of credit, draft or similar instrument, any obligation owed for all or any part of the deferred purchase price of property or services, any guarantee, warranty or indemnity extended by such Person to any other Person;
- 1.44 **"Independent Director"** has the meaning assigned to such term in the 2013 Act;
- 1.45 **"Indication of Interest"** has the meaning assigned to such term in Article 7.3.3(i);
- 1.46 **"Indication of Non Acceptance"** has the meaning assigned to such term in Article 7.3.3(ii);
- 1.47 **"Integrity Requirements"** means the integrity-related obligations including but not limited to obligations related to anti money laundering/countering of financing of terrorism, "know-your-customer" and fraud, corruption and Sanctionable Practices of the Company under (i) Applicable Laws and relevant codes of conduct and similar requirements, rules and codes of conduct issued by industry self-regulatory organizations and similar trade associations, (ii) Article 10.2, and (iii) as agreed in writing between the Shareholders and the Company;
- 1.48 **"Interested Entities"** has the meaning assigned to such term in Article 10.1.2;
- 1.49 **"Investment Amount"** means the total amount invested by the Investors in the Company whether through subscription of Securities or through purchase of securities;
- 1.50 **"Investor Directors"** has the meaning assigned to such term in Article 4.2.1;



- 1.51 **"Investor I"** shall mean **INDIA BUSINESS EXCELLENCE FUND – II**, a unit scheme of Business Excellence Trust II, a trust created under the Indian Trust Act, 1882, whose trustee is **Vistra ITCL (India) Limited** (formerly known as **IL&FS TRUST COMPANY LIMITED**), a public company incorporated under the provisions of the 1956 Act and having its registered office at the IL&FS Financial Centre, C-22, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, India, acting through its investment manager, **MOPE INVESTMENT ADVISORS PRIVATE LIMITED**, a company registered in India under the 1956 Act having its registered office at Motilal Oswal Tower, Junction of Gokhale & Sayani Road, Prabhadevi, Mumbai – 400 025;
- 1.52 **"Investor II"** shall mean **INDIA BUSINESS EXCELLENCE FUND – IIA**, a public limited company incorporated under the laws of Mauritius and having its office at Suite 304, Third Floor, NG Tower, Cyber City, Ebene, Mauritius;
- 1.53 **"Investors"** shall mean Investor I & Investor II collectively
- 1.54 **"IPO"** has the meaning assigned to such term in Article 8.1.1;
- 1.55 **"Key Managerial Personnel"** has the meaning assigned to such term in sub-section (51) of section 2 of the 2013 Act;
- 1.56 **"Management"** has the meaning assigned to such term in Article 10.4.1;
- 1.57 **"Material Adverse Effect"** means any event, occurrence, fact, condition, change, development or effect that, individually or in the aggregate, has had or may reasonably be expected to have a material and adverse effect on: (i) the ability of the Company and, or, the Promoters to perform its obligations hereunder; and, or, (ii) the condition (financial or otherwise and including any material increase in provisions), operations, results of operations, prospects, Assets, liabilities or Business of the Company;
- 1.58 **"Non-Subscribing Shareholder"** has the meaning assigned to such term in Article 3.2.4;
- 1.59 **"Observer"** has the meaning assigned to such term in Article 4.3;
- 1.60 **"OFAC"** has the meaning assigned to such term in Article 10.2.1(vi);
- 1.61 **"Offer of Existing Securities"** has the meaning assigned to such term in Article 8.1.1 (ii);
- 1.62 **"Offer Price"** has the meaning assigned to such term in Article 7.3.3(i);
- 1.63 **"Ordinary Course"** as applied to any Person, means an action taken by or on behalf of such a Person that is consistent with past customs of such a Person and prudent business practices as per best industry standards, including with respect to quantity and frequency;
- 1.64 **"Original Director"** has the meaning assigned to such term in Article 4.5.1;
- 1.65 **"Permitted Investor Transferee"** has the meaning assigned to such term in Article 7.2.1;
- 1.66 **"Permitted Recipients"** means the following: (i) funds under the management / advised / sub-advised by the respective managers of the Investors and their respective Affiliates and their respective directors, officers, employees, agents and advisors; and, or, (ii) valuation agencies undertaking the valuation of the Investors' portfolio, etc.;
- 1.67 **"Person"** means and includes any natural person, limited or unlimited liability company, corporation, limited or unlimited liability partnership firm, proprietorship firm, Hindu

undivided family, trust, union, association or any other entity that may be treated as a person under Applicable Laws;

- 1.68 "PMLA" has the meaning assigned to such term in Article 10.2.1(iii);
- 1.69 "Promoter Director" has the meaning assigned to such term in Article 4.2.1;
- 1.70 "Promoter I" shall mean **MR. RAGHUNANDANA TANGIRALA**, aged 56 years, s/o Mr. T.V. Subbiah Sarma, citizen of India having PAN AAPDPT0426C and permanent residence at No.7 D'Silva Road, Mylapore, Chennai- 600 004;
- 1.71 "Promoter II" shall mean **MRS. SHANTHI TANGIRALA**, aged 48 years, d/o Mr. Karunakaran Chathukutty Nair, citizen of India having PAN AAVPS5245C and permanent residence at No.7 D'Silva Road, Mylapore, Chennai- 600 004;
- 1.72 "Promoter III" shall mean **TANGI FACILITY SOLUTIONS PRIVATE LIMITED**, a private limited company with CIN – U74900TN2014PTC097603, established under the laws of India, having its registered office at Old No.42, New No. 2, Luz Avenue Mylapore, Chennai – 600 004
- 1.73 "Promoters" shall mean Promoter I, Promoter II & Promoter III collectively
- 1.74 "Protective Covenants" has the meaning assigned to such term in Article 10.1.7;
- 1.75 "Related Party" has the meaning assigned to such term in sub-section (76) of section 2 of the 2013 Act and, or, as per applicable Accounting Standards;
- 1.76 "Relative(s)" in connection with (i) Promoter I or Promoter II, means the children of Promoter I and Promoter II, and (ii) any other natural person, has the meaning assigned to such a term in the 2013 Act;
- 1.77 "Restated Articles Effective Date" means 10 February 2017;
- 1.78 "ROFO Acceptance Notice" has the meaning assigned to such term in Article 7.3.4;
- 1.79 "ROFO Eligible Shareholders" has the meaning assigned to such term in Article 7.3.2;
- 1.80 "ROFO Notice" has the meaning assigned to such term in Article 7.3.2;
- 1.81 "ROFO Period" has the meaning assigned to such term in Article 7.3.3;
- 1.82 "ROFO Response Period" has the meaning assigned to such term in Article 7.3.4;
- 1.83 "ROFO Transfer Period" has the meaning assigned to such term in Article 7.3.5;
- 1.84 "Role" means any investment / arrangement whereby the Promoters, either directly or indirectly, have or attain: (i) any shareholding /economic interest / investment in any business or any Person, (ii) a right to nominate management positions, (iii) a right to appoint / select persons on the board / governing body of such business or Person, or (iv) a role as an employee, director, lender, observer, consultant or advisor;
- 1.85 "Sanctionable Practice" means any Corrupt Practice, Fraudulent Practice, Coercive Practice, Collusive Practice, or Obstructive Practice, as those terms are interpreted in

accordance with the Anti-Corruption Legislation and Anti-Corruption Guidelines as agreed in writing between the Shareholders and the Company;

- 1.86 "Securities", in regard to the Company, means any form of securities and shares of the Company, including the Equity Shares and Dilution Instruments;
- 1.87 "Share Capital", in regard to the Company, means the total issued, subscribed and paid up share capital of such the Company determined on a Fully Diluted Basis;
- 1.88 "Shareholder(s)" means the shareholder(s) of the Company from time to time;
- 1.89 "Shareholders Meeting" has the meaning assigned to such term in Article 5.1.1;
- 1.90 "Shareholding Percentage" means the respective percentage proportions in which the Share Capital is held by the Shareholders from time to time on Fully Diluted Basis. It is clarified that for the purposes of Article 3, any calculation of the Shareholding Percentage for determining the entitlement of a Shareholder in any proposed issuance shall be undertaken based on the Share Capital held by such a Shareholder immediately prior to such proposed issuance on Fully Diluted Basis;
- 1.91 "Significant Influence" means the possession of power to cause or prevent any actions pertaining to the management or policies of a Person, through the ownership or control or benefit of at least 20% (twenty percent) of total share capital or voting interest or economic interest of such a Person or the ability to nominate or have elected 1 (one) or more members of a governing body of such person or the ability to direct, restrict or otherwise influence any management decision of such Person, whether through debt arrangements, contract, voting interest, membership to governing bodies such as a board of director, or otherwise;
- 1.92 "Statutory Auditor" means the statutory auditor of the Company from time to time;
- 1.93 "Strategic Sale Closing Date" has the meaning assigned to such term in Article 8.3.3;
- 1.94 "Strategic Sale Exercise Notice" has the meaning assigned to such term in Article 8.3.2;
- 1.95 "Strategic Sale Right" has the meaning assigned to such term in Article 8.3.1;
- 1.96 "Strategic Sale Securities" has the meaning assigned to such term in Article 8.3.2;
- 1.97 "Strategic Transferee" has the meaning assigned to such term in Article 8.3.1;
- 1.98 "Subscribing Shareholder(s)" has the meaning assigned to such term in Article 3.2.4;
- 1.99 "Subscription Cut-Off Period" has the meaning assigned to such term in Article 3.2.2;
- 1.100 "Subsidiary" has the meaning assigned to such term in sub-section (87) of section 2 of the 2013 Act;
- 1.101 "Tag Exercise Notice" has the meaning assigned to such term in Article 7.4.3;
- 1.102 "Tag Request Notice" has the meaning assigned to such term in Article 7.4.2;
- 1.103 "Tag Response Period" has the meaning assigned to such term in Article 7.4.3;
- 1.104 "Tag Right" has the meaning assigned to such term in Article 7.4.2;

- 1.105 **"Tag Securities"** has the meaning assigned to such term in Article 7.4.3;
- 1.106 **"Taxes"** means any and all forms of taxation, imposts, duties, and levies, whether direct or indirect, deductible at source or otherwise, together with any interest, penalties, surcharges or fines relating thereto, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction. It is clarified that the term "Taxes" shall include any interest, surcharges, penalties or additional taxes payable in connection therewith; Correlative terms such as "tax" and "taxation" shall be construed in accordance with this definition;
- 1.107 **"Third Party"** means any Person other than the Shareholders and the Company;
- 1.108 **"Transfer Securities"** has the meaning assigned to such term in Article 7.3.2;
- 1.109 **"Transfer"** means, whether directly or indirectly, any transfer, including any sale, assignment, pledge, hypothecation, creation of security interest in or lien or Encumbrance on, placing in trust (voting or otherwise), exchange, gift or transfer by operation of law or in any other way, whether or not voluntarily. Correlative terms such as "transferred", "transferring" and "transferability" shall be construed in accordance with this definition.
- 1.110 **"Transferring Promoter"** has the meaning assigned to such term in Article 7.4.2;
- 1.111 **"Transferring Shareholder"** has the meaning assigned to such term in Article 7.3.2;

## **2. UTILISATION OF PROCEEDS**

- 2.1 The Company shall, and the Promoters shall procure the Company to, utilise the Investment Amount solely and exclusively, for the purposes agreed in writing between the Shareholders and the Company.
- 2.2 Till such time as the Investment Amount has been utilized in accordance with Article 2.1, the Company shall, at each meeting of the Board, table a statement setting out the extent of utilization of Investment Amount.

## **3. FURTHER FUNDING REQUIREMENTS**

- 3.1 **Furnishing of guarantees and securities to meet Additional Funding Requirements.**
- 3.1.1 Upon occurrence of an Additional Funding Requirement, additional funds shall be raised on terms approved, and from sources identified, by the Board. For the avoidance of doubt, it is clarified that the Investors shall not be obligated to provide any such guarantees or securities, whether directly or indirectly, to any banks or other financial institutions for any reason whatsoever.
- 3.1.2 The Investors do not have any obligation to provide additional funding in terms of this Article to the Company and they shall be entitled to provide such additional funding at their sole discretion.
- 3.2 **Fresh issue of Securities.**
- 3.2.1 If the Business Plan contemplates the issuance of fresh Securities to Shareholders or if the Board determines, subject to the provisions of Article 6, that an Additional Funding Requirement is to be met through issuance of fresh Securities to the Shareholders of the Company, then the Company shall issue fresh Securities to the Shareholders (**"Additional Securities"**), proportionate to their respective Shareholding Percentage in the Company.

Such Additional Securities to be issued to the Shareholders shall be fully paid-up by the respective Shareholder in cash. Notwithstanding anything to the contrary contained in these Articles, any issuance of Additional Securities shall be on such terms and conditions as the Board may, subject to the provisions of Article 6, determine at its sole discretion.

- 3.2.2 Not less than 30 (thirty) days before the date of proposed issuance of the Additional Securities, the Company shall deliver to each Shareholder notice / letter of offer for the proposed issuance setting forth: (i) the aggregate number of Additional Securities proposed to be issued and the Shareholding Percentage of the relevant Shareholder; (ii) the price at which such Additional Securities are proposed to be issued and other terms of issuance, if any; and (iii) such other relevant details as the Board may deem fit or as may be required as per Applicable Laws. Within 15 (fifteen) days following delivery of the notice referred to in this Article ("**Subscription Cut-Off Period**"), each Shareholder electing to exercise its rights to subscribe to its Shareholding Percentage entitlement in the Additional Securities shall give a notice to the Company specifying the number of Additional Securities basis its Shareholding Percentage that it is willing to subscribe to and if such a subscription is being undertaken, in case of the Investors through any other Person (except a Person engaged in a Conflicting Business) and in case of the Promoters through an Affiliate, then all documents that are required to be furnished in terms of Article 7.2.1 or Article 7.1.3 as the case may be, such as a duly executed Deed of Adherence and copies of all Approvals and consents required to be obtained under Applicable Laws, shall be furnished to the Board by the Investors and, or, the Promoters, as the case may be.
- 3.2.3 The Investors may indicate their willingness to subscribe to any unsubscribed portion of the Additional Securities offered, either directly or through any Person (except a Person engaged in a Conflicting Business) including their Affiliates. The Shareholders electing to exercise their rights shall, within a period of 15 (fifteen) days from the Subscription Cut-Off Period, remit the requisite funds towards the Additional Securities, which they have agreed to subscribe to, and the Company shall allot such Additional Securities to the Shareholders on the issuance date specified in the notice / letter of offer in regard to such Additional Securities. Failure by any Shareholder to give such a notice within the Subscription Cut-Off Period or remit the fund in the manner set forth above shall be deemed to be a waiver by such Shareholder of its rights under this Article with respect to the proposed issuance in question. The Promoters will be entitled to renounce the right to subscribe to Additional Securities in the Company in favour of any Affiliate, which comply with the provisions of these Articles, including by executing a Deed of Adherence. Provided that the Shareholding Percentage of Promoter I shall not fall below 25% (twenty five per cent.) of the Share Capital for any reason whatsoever.
- 3.2.4 In the event that a Shareholder ("**Non-Subscribing Shareholder**") does not subscribe or is not desirous of subscribing to its Shareholding Percentage of the Additional Securities entirely, then within a period of 3 (three) Business Days from the date of expiry of the Subscription Cut-Off Period; the Board shall send a written intimation to the other Shareholder(s) (for the purposes of this Article 3.2.4 and 3.2.5 "**Subscribing Shareholder(s)**", which term specifically excludes every Non-Subscribing Shareholder), giving them an opportunity to subscribe to the unsubscribed portion of the Additional Securities offered to such Non-Subscribing Shareholder, either by themselves or, in case the Subscribing Shareholders are Investors, then through their Affiliates.
- 3.2.5 In the event that the Subscribing Shareholder(s) sends a notice to the Company, within a period of 7 (seven) days from the date of intimation by the Board as aforesaid, agreeing to subscribe to any or all of the unsubscribed Additional Securities and remits the requisite funds towards subscription to such unsubscribed Additional Securities within a period of 15 (fifteen) days from the Subscription Cut-Off Period, then the Board shall allot such unsubscribed Additional Securities to such willing Subscribing Shareholder(s). It is clarified

that if more than 1 (one) Subscribing Shareholder notifies the Board of its intention to subscribe to unsubscribed Additional Securities as above, and the unsubscribed Additional Securities are less than the aggregate number of unsubscribed Additional Securities, then the unsubscribed Additional Securities shall be issued to such Subscribing Shareholders proportionate to their respective Shareholding Percentage in the Company.

### **3.3 Anti-dilution.**

- 3.3.1 The Investors shall have a right, whether exercisable through itself or any other Person nominated in this regard (except a Person engaged in a Conflicting Business), to subscribe to any issuance by the Company of any Equity Shares or Dilution Instruments to any Third Party in proportion to their respective Shareholding Percentage in the Company.
- 3.3.2 Upon each issuance by the Company of any Equity Shares or Dilution Instruments at a price per Equity Share less than the price ("Dilution Price") at which the Investors subscribed to the Investor Shares ("Dilutive Issuance"), the Investors shall be entitled to, and the Company shall provide and the Promoters shall procure the Company to provide to the Investors, dilution protection on weighted average basis.
- 3.3.3 The anti-dilution mechanism set forth in this Article shall be accomplished by issuance by the Company or transfer by the Promoters of such number of Equity Shares to the Investors and, or, any other Person nominated by the Investors for this purpose (except a Person engaged in a Conflicting Business) at the lowest price possible under Applicable Laws, so as to give full effect to the weighted average anti-dilution right of the Investors.
- 3.3.4 Upon each Dilutive Issuance, the Company and the Promoters shall take all necessary acts to put Investor I and Investor II in the position that they would have if the adjustment to the Dilution Price had been made, by issuance by the Company or transfer by the Promoters to Investor I and Investor II or any Person nominated by the Investors in this regard (except a Person engaged in a Conflicting Business) of such number of Equity Shares, whereby Investor I and Investor II or any Person nominated by the Investors in this regard (except a Person engaged in a Conflicting Business) are not required to pay any additional amounts for the issuance of such new Equity Shares or the transfer of Equity Shares. The above arrangement shall be implemented in accordance with Applicable Laws.
- 3.3.5 It is clarified that nothing in this Article shall apply to any issuance by the Company of any Equity Shares or Dilution Instruments as Additional Securities to the Shareholders pursuant to Article 3.2 of these Articles or an ESOP plan, in each case as approved by the Board in accordance with Article 4.7.5 of these Articles, or a Bonus Issue.

## **4. BOARD AND BOARD MEETINGS**

### **4.1 Management of the Company.**

The property, business and affairs of the Company shall be managed by and under the direction of the Board, and the Board shall be responsible for the overall management, supervision, direction and control of the Company. Subject to the provisions of these Articles, the Board may exercise all such powers of the Company and do all such lawful acts and things as are permitted under these Articles and Applicable Laws. The Board shall manage the Company in the overall, general, and strategic sense and shall ensure proper organization of the business of the Company and shall appoint / dismiss the members of the Management. The Board shall be entitled to delegate its powers to such persons and such Committees that the Board may create to assist it in developing and meeting its business strategy and objectives. The approval of the Shareholders shall be obtained on such matters as may be required under these Articles, and, or, Applicable Laws.

#### **4.2 Composition of the Board.**

4.2.1 The Board shall not exceed 7 (seven) Directors that will be appointed in terms of Article 4.2.2, or such other number of Directors as may be mutually agreed between the Shareholders and the Company in writing, from time to time. The Investors shall be entitled to nominate Directors in proportion to their respective Shareholding subject to a minimum of 2 (two) Directors (collectively, the "Investor Directors" and each, an "Investor Director") and the Promoters shall be entitled to nominate Directors in proportion to their respective Shareholding subject to a minimum of 3 (three) Directors (collectively, the "Promoter Directors", and each, a "Promoter Director") in accordance with the terms and conditions set out in this Article. Provided that Promoter I shall at all times during the subsistence of these Articles be a Promoter Director.

4.2.2 Unless otherwise agreed between the Shareholders and the Company in writing and subject to Article 6 of these Articles, the Board shall be constituted in the following manner:

- (i) on and from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors and 3 (three) Promoter Directors;
- (ii) on and from 6 (six) months from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors, 3 (three) Promoter Directors and 1 (one) Independent Director identified by Investor I and Investor II and acceptable to the Promoters on the Board; and
- (iii) on and from 12 (twelve) months from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors, 3 (three) Promoter Directors and 2 (two) Independent Directors, out of such 2 (two) Independent Directors, 1 (one) will be identified by the Promoters and acceptable to Investor I and Investor II on the Board.

Provided that subject to the proviso to this Article 4.2.3 and Articles 10.16 and the right of the Investors to assign their rights, the number of Investor Directors on the Board shall not, at any time fall below 2 (two) Directors.

4.2.3 The Investors may at any time remove from office any Investor Director(s) and, if desired, appoint another in his / her place. The Promoters may at any time remove from office any Promoter Director(s) and, if desired, appoint another in his / her place.

4.2.4 Subject to Article 4.2.2, the Board shall appoint such number of Independent Directors on the Board, as per the requirements of Applicable Laws. All such Independent Directors shall be acceptable to the Investors and Promoter I.

4.2.5 The Promoters and the Investors shall exercise all powers and rights available to them so as to fix the number of Directors in accordance with this Article and to ensure that the persons nominated by the Investors and the Promoters are expeditiously appointed or removed (as the Investors and the Promoters may specify in accordance with this Article) as a Director and the appointments and removals referred to in this Article result in the persons nominated / appointed or removed becoming or ceasing to be Directors, as applicable.

#### **4.3 Observer.**

On and from the Restated Articles Effective Date, the Investors shall be entitled to appoint 1 (one) person as an observer to attend all Board Meetings in a non-voting capacity ("Observer"). The Observer shall have the right to receive all notices, documents and information provided to the Directors and be entitled to attend all meetings of the Board or



Committees thereof, subject to the Observer being bound to confidentiality obligations as applicable to Directors. The Observer shall not be considered for quorum, and the Observer shall not be entitled to vote with respect to any resolution proposed to be passed at a Board meeting. The Company shall reimburse all out of pocket expenses incurred by the Observer in attending Board Meetings or otherwise perform its duties and functions as Observer.

#### 4.4 Appointment, removal and retirement of Directors.

##### 4.4.1 Any appointment or removal of Directors shall be implemented in the following manner:

- (i) Appointment of Directors: Subject to the provisions of Article 4.2, each Shareholder shall have the right to, from time to time, issue a notice specifying their intention to nominate a Person as a Director on the Board. Such a notice shall be addressed to the Board and delivered to the Managing Director at the registered office of the Company or presented directly before the Board during a Board Meeting. The aforementioned notice should be accompanied by consent letter and such other documents which are required in terms of Applicable Laws from the prospective nominee. If any such notice along with the accompanying documents is delivered at a Board Meeting, the Board shall at the same meeting pass necessary resolutions in respect of appointment of such person as an additional director. If such a notice along with the accompanying documents is delivered to the Company, then the relevant officers of the Company shall, immediately and in any case within a period of 7 (seven) days from the date of receipt of such notice, either convene a meeting of the Board to pass necessary resolutions in respect of appointment of such Director(s) as additional director(s), or if it is not practicable to convene such Board Meeting, initiate, subject to Applicable Laws, the process for appointment of such Director(s) through a circular resolution in terms of Applicable Laws. Notwithstanding anything to the contrary contained in these Articles, any such nominee shall only be appointed as a Director if such a Person fulfils all criteria prescribed under Applicable Laws.
- (ii) Removal / replacement of Directors: Each Shareholder shall have the right to, from time to time, issue a notice specifying that they wish to remove all or any of the Directors appointed by them on the Board. Such a notice shall be addressed to the Board and delivered at the registered office of the Company or presented directly before the Board during a Board Meeting. The aforementioned notice should be accompanied by a resignation letter to this effect from the relevant Director(s) in the form prescribed by the 2013 Act, and if no such form is prescribed then as per standard secretarial practice. If any such notice along with the accompanying resignation letter is delivered at a meeting of the Board, the Board shall at the same meeting pass necessary resolutions in respect of such removal. If such a notice along with the accompanying resignation letter is delivered to the Company, then the relevant officers of the Company shall, immediately and in any case within a period of 7 (seven) days from the date of receipt of such notice, either convene a meeting of the Board to pass necessary resolutions in respect of removal of such Director(s), or if it is not practicable to convene such Board Meeting, initiate, subject to Applicable Laws, the process for removal of such Director(s) through a circular resolution in terms of Applicable Laws. If the relevant Shareholder wishes to replace a Director nominated by it in on the Board with another Person and provides consent letter and such other documents which are required in terms of Applicable Laws from the prospective nominee, then the Company shall, subject to such a nominee fulfilling all criteria prescribed under Applicable Laws, appoint the relevant Person as an additional director on the Board in the same Board Meeting where the other nominee Director of such a Shareholder is being removed. If the removal is being carried out through a circular resolution then another circular resolution shall be

passed concurrently for appointment of the new nominee Director of such a Shareholder.

- (iii) **Approval by Shareholders:** If any appointment or removal of a Director, as the case may be, has to be approved by the Shareholders in a Shareholders Meeting as per Applicable Laws, then the Board shall convene an extraordinary general meeting of the Company promptly to approve the appointment or removal of such Director(s). All relevant actions in regard to appointment or removal of such Director(s) by the Shareholders shall be completed within a period of 30 (thirty) days from the date of receipt of notice mentioned in Article 4.4.1(i) or (ii), as the case may be.
- (iv) **Retirement of Directors:** It is clarified that the Investor Directors shall not be liable to retire by rotation.

4.4.2 The Shareholders and Company shall co-operate with each other in convening a meeting of the Board and, or, Shareholders to effect: (i) appointment of Director(s) so nominated; or (ii) removal of Director so requested, and to exercise its voting rights in any meeting of the Company, and shall cause any Director nominated by it exercise his voting rights in any Board Meetings, so as to give effect to the such appointment/removal.

4.4.3 Subject to the provisions of Applicable Laws and these Articles, no Director shall be removed during the term for which such Director was elected without the consent of the Shareholder, if any, who nominated such Director on the Board. Notwithstanding the foregoing, a Shareholder may ask for removal, substitution or recall for any reason, of any of the Directors nominated by such Shareholder by serving a notice in terms of Article 4.4.1.

4.4.4 The Directors shall not be required to hold qualification shares.

4.4.5 At any point in time, in the event the number of Directors nominated and appointed by the Investors or Promoters, as the case may be, is less than their entitlement under Article 4.2.2 (including for reason such as death, disqualification, inability to act or removal), then the Investors or Promoters, as the case may be, shall be entitled to nominate such Directors at their sole discretion at any time thereafter. No other Shareholder shall have the right to fill-in such vacancy.

#### 4.5 **Alternate Director.**

4.5.1 Any Director nominated by any Shareholder and appointed to the Board ("**Original Director**") shall be entitled, in accordance with Applicable Laws, to nominate an alternate (and such nominee shall be appointed by the Board as an "**Alternate Director**") to attend and vote at Board Meetings in his / her absence. Prior to the Original Director exercising any such rights, such Alternate Director appointee shall be required to be approved in writing by the Shareholder who nominated the Original Director. An Alternate Director shall be entitled to receive notice of all meetings of the Board, to attend and vote at any such meeting at which the Original Director appointing him is not personally present and at the meeting to exercise and discharge all the functions, powers and duties of his appointee or as a Director. An Alternate Director shall automatically vacate his office as an Alternate Director if the Original Director who appointed such an alternate is personally present or if such Original Director ceases to be a Director, in terms of these Articles and, or, Applicable Laws. Notwithstanding anything to the contrary contained in these Articles, Promoter I shall not be entitled to appoint an Alternate Director, except in case of his incapacitation due to ill health or if otherwise agreed in writing between the Shareholders and the Company.

4.5.2 All references to 'Directors' in these Articles shall be deemed to include a reference to their respective 'Alternate Director'. For the avoidance of doubt, it is clarified that all provisions

applicable to an Investor Director shall equally apply to the Alternate Director appointed / proposed to be appointed in accordance with this Article and all actions taken by such Alternate Director shall be deemed to be actions taken by the relevant Original Director.

**4.6 Chairman.**

At every Board Meeting, the chairman of the Board for such a Board Meeting ("Chairman") shall be Promoter I. The Chairman shall not have a casting vote or extra vote.

**4.7 Board Meetings.**

**4.7.1 Frequency and Location:** The Board Meetings shall be held as often as circumstances require, including upon the written request of at least 1 (one) Director, and all such meetings should be held as soon as reasonably possible and in any event not later than 7 (seven) days from the date that such a request for convening a Board Meeting is received by the Chairman. Not less than 4 (four) Board Meetings shall be held in each year in a manner such that not more than 120 (one hundred and twenty) days elapse between 2 (two) consecutive Board Meetings. All Board Meetings shall be conducted in English.

**4.7.2 Notice:** A Board Meeting may be called by the Chairman or a Director by giving notice in writing to the company secretary, or any other Person nominated in this regard by the Board, specifying the date, time and agenda for such meeting; provided, however, any agenda for a Board Meeting shall be provided to each Investor at least 2 (two) days prior to the notice of the Board Meeting being issued to the Directors unless such right is waived by each Investor in writing. The company secretary (or such nominated person) shall upon receipt of such notice, give a copy of such notice to all Directors at their respective address registered with the Company and such notice shall be sent by hand delivery or by post or by email, accompanied by a written agenda specifying the business of such meeting and copies of papers relevant for such meeting. The Company shall ensure that sufficient information is included within such notice to the Directors to enable each Director to make a decision on the issue in question at such meeting. Every notice convening a meeting of the Board shall set forth in full and sufficient detail each item of the business to be transacted thereat, and no item or business shall be transacted at such meeting, unless the same has been stated in full and in sufficient detail in the notice convening the meeting, except as otherwise consented to by all the Directors or their respective Alternate Directors. Not less than a minimum 7 (seven) days' prior written notice shall be given to each Director for any Board Meeting, accompanied by the agenda for the Board Meeting; provided, however, a Board Meeting may, subject to the Applicable Laws, be called at shorter notice to transact urgent business subject to the condition that at least 1 (one) Investor Director and least 1 (one) Promoter Director shall have consented to the shorter notice and be present at/throughout such Board Meeting and, or, waived their presence. All documents presented or circulated to the Directors in regard to a Board Meeting shall be in English.

**4.7.3 Quorum:** The quorum for a meeting of the Board shall be 2 (two) Directors, provided, however the quorum shall not be valid without the presence, in person or otherwise, of at least 1 (one) Investor Director, or his/her duly appointed Alternate Director throughout the relevant Board Meeting and Promoter I, unless waived by the Investors and, or, Promoter I, as the case may be. If the quorum is not present within 30 (thirty) minutes from the time when the meeting should have begun, or if during the meeting there is no longer a quorum, the meeting shall be adjourned for 1 (one) Business Day and shall be reconvened at the same place and time, or at such other date, place and, or, time as may be agreed to by the majority of the Directors (including at least 1 (one) Investor Director), with the same agenda. If at 2 (two) consecutively adjourned Board Meetings, the quorum is not present within 30 (thirty) minutes of the time appointed for the meeting, then, subject to the 2013 Act, the Directors present, in person or through Alternate Directors, at such meeting shall constitute the quorum

and the Board Meeting shall proceed with respect to the business stated in the agenda for the Board Meeting; provided, however, even in such a reconvened/adjourned Board Meeting no Affirmative Vote Matter shall be discussed and, or, no resolution pertaining to an Affirmative Vote Matter shall be passed unless 1 (one) Investor Director is present during such a Board Meeting.

**4.7.4 Voting:** Each Director is entitled to cast 1 (one) vote at any Board Meeting.

**4.7.5 Decisions of the Board:** A decision shall be validly made and, or, a resolution validly passed at a Board Meeting only if passed at a validly constituted Board Meeting and, subject to the provisions of these Articles in regard to Affirmative Vote Matters, by a simple majority of the Directors present and voting at the relevant Board Meeting. A resolution in writing of the Board shall be as valid and effective as if it had been a resolution passed at a meeting of the Board duly convened and held, if the resolution is signed in support thereof by a majority of the Directors for the time being. Without affecting the generality of the foregoing, where the resolution is with respect to, or includes, an Affirmative Vote Matter, then it shall require the written consent of the Investors for only such matter. Any such resolution bearing the signature of any Director and dispatched by email shall constitute a valid document for the purpose of this clause. It is clarified that where a resolution of the Board has been approved by a Promoter Director and, or, the Investor Director in respect of a specific matter, the Promoters and, or, the Investors, as the case may be, shall vote in accordance with such resolution in case that particular matter is taken up at a Shareholders' meeting of the Company.

**4.7.6 Electronic Participation:** The Board has the power to allow electronic or remote participation and voting in Board Meetings, subject to compliance with the relevant requirements under the 2013 Act. A Director may make a request for electronic or remote participation to the Board and the Board shall consider such a request favourably and provide such facility in accordance with the requirements of the 2013 Act. Accordingly, a reference to the presence of any Director for a meeting of the Board, shall include either physical presence or through video conferencing or electronic or remote means.

**4.7.7 Maintenance of minutes:** The Board shall record the minutes of its meetings as prescribed under the 2013 Act, provided that such minutes shall be subject to the written approval of the Investors.

**4.8 Resolution by Circulation.**

Except for resolutions which the 2013 Act requires to be passed at a physical meeting of the Board, a resolution of the Board may be passed by the Directors by circulation (provided that it has been circulated in draft form by hand delivery or by post or by email, together with the relevant papers, if any, to all the Directors in accordance with the requirement of these Articles, and 2013 Act), which resolution shall be valid and effective if, subject to the provisions of these Articles in regard to Affirmative Vote Matters, it is approved by a majority of Directors.

**4.9 Committees of the Board.**

Subject to the provisions of these Articles, and Applicable Laws, the Board shall have the power and right to constitute and disband, if necessary, committees or sub-committees and delegate such of the Board's powers to the aforesaid committees as the Board may deem fit ("Committees"). Only the Board can appoint a committee of Directors or delegate its powers to any Persons. Unless agreed in writing by the Investors, the Board shall, while forming such Committees, ensure that 1 (one) Investor Director and Promoter I is a member of each such Committee. The provisions relating to Board and Board Meetings contained herein

(including relating to notice, quorum, quorum at adjourned meetings and Affirmative Vote Matters) shall apply *mutatis mutandis* to all the Committees and their respective meetings. All resolutions passed by the Committees shall have to be necessarily ratified by the Board.

#### **4.10 Record keeping.**

The Company shall keep a book of all resolutions and the minutes of all meetings of the Board in which there shall be recorded the time and place of such meeting, whether regular or special, and if special, however called, the notice thereof given, the names of those present and the processing thereof.

#### **4.11 Directors' Access.**

Any Director shall be entitled to examine the books, accounts and records of the Company and shall have, during normal business hours of the Company and with prior reasonable written notice, the right to reasonably inspect the properties and facilities of the Company. The Company shall provide such information relating to its business affairs and financial position as the relevant Director may require. Subject to the Applicable Laws, any Director may provide such information to the Shareholder who has nominated such a Director. The relevant Director and Shareholder would be bound by the confidentiality obligations as agreed in writing between the Shareholders, and the Company, in relation to such information received.

#### **4.12 Fees and Expenses of Directors.**

Subject to Applicable Laws, all expenses and costs incurred in connection with the convening and conduct of the Board Meetings shall be borne by the Company. The Company shall reimburse all out of pocket expenses incurred by the Investor Directors and the Promoter Directors (subject to any cap prescribed for whole-time directors in terms of Applicable Laws if applicable) in attending Board Meetings or business review meetings or otherwise perform their duties and functions as Directors. However, no sitting fees shall be paid to the Investor Directors and the Promoter Directors by the Company. Any reimbursements and sitting fees payable to Independent Directors shall be governed by the specific agreement between the Company and the Independent Director in this regard.

#### **4.13 Indemnification of Directors.**

4.13.1 The Company shall, subject to Applicable Laws, indemnify and keep indemnified the Directors against any:

- (i) act, omission or conduct of or by the Company or its employees or agents as a result of which any Director is made, in whole or in part, a party to, or otherwise incurs any loss or damage pursuant to, any proceedings arising out of or relating to any such conduct;
- (ii) action or omission by any Director at the request of or with the consent of the Company; and
- (iii) contravention of any of the Applicable Laws including, without limiting the generality of the foregoing, laws relating to provident fund, gratuity, labour, environment, pollution, the anti-bribery laws, and any action or proceedings taken against such Director in connection with any such contravention or alleged contravention.

#### **4.14 No Liability of Investor Director**

4.14.1 The Company recognizes that the Investor Directors shall not have any day-to-day managerial powers and that they will not be whole time, managing or executive directors of the Company and will not, subject to applicable Law, be held responsible for any default or failure of the Company in complying with the provisions of any applicable Law. 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 Investors and/or the Investor Directors.

4.14.2 Notwithstanding anything to the contrary contained in these Articles, no Investor Director shall be deemed to be an 'occupier' or 'officer in charge' or 'officer in default' for the purposes of the 2013 Act or any other Applicable Laws, as the Investor Directors are non-executive directors and do not have the power to and are not responsible for overall management, supervision, direction and control of the Company. Further, the Promoters and the Company shall ensure that the Investor Directors are not nominated as compliance officers, occupiers and/or employers and/or persons-in-charge, as the case may be, in order to ensure that, to the maximum extent permitted by Applicable Law, the Investor Directors do not incur any liability for any default or failure of the Company in complying with the provisions of any Applicable Laws.

4.14.3 In the event that any notice or proceedings have been filed against the Investor Directors by virtue of being Directors of the Company, the Company and the Promoters shall take all necessary steps to ensure that name of such Investor Directors is excluded/ deleted and the charges/proceedings against such Investor Directors are withdrawn and shall also take all steps to defend such Investor Directors against such proceedings and the Company shall pay all costs, damages, fines, levies etc. that may be levied against such Investor Director in such proceedings. The Investor Directors shall also be entitled to appoint any counsel at his/her own discretion, to defend any proceedings instituted against the Investor Directors by virtue of being Directors of the Company. All reasonable expenses borne by the Investor Directors in this regard shall be borne by the Company.

## 5. SHAREHOLDERS AND SHAREHOLDERS MEETINGS

### 5.1 Shareholders Meetings.

5.1.1 Frequency of Shareholders Meeting: An annual general meeting of the Shareholders shall be held as per the provisions of the 2013 Act. Subject to the foregoing, the Board, on its own or at the request of either of the Investors, may convene an extraordinary general meeting of the Shareholders, whenever it may deem appropriate (each such meeting, a "Shareholders Meeting"). All such Shareholders Meetings shall be held at such place as the Board may determine from time to time. Shareholders Meetings shall be called at such times as may be required to procure any consent of the Shareholders in terms of the provisions of these Articles, and, or, the 2013 Act, and in any event at least once in each financial year. Subject to the provisions of the 2013 Act, the Shareholders shall be entitled to participate in Shareholders Meetings through their respective duly authorized representative(s), duly constituted proxies or attorneys, as the case may be. English shall be the language used at all Shareholder meetings.

5.1.2 Notice: In accordance with provisions of the 2013 Act a minimum 21 (twenty one) days' prior written notice shall be given to all the Shareholders of any Shareholders Meeting, accompanied by the agenda for such meeting; provided, however, any agenda for a Shareholders Meeting shall be provided to each Investor at least (two) days prior to the notice of the Shareholder Meeting being issued to the Shareholders unless such right is waived by each Investor in writing. The aforesaid notice may be waived or a Shareholders Meeting may be called by giving a shorter notice with at least 95% (ninety five per cent.) of all the Shareholders entitled to vote at such meeting providing their written consent for such shorter notice. Subject to the 2013 Act, the notice of each general meeting shall include an agenda

approved by the Board setting out the business proposed to be transacted at the meeting, together with copies of all relevant papers connected therewith and, or, proposed to be placed before or tabled at the Shareholders Meeting, and no item or business other than as set out in the agenda shall be transacted or discussed at any Shareholders Meeting unless agreed to / approved by the Investors and the Promoters in advance. The notice shall specify the place, date and time of the meeting. All documents presented or circulated to the Shareholders in regard to a Shareholders Meeting shall be in English.

- 5.1.3 Quorum: The quorum for any Shareholders Meeting shall be at least 2 (two) Shareholders present in person or through their respective duly authorized representative(s), duly constituted proxy(s) or attorney(s), as the case may be, 1 (one) of which shall be one of the Investors and the other Promoter I, at the beginning of the meeting and throughout the meeting (unless waived by the Investors and, or, the Promoter 1, as the case may be). If the quorum is not present within 30 (thirty) minutes from the time when the meeting is scheduled to begin or if during the meeting there is no longer a quorum, the meeting shall be adjourned for 2 (two) Business Days and shall be reconvened at the same place and time, or at such other day, date, place and, or, time as the Board may determine, with the same agenda.
- 5.1.4 Proxies and Authorised Representatives: Any Shareholder of the Company may appoint another Person as his proxy (and in case of a corporate Shareholder, its authorized representative) to attend a meeting and vote thereat on such Shareholder's behalf, provided that the power given to such proxy or representative must be in writing. Any Person possessing a proxy or other such written authorization with respect to any Securities shall be able to vote on such Securities, as the case may be, and participate in meetings as if such Person were a Shareholder, subject to Applicable Laws.
- 5.1.5 Chairman for Shareholders Meeting: The Chairman of Board shall be the chairman for the Shareholders Meeting. The chairman of the Shareholders Meetings shall not have any second or casting vote.
- 5.1.6 Voting: Subject to the Applicable Laws, voting on all matters to be considered at a Shareholders Meeting shall be by way of show of hands unless a poll is demanded in accordance with provisions of the 2013 Act.
- 5.1.7 Decisions of the Shareholders: Subject to the provisions of these Articles in regard to Affirmative Vote Matters, a decision shall be validly made and, or, a resolution validly passed at a Shareholders Meeting only if the requisite majority approves the relevant decision / resolution in compliance with the provisions of the 2013 Act.
- 5.1.8 Electronic Participation: The Shareholders may participate and vote in the Shareholders Meeting through electronic or remote participation and voting in the manner permitted under the 2013 Act, from time to time. A Shareholder may make a request for electronic or remote participation to the Board and the Board shall consider such a request favourably and provide such facility in accordance with the requirements of the 2013 Act. Accordingly, subject to Applicable Laws, a reference to the presence of any Shareholder for a meeting of the Shareholders, shall include either physical presence or through video conferencing or electronic or remote means, and the process that is to be followed in regard to Board Meetings for presence and voting through video conferencing or electronic or remote means under the 2013 Act shall be followed in regard to such Shareholders Meeting.

## **6. AFFIRMATIVE VOTE MATTERS**

- 6.1 Notwithstanding any other provision of these Articles or any power conferred upon the Board by these Articles, and, or, the 2013 Act, with effect from the Restated Articles Effective Date, neither the Company nor any Shareholder, Director, Committee member, or

any of their respective delegates or representatives shall take any decisions or actions in relation to any of the matters set forth in Article 6.5 ("Affirmative Vote Matters") with respect to the Company, in any meeting, forum, circular resolution or in any other manner whatsoever, without the affirmative prior written consent or approval of the Investors. It is agreed that any discussions pertaining to Affirmative Vote Matters shall necessarily be included in the agenda papers in relation to the relevant meeting in advance and shall not be taken up in a Board Meeting, meeting of any Committee or Shareholders Meeting, unless specifically agreed to, in writing, by the Investor.

6.2 The principle set out in this Article 6 is fundamental to the governance of the Company and each Party undertakes not to commit any act or omission that would violate this Article.

6.3 It is clarified that any consent by the Investors in relation to any of the Affirmative Vote Matters shall apply only in relation to the particular Affirmative Vote Matters and only in the context specified in the relevant notice and shall not constitute, or be deemed to constitute in any manner, a general consent for any other Affirmative Vote Matters, or a consent for the same Affirmative Vote Matters in any other context.

6.4 If any other provision of these Articles conflicts with the provisions of this Article, the provisions of this Article shall prevail and be given effect.

6.5 The following matters shall be considered Affirmative Vote Matters:

- i. Any amendment to these Articles, and, or the Memorandum of Association of the Company;
- ii. Any decision in relation to winding up, liquidation, bankruptcy or dissolution of the Company or any Exit Trade Sale;
- iii. Any change in the composition (including structure and strength and, or, manner of election and, or, term of office) of the Board;
- iv. Any forming of a committee of the Board;
- v. Any decision in relation to Additional Funding Requirement;
- vi. Any capital expenditure in excess of INR 1,00,00,000 (Indian Rupees one crore) beyond the approved Business Plan;
- vii. Finalisation, approval and adoption of Business Plan and any changes or deviation of more than 10% (ten per cent.) from such Business Plan and, or, expansion plan;
- viii. Incurring of any Indebtedness or creation of any Encumbrance on the Assets, including any contingent liabilities beyond the amounts specified in the Business Plan and extension of any loans already borrowed;
- ix. Entering into any arrangements not included in the Business Plan in excess of INR 1,00,00,000 (Indian Rupees one crore);
- x. Any transaction involving the acquisition of substantially all the assets, shares, voting power or controlling interest in any other company, business, partnership firm, or body corporate by the Company, or investment in any other business / the same business as the Company;



- xi. Any transaction involving purchase, sale, lease, license or Transfer of Assets of the Company (including any vehicles an, or cars but excluding Intellectual Property Rights of the Company) in excess of INR 1,00,00,000 (Indian Rupees one crore) of the written down value of such Asset at the commencement of the relevant Financial Year or if not contemplated in the Business Plan;
- xii. Guarantees and credit enhancement (other than in the Ordinary Course) and entering into derivative contracts which are not contemplated in the Business Plan;
- xiii. Any transaction involving sale, license or Transfer of the Intellectual Property Rights of the Company involving an amount in excess of INR 10,00,000 (Indian Rupees ten lakhs);
- xiv. Any bonus or profit sharing scheme for Key Managerial Personnel, Management or the Promoters or Shareholders, and, or, any distribution of profits and, or, commission and, or remuneration to any Promoters, Key Managerial Personnel, Management or Director other than in the Ordinary Course;
- xv. Any payment, directly or indirectly, of salaries, bonuses, consulting fees or other compensation, payments, or fees to any Promoters or Shareholders of the Company or members of the Management except as contemplated by the Business Plan;
- xvi. Any appointment or removal, determination of the terms of employment and any significant changes in the terms of the employment agreement or arrangement of Directors, Management and, or, Key Managerial Personnel;
- xvii. Any merger, amalgamation, acquisition, recapitalization, reorganisation, business combination, consolidation, settlements with creditors and other business combinations or financial alliances or any change in Control of the Company and any decisions related to the terms and conditions of any restructuring of the Company including (i) timing of such restructuring; (ii) share swap / consideration payable for such restructuring and (iii) appointment of independent advisors who shall advise the Company on matters related to such restructuring;
- xviii. Any decision to undertake an IPO or list the shares in any stock exchange and any decisions related to (i) pricing and other terms and conditions of the IPO, or (ii) timing of the IPO, or (iii) the stock exchanges on which the Equity Shares of the Company are to be listed, (iv) appointment of independent merchant banker(s), manager(s), arranger(s), or (v) any other matters in regard to the IPO;
- xix. Any authorization of or setting aside for payment of, or payment of dividends, or buyback/redemption of any Securities of the Company, or distribution of any kind, in cash or in property;
- xx. Granting to any holder of Securities any rights which have a priority greater than those granted to the Investors pursuant to these Articles;
- xxi. Any alteration in any manner whatsoever of the rights of the Investors under these Articles;
- xxii. Any action which adversely changes the rights of the Investors under these Articles or prevents the Investors from exercising their rights under these Articles;

- xxiii. Appointment, re-appointment, removal or change in terms of the statutory and internal auditors of the Company, including the scope of work, terms of reference, or any modifications and changes thereto;
- xxiv. Approval of Financial Statements and any change to such Financial Statements of the Company or the Subsidiaries;
- xxv. Any addition and, or, deletion of any off-balance sheet liability structure of the Company including, without limitation, leasing and drawing on bank guarantees, encumbrances, Transfer, pledge or creation of lien not in the Ordinary Course;
- xxvi. Any changes in the tax and accounting policies and, or practices and, or, the Financial Year of the Company.
- xxvii. Any transaction between the Company and a Related Party or modification of an existing related party transaction which is not in the Ordinary Course and, or, on an arm's-length basis;
- xxviii. Defence of any Litigation initiated by any Person (other than the indemnified parties in terms of the agreements between the Shareholders and the Company) where the amount involved is in excess of INR 10,00,000 (Indian Rupees ten lakh) in any Financial Year;
- xxix. Commencement of any Litigation where the amount involved is in excess of INR 25,00,000 (Indian Rupees twenty five lakh) or settlement and, or, withdrawal of any Litigation where the amount involved is in excess of INR 10,00,000 (Indian Rupees ten lakh);
- xxx. Any change in the Share Capital of the Company and, or, reduction of Share Capital;
- xxxi. Any variation of the rights and preferences attached to any Securities;
- xxxii. Any offer, sale of any Securities, issuance, listing of any Securities and creation of or taking on record any Encumbrance on the Securities;
- xxxiii. Any change in the nature of the business carried on by the Company or entering into any new business line or activity or in any way undertaking any new business initiative exceeding INR 3,00,00,000 (Indian Rupees three crores) that is not contemplated in the Business Plan whether in India or abroad or any change in the name or registered office of the Company;
- xxxiv. Creation of any new Subsidiary or joint venture by the Company;
- xxxv. Entering into, modification or termination of any material contract in existence or proposed to be entered into by the Company, including any decision in relation thereto, including waiver of any material default under or in relation to the breach of any material contract other than in the Ordinary Course;
- xxxvi. Entering into any arrangement or settlement with the debtors or the creditors of the Company other than in the Ordinary Course;
- xxxvii. Any decision in regard to creation of any stock option plan (by whatever name called), restricted stock plan or similar incentive or equity plan or effecting any ESOP / ESOS / Phantom Stock Plan / incentive pool plans, any grant of options or allotment of shares under such plans;

- xxxviii. Issuance or redemption of any debt securities / equity linked debt securities issued by the Company;
- xxxix. The Company entering into any contract to undertake any obligations (in relation to the Business) in relation to a transaction or arrangement where the Company is not a party;
- xl. The Company furnishing any performance / financial guarantee to any Person for any reason whatsoever;
- xli. Any agreement or commitment to give effect to any of the foregoing; and, or
- xlii. Any of the foregoing actions, if undertaken or agreed to be undertaken in respect of the Subsidiaries of the Company.

## **7. TRANSFER OF SECURITIES**

### **7.1 Restrictions on Transfer of Promoter Securities.**

**7.1.1** Subject to the other provisions of this Article 7.1, the Promoters shall not, and shall ensure that all other Shareholders, if any (other than the Investor), shall not, Transfer in any way or manner, directly or indirectly, any of the Securities held by them from time to time to any Person (including a Promoter, a Third Party, Shareholder or another Party), without the prior written consent of the Investors. This restriction shall not be circumvented in any manner, including by change of ownership or Control of the Shareholder (including Promoter III), any merger, consolidation or recapitalization of the Shareholder (including Promoter III), or any Transfer or issuance of securities or ownership rights of the Shareholder (including Promoter III) and the Board shall not acknowledge, approve or register such merger, consolidation, recapitalization, Transfer or issuance.

**7.1.2** After issuing a 30 (thirty) day prior written notice referred to in Article 7.1.3:

- (i) the Promoters may, sell and Transfer Securities representing not more than 5% (five per cent.) of the Share Capital of the Company to a Third Party identified by it. For the avoidance of doubt, it is clarified that the aforesaid option to sell Securities to a Third Party shall be (a) utilised by the Promoters only once, (b) at price per Security not lesser than the per share price of INR 609.20 (Indian Rupees Six Hundred and Nine and Paise Twenty), and (c) subject to the rights of Investor I and Investor II under Article 7.3. Irrespective of whether all the Promoters participated in such a sale and irrespective of the quantum of Securities sold in such a sale, this exemption shall expire immediately upon sale and Transfer of Securities by any of the Promoters and thereafter the Promoter shall not be permitted to Transfer the Securities held by it. Notwithstanding the foregoing, the Promoters and all other Shareholders (other than the Investors) shall only be entitled to Transfer the Securities held by them subject to the right of first offer as set out in Article 7.3 but not the tag along right in Article 7.4; and
- (ii) the relevant Promoter may, sell and, or, Transfer Securities representing not more than 20% (twenty per cent.) of the Share Capital of the Company to Promoter I, Promoter II, their children and, or, a trust with Promoter I, Promoter II and, or, their children as the sole and exclusive beneficiaries, for the purposes of estate planning whether through a standalone transaction or through a series of transactions,

provided, however, pursuant to any of the aforesaid Transfers or otherwise, the Shareholding Percentage in the Company of (i) Promoter I or (ii) a trust with Promoter I as the sole and

exclusive beneficiary during the lifetime of Promoter I, shall not reduce below 25% (twenty five per cent.) of the Share Capital.

7.1.3 At least 30 (thirty) days prior to the permitted transfers specified Article 7.1.2(i), as specified above, the Promoters shall send a written notice to the Investors stating the date on which the intended Transfer is to occur, the name and other relevant details of the Transferee / ultimate beneficiary / trustees, the number and class of Securities involved and attaching: (i) a completed and duly executed Deed of Adherence from such a transferee, and (ii) copies of all Approvals, consents and filings required to be obtained / filed under these Articles or Applicable Laws, if any. The Company shall after the expiry of the aforesaid 30 (thirty) day period and upon being presented with the relevant documents required as per Applicable Laws, register / take on record such a Transfer of Securities.

7.1.4 The Promoters shall not create any Encumbrance on the Securities held by them in the Company, from time to time, whether directly or indirectly by creating an Encumbrance on the shares and securities of Promoter III or any Affiliates that are holding Securities in the Company from time to time, without the prior written consent of the Investors.

7.1.5 Notwithstanding anything else contained herein the Promoters shall not, without the Investor's prior written consent, take any action, which has the effect of undermining the underlying beneficial interest in the Share Capital of the Company and, or, obligations of the Promoters under these Articles. The Company and Promoters shall undertake all acts, deeds and omissions to prevent Transfer of any Securities in violation, breach of or non-compliance with the provisions of this Article, and all such Transfers shall be null and void *ab initio*. Notwithstanding the generality of the foregoing, the Company shall refuse to register any Transfer or other disposition of Securities purported to be made by any Promoter or any other Shareholder in breach of any of the provisions herein contained. The Shareholders and the Company shall cause their nominees on the Board to cast their votes in such a manner as to ensure that the Company registers all Transfers made in accordance with these Articles, and refuses to register a Transfer that is not in accordance with these Articles.

## **7.2 Affiliate Transfers by Investors and restrictions on Transfer.**

7.2.1 Notwithstanding the restrictions set forth in this Article 7, each of the Investors may Transfer Securities held by it to its Affiliates (each a "Permitted Investor Transferee") provided such Permitted Investor Transferee executes the Deed of Adherence prior to such Transfer. At least 30 (thirty) days prior to the permitted Transfer under this Article, the Investors shall send a notice to the other Shareholders and the Company stating the date on which the intended Transfer is to occur, the name and other relevant details of the Permitted Investor Transferee, the number and class of Securities involved and attaching: (i) a completed and duly executed Deed of Adherence and (ii) copies of all Approvals, consents and filings required to be obtained / filed under these Articles or Applicable Laws, if any. The Company shall after the expiry of the aforesaid 30 (thirty) day period and upon being presented with relevant documents required as per Applicable Laws, register / take on record such a Transfer of Securities to a Permitted Investor Transferee.

7.2.2 Until the occurrence of an Exit Trigger Event the Investors (i) shall only be entitled to Transfer any and, or, all the Securities held by them subject to the right of first offer as set out in Article 7.3; and (ii) shall not Transfer any of the Securities held by the Investors from time to time to a Person (including an Affiliate of such a Person) engaged in a Conflicting Business, without the prior written consent of the Promoters.

### 7.3 Right of First Offer.

7.3.1 Subject always to Articles 7.1 and 7.2, if any Shareholder (for clarity, including the Promoters and Investors) proposes to Transfer any Securities in the Company, either directly or indirectly, to any Person (including a Third Party, Shareholder or another Party), then the other Party(s), i.e., either of the Investors or Promoters as the case may be, shall have a right of first offer in respect of such Transfer. It is clarified that, notwithstanding anything to the contrary contained in this Article, in case a Promoter is a Transferring Shareholder then none of its Affiliates and the other Promoters and their respective Affiliates shall be treated as ROFO Eligible Shareholders and such Persons shall not be entitled to exercise the right of first offer vested in terms of this Article. It is clarified that, notwithstanding anything to the contrary contained in this Article, in case one of the Investors is a Transferring Shareholder then none of its Affiliates shall be treated as ROFO Eligible Shareholders and such Persons shall not be entitled to exercise the right of first offers vested in terms of this Article. The process to be followed for the exercise of the right of first offer is set out in this Article.

7.3.2 A Shareholder proposing to Transfer any Securities ("**Transferring Shareholder**") to any Person (including a Third Party, Shareholder or another Party), shall first give a written notice (hereinafter referred to as "**ROFO Notice**") to all the other Shareholders (hereinafter referred to as the "**ROFO Eligible Shareholders**") specifying the number of Securities proposed to be Transferred (hereinafter referred to as the "**Transfer Securities**") and the number and class of Securities the Transferring Shareholder owns at that time on a Fully Diluted Basis.

7.3.3 Within a period of 30 (thirty) days from the date of receipt of the ROFO Notice ("**ROFO Period**"), each ROFO Eligible Shareholder shall have the option to either:

- (i) serve a written notice on the Transferring Shareholder ("**Indication of Interest**") indicating whether they wish to purchase all, but not less than all, of the Transfer Securities and the price ("**Offer Price**") at which they are offering to purchase the Transfer Securities on a delivery against cash basis; or
- (ii) serve a notice on the Transferring Shareholder stating that they are not offering to purchase the Transfer Securities in full ("**Indication of Non Acceptance**").

Provided that if the ROFO Eligible Shareholders fail to deliver the Indication of Interest within the ROFO Period, they shall be deemed on the last day of such period to have served an Indication of Non Acceptance on the Transferring Shareholder.

7.3.4 If the ROFO Eligible Shareholders have delivered an Indication of Interest that contains an offer to purchase the Transfer Securities (including the Offer Price) and the Transferring Shareholder finds the Offer Price (as set forth in the Indication of Interest) acceptable, the Transferring Shareholder shall within 15 (fifteen) days from the date of receipt of the Indication of Interest ("**ROFO Response Period**") issue a notice ("**ROFO Acceptance Notice**") to the concerned ROFO Eligible Shareholder indicating its willingness to sell the Transfer Securities to the ROFO Eligible Shareholder who has provided the Indication of Interest. If more than 1 (one) ROFO Eligible Shareholder has provided an Indication of Interest, at the same Offer Price, the Transferring Shareholder shall issue a ROFO Acceptance Notice to each such ROFO Eligible Shareholder in regard to Transfer Securities proportionate to the *inter se* shareholding calculated on Fully Diluted Basis, of such ROFO Eligible Shareholders.

7.3.5 Pursuant to delivery of the ROFO Acceptance Notice to the ROFO Eligible Shareholder(s), the completion of Transfer of the Transfer Securities to the concerned ROFO Eligible

Shareholder(s) shall be effected within a period of 60 (sixty) days from the date of delivery of the ROFO Acceptance Notice to the ROFO Eligible Shareholders ("ROFO Transfer Period"). If more than 1 (one) ROFO Eligible Shareholder has been issued a ROFO Acceptance Notice, in terms of Article 7.3.4, the Transfer Securities shall be Transferred to the ROFO Eligible Shareholders in the proportion determined on the basis of their *inter se* shareholding calculated on Fully Diluted Basis and as specified in the respective ROFO Acceptance Notice.

7.3.6 If completion of the sale and Transfer of Transfer Securities to the concerned ROFO Eligible Shareholder does not take place within the ROFO Transfer Period, the provisions of Article 7.3 shall once again apply to the Transfer Securities.

7.3.7 Where any ROFO Eligible Shareholder requires prior legal, governmental, regulatory or its shareholders' consent for acquiring the Transfer Securities pursuant to these Articles, then, notwithstanding any other provision of these Articles, such ROFO Eligible Shareholder shall only be obliged to acquire the Transfer Securities once such consent or Approval is obtained, and the ROFO Transfer Period shall automatically stand extended beyond the aforesaid 60 (sixty) day period. The Shareholders and the Company shall use their reasonable endeavours to obtain any such required Approvals.

7.3.8 Upon occurrence of an Exit Trigger Event, notwithstanding anything to the contrary contained in this Article and other provisions of these Articles, the Investors shall not be obligated to provide a right of first offer to the Promoters or any other Person in terms of this Article and the Investors shall be free to Transfer the Securities held by them in the Company to any Person as they may deem fit.

#### 7.4 Tag Along Right of the Investor.

7.4.1 Subject to Article 7.4.2, if no ROFO Acceptance Notice is issued by the Transferring Shareholder within the ROFO Response Period or if the ROFO Eligible Shareholder delivers or is deemed to have delivered an Indication of Non Acceptance on the Transferring Shareholder under Article 7.3, the Transferring Shareholder shall be permitted to Transfer the Transfer Securities to any Person at a price equal to or higher than the Offer Price within a period of 90 (ninety) days from the expiry of the ROFO Period, failing which any subsequent Transfer of the Transfer Securities shall again be subject to the provisions of Article 7.3.

7.4.2 In case the Transferring Shareholder is a Promoter ("Transferring Promoter") and such a Transferring Promoter has identified a Person for sale and Transfer of the Transfer Securities then such a Transferring Promoter shall simultaneous with the ROFO Notice, issue a written notice to each of the Investors ("Tag Request Notice") requesting it to confirm if it wishes to exercise its right under this Article ("Tag Right") to sell in proportion to their Shareholding Percentage in the Company except in case the Transfer by the Transferring Promoter results in a change in Control in which case the Investor can sell up to all the Securities held by such Investor, in the proposed Transfer by the Transferring Promoter at the same price per Security (which shall not be less than the Offer Price) and on the same terms on which the Transferring Promoter proposes to Transfer the Transfer Securities. The Tag Request Notice shall clearly state the details of the proposed transferee, the price per Transfer Security (which shall not be less than the Offer Price) and the other relevant terms and conditions on which the Transferring Promoter proposes to Transfer the Transfer Securities.

7.4.3 Unless an Investor has responded with a ROFO Acceptance Notice, if an Investor desires to exercise its Tag Right, it shall within, 30 (thirty) days following receipt of the Tag Request Notice ("Tag Response Period") exercise its Tag Right by giving the Transferring Promoter

a written notice ("Tag Exercise Notice") to that effect, specifying the number of Securities held by it with respect to which it has elected to exercise its Tag Right ("Tag Securities") and upon giving such Tag Exercise Notice, each Investor shall be deemed to have effectively exercised its Tag Right.

7.4.4 In the event an Investor decides to exercise the Tag Right, the Transferring Promoter shall cause the proposed transferee to purchase from the relevant Investor, the Tag Securities at the same price per Security at which the Transfer Securities are being purchased from the Transferring Promoter. The relevant Investor shall not be required to make any representation, provide any covenants or undertakings, grant any indemnifications or incur any obligations to the proposed transferee or any other Person (other than representations and indemnities on the clear title of the Tag Securities, or relating to authority to effect such transfer or Tax related representations relating to the sale of the Tag Securities held by such an Investor). The Transferring Promoter shall ensure that all of the terms of the proposed Transfer offered by the proposed transferee are also offered to the Investors exercising their respective Tag Right for the same consideration.

7.4.5 If for any reason, the proposed transferee acquiring the Transfer Securities hereunder is unable to or refuses to acquire the Tag Securities in respect of which an Investor has exercised its Tag Right (or any part thereof) within 90 (ninety) days from the expiry of the ROFO Period (or such other period as may be agreed in writing between the Investors, Transferring Promoter and proposed transferee), then the Transferring Promoter shall not be entitled to Transfer any of the Transfer Securities held by it to such a proposed transferee, and the provisions of Articles 7.3 and 7.4 shall once again apply to the Transfer Securities.

#### 7.5 Void Transfers.

The Shareholders shall not, make a sale or Transfer of their shareholding other than in the manner as set out in Article 7.1 to Article 7.4 and if purported to be made, such sale or Transfer shall be *void ab initio* and shall not be binding on the Company and shall be deemed to be a material breach of the terms of these Articles. Additionally, all such sales or Transfers shall be subject to the transferee, whether an Affiliate of the Promoter or Investors or a Third Party, executing the Deed of Adherence.

#### 7.6 Investor Securities.

Subject to Article 7.2, 7.3 and 7.5, all Securities of the Company acquired or held by each of the Investors from time to time and rights of the Investors attached thereto or detailed hereunder shall be freely transferable and assignable by the Investors and their successors in interest to their Affiliates and to Third Parties and such Affiliates or Third Parties shall be subject to the conditions and restrictions on the relevant Investors under these Articles. Notwithstanding anything to the contrary contained in these Articles, upon occurrence of an Exit Trigger Event, the restrictions / conditions set out in Article 7.3 shall fall away insofar as the Investors are concerned and the Investors shall not be obligated to provide a right of first offer to the Promoters or any other Person in terms of Article 7.3 and each Investor shall be free to Transfer the Securities held by them in the Company to any Person as it may deem fit.

### 8. EXIT RIGHTS

#### 8.1 IPO.

8.1.1 The Company shall, and the Promoters shall ensure that the Company shall, consummate an IPO involving all of the Securities held by the Investors in the Company at any time after 36 (thirty six months) but in any event before 48 (forty eight) months from the Restated Articles

Effective Date. For the purposes of these Articles, an "IPO" means a firm underwritten initial public offering of the Equity Shares or such other Securities (including depository receipts) as may be agreed to by the Investors in writing, either domestic or overseas, of the Company and consequent listing of the Securities of the Company on domestic or internationally recognised stock exchanges, either:

- (i) through a public issue of fresh Securities, or
- (ii) an offer of existing Securities by some or all the Shareholders (an "Offer of Existing Securities"); or
- (iii) a combination of (i) and (ii).

Provided that the Shareholders and the Company may mutually agree in good faith to extend the aforementioned time periods on account of any delays attributable to regulatory requirements under Applicable Laws.

8.1.2 The Board shall decide on the following matters:

- (i) the price, and other terms and conditions of the IPO;
- (ii) the timing of the IPO;
- (iii) the stock exchanges on which the Securities are to be listed;
- (iv) the firm of independent merchant banker(s), manager(s), arranger(s) of the IPO, who shall advise the Company on matters relating to such IPO, including but not limited to matters set out under (i) and (ii) above; and
- (v) any other matters related to the IPO,

with the consent of the Investors in the manner stated under Article 6 in respect of each of the aforementioned matters, and subject to such statutory guidelines as may be in force.

8.1.3 In the event of the IPO which entails an Offer of Existing Securities, each Investor shall have the right (but not the obligation) to offer any or all of its Securities for sale in the IPO, in priority to any other Shareholders of the Company, including the Promoters. In the event that further Securities are required to be offered by way of such Offer of Existing Securities under Applicable Laws, or if the Investors do not offer sufficient Securities as are required to be offered in terms of Applicable Laws, the Investors and Promoters shall offer such number of Securities that are in proportion to their Shareholding Percentage.

8.1.4 The Promoters shall vote in favour of and to do all acts and deeds necessary for effecting the IPO. In the event of an IPO, the Promoters shall offer such number of their Securities for a lock-in as may be required to meet the minimum promoter contribution or similar lock-in requirements under Applicable Laws. The Investors shall not be required to call themselves, and the Company shall not refer to any of the Investors as "founder" or "promoter" in the offer documents, nor shall be required to offer any of the Securities held by the Investors for such lock-in.

8.1.5 All fees and expenses (including payment of all costs relating to the listing and sponsorship, underwriting fees, listing fees, merchant bankers fees, bankers fees, brokerage, commission, reasonable legal fees of the Investors and any other costs that may be incurred due to the changes to Applicable Laws for the time being in force) required to be paid in respect of the



IPO, shall be borne and paid by the Company and all intermediaries, agents and managers shall be appointed by the Company in consultation with the Investors.

- 8.1.6 The Company shall indemnify the Investors to the maximum extent permitted under Applicable Laws, against any loss, claim, damage, liability (including reasonable attorneys' fees), cost or expense arising out of or relating to any misstatements and omissions of the Company in any registration statement, offering document or preliminary offering document, and like violations of Applicable Laws by the Company or any other error or omission of the Company in connection with a public offering hereunder, other than with respect to information provided by the Investors, in writing, expressly for inclusion therein.

## **8.2 Exit Trade Sale.**

- 8.2.1 The Company shall, and the Promoters shall ensure that the Company shall, consummate an Exit Trade Sale involving all of the Securities held by the Investors in the Company at any time after the date that is 48 (forty eight) months from the Restated Articles Effective Date in the event that the IPO is not consummated by such date.

Provided that the Shareholders and the Company may mutually agree in good faith to extend the aforementioned time periods on account of any delays attributable to regulatory requirements under Applicable Laws.

- 8.2.2 The Board shall, with the consent of the Investors in the manner stated under Article 6, and subject to such statutory guidelines as may be in force, decide on:

- (i) the nature of the Exit Trade Sale;
- (ii) the identity of the purchaser (as applicable);
- (iii) the price or valuation; and
- (iv) all other matters related to the Exit Trade Sale.

- 8.2.3 Any such Exit Trade Sale shall be subject to the approval of the Investors.

- 8.2.4 The Promoters and the Investors shall vote in favour of and to do all acts and deeds necessary for effecting the Exit Trade Sale.

- 8.2.5 All fees and expenses (including *inter alia* payment of all costs relating to merchant bankers fees, bankers fees, brokerage, commission, reasonable legal fees of the Investors and any other costs that may be incurred due to the changes to Applicable Law for the time being in force) required to be paid in respect of the Exit Trade Sale, shall be borne and paid by the Company and all intermediaries, agents and managers shall be appointed by the Company in consultation with the Investors.

## **8.3 Strategic Sale Right of the Investor.**

- 8.3.1 In case the Company does not successfully consummate an IPO in the manner contemplated in Article 8.1 before the expiry of 48 (forty eight) months from the Restated Articles Effective Date and, or if the Exit Trade Sale is not consummated within 54 (fifty four) months from the Restated Articles Effective Date, in each case for any reason whatsoever including due to the Investors not approving the IPO and, or, the Exit Trade Sale in terms of Article 6("Exit Trigger Event"), then the Investors shall have the right, but not an obligation, exercisable jointly in accordance with this Article to sell the Securities held by such Investors in the Company to any Person ("Strategic Transferee") and to require all or

any of the Promoters to immediately sell all or any part of their respective Securities to the Strategic Transferee on terms and conditions, no less favourable to the Promoters than those offered to the Investors by the Strategic Transferee ("**Strategic Sale Right**"). The Promoters irrevocably grant the Investors an option to exercise the aforesaid Strategic Sale Right and to negotiate the terms and conditions for sale of the Strategic Sale Securities to the Strategic Transferee, including the price at which the Strategic Sale Securities shall be purchased by such a Strategic Transferee. Provided that pursuant to exercise of such Strategic Sale Right, the Investors should have divested all the Securities held by them in the Company.

- 8.3.2 In the event the Investors elect to exercise their Strategic Sale Right, they shall deliver a written notice of such election to the Promoters (a "**Strategic Sale Exercise Notice**"). The Strategic Sale Exercise Notice shall specify: (i) the name and address and identity of the Strategic Transferee, (ii) the number of Securities that the Promoters shall be required to sell to the Strategic Transferee ("**Strategic Sale Securities**"), and (iii) the amount in cash of the proposed consideration for such sale. The Strategic Sale Exercise Notice shall be irrevocable and shall constitute a binding agreement by the Promoters to sell and Transfer the Strategic Sale Securities to the Strategic Transferee without the requirement of any further acceptance or acknowledgement of the Strategic Sale Exercise Notice by the Promoters.
- 8.3.3 Within 30 (thirty) days of the receipt of the Strategic Sale Exercise Notice or such other date as may be specified in the Strategic Sale Exercise Notice ("**Strategic Sale Closing Date**"), the Promoters shall take all steps necessary to give effect to the provisions of this Article and to the Strategic Sale Right of the Investors. The Company and the Promoters shall take all necessary and desirable actions in connection with the consummation of the transactions contemplated in this Article, including passing of all necessary resolutions and obtaining all necessary consents to give effect to the Strategic Sale Right, the timely execution and delivery of such agreements and instruments and other actions reasonably necessary to cooperate with the Strategic Transferee, to provide such access and information as may be requested by the Strategic Transferee, participate in meetings with the Strategic Transferee, permit the Strategic Transferee to conduct a due diligence on the Company, and to provide the representations, warranties, indemnities, covenants, and other provisions and agreements customary to such sale. The Shareholders and the Company agree and acknowledge that the Investors shall not be required to make any representations and, or, provide indemnities in connection with the Securities that are transferred by the Promoters to the Strategic Transferee.
- 8.3.4 The closing of any purchase of the Strategic Sale Securities by the Strategic Transferee from the Promoters shall take place on the Strategic Sale Closing Date and simultaneous with the closing of the purchase of Securities by the Strategic Transferee from the Investors. On the Strategic Sale Closing Date, the Promoters shall deliver all documents and instruments as may be required in accordance with the Applicable Laws to effect a Transfer of the Strategic Sale Securities free from and clear of any or all Encumbrances, including duly executed transfer instructions to the relevant depository participant, as applicable. The Strategic Sale Securities that are to be sold pursuant to the Strategic Sale Right shall be free and clear of any Encumbrance.
- 8.3.5 The Strategic Transferee purchasing the Strategic Sale Securities shall make payment in full for the Strategic Sale Securities to the relevant bank accounts of the Promoters, the details of which shall be intimated in writing by the Promoters to the Investors. On the Strategic Sale Closing Date, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale and transfer of the Securities held by the Investors and the Strategic Sale Securities to the Strategic Sale Transferee.
- 8.3.6 If the Promoters do not, on the Strategic Sale Closing Date provide duly executed transfer instructions in accordance with the requirements of Applicable Laws to the relevant

depository participant, in regard to all the Strategic Sale Securities, the Promoters shall be deemed to have irrevocably authorized any Person nominated by the Investors to be the Promoters' agent and attorney to execute all necessary sale and Transfer(s) documents on their behalf and against receipt by the Company (on trust for the Promoters) and in accordance with the requirements of this Article and deliver such documents to the Strategic Transferee and the Directors shall forthwith register the Strategic Transferee as the holder thereof. After the Strategic Transferee has been registered as the holder, the validity of such proceedings shall not be questioned by the Promoters or any Person.

- 8.3.7 On the Strategic Sale Closing Date, the Investors shall cause each of the Directors nominated by them to resign from the Board, and the Promoters shall cause such number of Directors nominated by them to resign from the Board, such that the Strategic Sale Transferee gets the right to nominate a majority of Directors on the Board with immediate effect. Provided that, if required by the Strategic Transferee, the Promoters shall ensure that Promoter I is retained in his present position in the management of the Company for a reasonable transition period as determined by such Strategic Transferee pursuant to such Strategic Sale.
- 8.3.8 If the Strategic Transferee refuses to consummate the transaction contemplated by this Article, then the Investors and the Promoters shall not have any liability whatsoever in regard to such a Strategic Transferee, and such failure shall not preclude the right of the Investors to exercise their Strategic Sale Right at a future date.
- 8.3.9 Upon occurrence of an Exit Trigger Event, without prejudice to the right of the Investors to explore options to exercise their Strategic Sale Right, the Promoters shall have the obligation to identify prospective Strategic Transferee(s) and procure non-binding offers from such Persons and present it to the Investors to facilitate the Strategic Sale Right of the Investors. The Investors shall have the sole discretion to accept or reject such offers procured by the Promoters and if the Investors reject any of the offers procured by the Promoters then the obligation of the Promoters to continue to explore and identify other Strategic Transferee(s) shall continue and shall not fall away or stand diluted in any manner.
- 8.4 Notwithstanding anything to the contrary contained herein, any exit provided to the Investor pursuant to this Article 8 that entails sale of the Securities held by the Investor should necessarily require payment of consideration for such Securities in cash, unless otherwise agreed by the Investors in writing.

## **9. INFORMATION RIGHTS AND INSPECTION**

### **9.1 Information Rights.**

- 9.1.1 So long as the Investors, along with their Affiliates, holds any Securities in the Company, the Company shall provide to the Investors and Permitted Recipients:
  - (i) monthly information statements in a format prescribed by the Investors pursuant to discussions with the Promoters, containing such information as is required to understand the business (including details of significant events impacting or expected to impact the Company), by not later than 20 (twenty) days following the end of the month to which they relate;
  - (ii) un-audited quarterly financial statements, within 30 (thirty) days from the end of the period to which they relate, duly certified by the managing director and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;

- (iii) un-audited half-yearly financial statements, within 45 (forty five) days from the end of the period to which they relate, duly certified by the managing director and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (iv) annual audited financial statements, within 90 (ninety) days from the end of the period to which they relate, duly certified by the Promoters and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (v) a copy of the auditors' report, within 120 (one hundred and twenty) days from the end of the period to which it relates;
- (vi) minutes of all Board Meetings, Shareholders Meetings and any meetings of the Committees, as soon as practicable, and in any case within 15 (fifteen) days of the date of the relevant meeting; and
- (vii) projection of any debt and equity requirements for each of the next (two) financial quarters, as soon as practicable.

9.1.2 The Financial Statements delivered under this Article 9.1 shall at least include a balance sheet, a statement of profit or loss, and a statement of cash flows for the relevant period and shall be prepared in English in accordance with Accounting Standards consistently applied with past practice for prior periods.

9.1.3 All information and documents to be provided by the Company under this Article 9.1 shall be prepared and provided in English.

## 9.2 Right of Inspection.

9.2.1 So long as the Investors, along with their Affiliates, holds any Securities in the Company, the Investors shall, by giving a notice of at least 7 (seven) days, be entitled to carry out inspection of site, stores, accounts, documents, records, premises, and equipment and all other Assets of the Company during normal working hours through its authorized representatives and, or, agents at its own cost, and the Company shall use reasonable efforts to provide such information, data, documents, evidence as may be required for the purpose of and in the course of such inspection in connection therewith. The Investors shall have the right to make copies of, all books of account, records, including the corporate and the financial records, audited accounts and management accounts. The Company shall provide all possible assistance to the Investors or their respective authorised representatives (including legal advisors, accountants and other professional advisors) in this regard. In the event that any concerns are raised pursuant to such inspection and audit, the Company shall address and resolve such concerns promptly to the satisfaction of the relevant Party. The Investors shall also be entitled to consult and discuss matters concerning the Company or its business with the Directors, Key Managerial Personnel, employees, statutory auditors, accounting advisors and legal advisers of the Company. It shall be the responsibility of the Promoters to ensure that the obligations under this Article 9.2 are given full effect. The reasonable costs of any such inspection including appointment of any auditors for this purpose shall be borne by the Company.

9.2.2 The Investors shall be entitled to standard information, inspection and visitation rights, in compliance with the requirements of Applicable Laws.

All inspection, auditing or other activities conducted by a Shareholder, pursuant to this Article 9.2 shall be conducted in a manner so as not to interfere unreasonably with the conduct of the business of the Company.

## 10. OTHER COVENANTS

### 10.1 Protective Covenant.

10.1.1 The Promoters agree that they shall not, and shall ensure that their Affiliates and Associates do not (except, where relevant, through the Company and its Subsidiaries), directly or indirectly,:

- (i) set up, solicit business on behalf of, render any services to, engage in, guarantee any obligations of, extend credit to or have any ownership interests, in any Conflicting Business. For the purposes of these Articles, "Conflicting Business" means the business of providing facilities management services, production support services, staffing solutions and other business support services that, directly competes with the business of the Company as carried on from time to time;
- (ii) assume any Role in any Person engaged in, or proposed to be engaged in, any Conflicting Business;
- (iii) solicit and render services to or for, or accept from, anyone who is a client or customer of the Company (whether present or future), any Conflicting Business, or persuade or attempt in any manner to persuade any client or customer of the Company to cease to do business or to reduce the amount of business which any such client or customer has customarily done or is reasonably expected to do with the Company;
- (iv) interfere or seek to interfere or take such steps as may interfere with the continuance of supplies to the Company (or the terms relating to such supplies) from any suppliers who have been supplying goods or services to the Company; and
- (v) employ as an employee or retain as a consultant any Person (including an individual, firm, corporation or other form of entity) who is then, or at any time during the 6 (six) month period prior to the date of the purported solicitation, was an employee of, or exclusive consultant to the Company, or persuade or attempt to persuade any employee of, or exclusive consultant to, the Company, to leave the employment of the Company or to become employed as an employee or retained as a consultant by any other Person.

10.1.2 Notwithstanding anything to the contrary agreed in writing between the Shareholders and the Company, and without prejudice to restrictions contained in Article 10.1.1, the Promoters shall not, individually or together, at any time, have any Role or have any interest, directly or indirectly, in any Persons / businesses, irrespective of the nature of the business / operations ("Interested Entities") which is not in compliance with this Article 10.1. The Interested Entities are set forth in Article 10.1.3. As and when a Promoter acquires / assumes any Role / interest in any new Person / business, the relevant Promoter shall issue a written intimation to the Investors and upon a Promoter acquiring / assuming such a Role / interest in the manner aforesaid, the relevant Person / Business shall be treated as an Interested Entity for the purposes of these Articles. Further, each Promoter shall, as and when it ceases to have any Role / interest in any Interested Entity issue a written intimation to the Investors as soon as practicable. As and when a Promoter acquires / assumes any additional Role / interest or

enhancing its shareholding or interest in any Interested Entity, the relevant Promoter shall issue a written intimation to the Investors.

10.1.3 The details of Interested Entities are as follows:

S.No.	Name of Interested Entity	Nature and Extent of Interest
1.	Tangirala Infrastructure Development Private Limited	(i) director; (ii) shareholder – legally and beneficially holding 50% (fifty per cent.) of the share capital
2.	Best Security Services Private Limited	(i) director; (ii) shareholder – legally and beneficially holding 50% (fifty per cent.) of the share capital
3.	Tangi Facility Solutions Private Limited	(i) director; (ii) shareholder – legally and beneficially holding 99% (ninety nine per cent.) of the share capital

10.1.4 Notwithstanding anything to the contrary contained herein, the restrictions contained in this Article 10 shall not be circumvented by the Promoters indirectly including through its Affiliates, Associates or any other Person.

10.1.5 The restrictions contained in Article 10.1.1 shall not apply to any financial / passive investments made by the Promoters subject to the Promoters having sought the prior written consent of the Investor for any investment exceeding INR 25,00,00,000 (Indian Rupees twenty five crores). Provided that for any financial / passive investment made by the Promoters not exceeding INR 25,00,00,000 (Indian Rupees twenty five crores), the Promoters shall intimate the Investors immediately after having made such investment.

10.1.6 The Shareholders and the Company acknowledge that (i) the type and periods of restriction imposed in the provisions of this Article 10.1 are fair and reasonable and are reasonably required in order to protect and maintain the legitimate business interests and the goodwill associated with the business carried on by the Company; and (ii) the time, scope and other provisions of this Article 10.1 have been specifically negotiated by parties and have been agreed to, in light of the investments made by the Investors in the Company, either directly or indirectly.

10.1.7 If any of the restraints contained in this Article 10.1 or any part thereof, is held to be unenforceable in a jurisdiction by reason of it extending for too great a period of time, or by reason of it being too extensive in any other respect, the Shareholders and the Company agree for only that particular jurisdiction that (i) such restraint shall be interpreted to extend only over the maximum period of time, geographic area or extent to which it may be enforceable, as determined by the court or arbitration panel making such determination, and (ii) in its reduced form, such restraint shall then be enforceable. Each of the restraints and

agreements contained in this Article 10.1 (collectively, the "Protective Covenants") is separate, distinct, and severable.

10.1.8 The unenforceability of any portion of the Protective Covenant shall not affect the validity or enforceability of any other portion of the Protective Covenant or any other provision or provisions of these Articles.

10.1.9 The Promoters undertake that:

- (i) Promoter I shall devote all of his time, energy and efforts to the activities of Company and the promotion of the Business.
- (ii) except with the prior written consent of the Investors, all new projects and businesses relating to the Conflicting Business, shall only be undertaken by the Company, and not through any other Affiliates or Associates of any of the Promoters or the Company or through the Relatives of Promoter I and Promoter II. Provided that the security business that is currently being carried on through Best Security Services Private Limited can be carried on by such an entity subject to the preceding portion of this Article 10.1.9(ii).
- (iii) all opportunities for new projects and businesses relating to the Conflicting Business that are developed or sourced by, or offered to, the Promoters shall be referred exclusively to the Company.

## 10.2 Conduct of Business.

10.2.1 The Company and the Promoters shall cause the Company, Promoters and their respective Affiliates (present or future) to agree and undertake, that:

- (i) the Company and its Subsidiaries shall devise and implement appropriate mechanisms and reporting systems to ensure:
  - (a) compliance with all Applicable Laws and Accounting Standards, including requisite corporate governance practices; and
  - (b) that all agreements, dealings and arrangements with any of the Shareholders, their Affiliates or other Related Parties and other transactions with a Related Party are on an arm's length basis with full disclosures to the Board;
- (ii) the Company and its Subsidiaries shall conduct its business in accordance with all Applicable Laws, terms and conditions of the agreed in writing between the Shareholders and the Company, these Articles and the Business Plan;
- (iii) they and, or, their Affiliates shall not engage, by themselves directly or by authorizing any Person to do so, in any offering, giving, receiving, or soliciting, any money, gifts, gratifications or any other thing of value to any Government Official or any other Person, that will amount to a violation of the U.S. Foreign Corrupt Practices Act; 15 U.S.C. §78dd-1, et seq. as amended (the "FCPA"), and the Prevention of Money Laundering Act, 2002 ("PMLA") and other equivalent laws applicable to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, notwithstanding the applicability or non-applicability of the FCPA and, or, the PMLA to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, in relation to such conduct;

- (iv) they shall not and further undertake to ensure that their respective directors, officers, representatives, employees, advisors and agents do not, make any offer, payment, promise to pay or authorise the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any government official (including without limitation, any tax or customs official, any employee of a government owned or controlled company, or of a public international organization, or any person acting in an official capacity on behalf of a government, government owned or controlled company, or public international organization), or to any arbitration tribunal, or to any political party or an employee of any political party, domestic or foreign (or official thereof) ("**Government Official**") or to any other Person who was or is in a position to help or hinder the business of the Company, the Promoter and, or, their respective Affiliates: (a) with the intent or purpose of influencing such Government Official or other Person in his official capacity, inducing such Government Official to do or omit to do any act in violation of the lawful duty of such official, or securing any improper advantage; (b) inducing such Government Official to use his influence with a government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality; (c) that would cause the Company, the Promoters and, or, their respective Affiliates and their respective directors, and employees to violate or be in violation of any applicable laws (including without limitation the FCPA, as amended from time to time, notwithstanding the applicability of the FCPA and, or, the PMLA to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, in relation to such conduct) or subject it or them to damages or penalties in a civil or criminal proceeding; or (d) that could reasonably be expected to have a Material Adverse Effect, if not discontinued;
- (v) the Company, the Promoters and their respective Affiliates shall comply with the FCPA policy, as adopted by the Board, effective from the Restated Articles Effective Date;
- (vi) each of the Company, the Promoters and their respective Affiliates are: (a) not currently identified on the Specially Designated Nationals and Blocked Persons List maintained by the U.S. Office of Foreign Assets Control, Department of the Treasury ("**OFAC**") and, or, on any other similar list maintained by OFAC or any other U.S. governmental agency pursuant to any authorising statute, Order or regulation, and (b) not a person or entity with whom a citizen of the United States of America is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States law, regulation, or order of the President of the United States of America;
- (vii) they and their Affiliates and their respective directors, officers, representatives, employees, advisors and agents have not provided or collected funds with the intention that they be used, or in the knowledge that they are to be used, in order to carry out terrorist acts or support any terrorist organization;
- (viii) the Company, the Promoters and their respective Affiliates (as applicable) shall issue to the Investors, a certificate on an annual basis, in a form and substance satisfactory to Investor II, certifying compliance with the provisions of this Article 10.2; and
- (ix) the Company, its Subsidiaries and Promoter III shall adopt at the meetings of their respective Board of Directors and implement all compliance related policies and procedures in relation to matters set out in this Article, as the Investors may deem necessary from time to time.

#### 10.2.2 The Company and the Promoters shall:



- (i) cause the Company, the Promoters and their respective Affiliates and each of their respective officers, directors and employees (individually and collectively, a "Company Representative") to: (a) engage only in lawful practices in commercial operations and in relation to Governmental Authorities or Government Official; (b) not make any bribe, rebate, payoff, influence payment, or any other payment that would be unlawful under any applicable Anti-Corruption Legislation and Anti-Corruption Guidelines as agreed in writing between the Shareholders and the Company;
- (ii) not engage in (or authorize or permit any of their Affiliates or any other Person acting on its behalf to engage in), any Sanctionable Practice with respect to any transaction as agreed in writing between the Shareholders and the Company or otherwise;
- (iii) not make or hold any investments in any entity that (a) is sanctioned pursuant to United Nations Security Council resolutions issued under Chapter VII of the United Nations Charter; (b) is on the World Bank Listing of Ineligible Firms and Individuals or (c) has been convicted, indicted or subjected to any similar criminal sanction, by any court or governmental body of competent jurisdiction, for engaging in money laundering or financing of terrorism or any Sanctionable Practice;
- (iv) upon being notified by the Investors of their concern that there has been a violation of the Articles 10.2.2(i) to (iii), the United Nations Security Council Resolutions, and, or, any Sanctionable Practices in relation to the foregoing, the Company shall cooperate in good faith with the Investors and its representatives in determining whether such a violation has occurred, and shall respond promptly and in reasonable detail to any notice from the Investors, and shall furnish documentary support for such response upon such request;
- (v) (the Promoters) not Transfer, and the Company shall not permit the Transfer of, any of their interests in the Company to any person or entities (a) named on lists promulgated from time to time by the United Nations Security Council or its committees pursuant to any resolution issued under Chapter VII of the United Nations Charter; (b) named on the World Bank Listing of Ineligible Firms and Individuals (see [www.worldbank.org/debarr](http://www.worldbank.org/debarr) or any successor website or location); and, or, (c) convicted, or subjected to any similar criminal sanction, by any court or governmental body of competent jurisdiction, for engaging in money laundering or financing of terrorism or any Sanctionable Practice, or in each case, to any successor in interest or ultimate beneficial owner thereof; and
- (vi) on becoming aware of any violation of the Integrity Requirements, they shall promptly notify the Investors.

### **10.3 Distribution of Profits.**

The Board shall determine the amount and the time of distribution of dividends in accordance with the Dividend Policy. The Shareholders and the Company agree that the profits of the Company, as and when distributed, shall be distributed to the Shareholders as per their Shareholding Percentage.

### **10.4 Key Managerial Personnel.**

- 10.4.1 Key Managerial Personnel shall be appointed by the Board from time to time in accordance with the requirements of Applicable Laws and the Company shall ensure that the position of chief executive officer, chief financial officer/ vice-president (finance) and business

development head of the Company is not vacant for longer than a period of 60 (sixty) days at any point in time. The Persons including the Key Managerial Personnel so appointed by the Board from time to time including Mr. Raghunandana Tangirala, along with the executive directors of the Company, if any, shall hereinafter be referred to as the "Management".

10.4.2 The Management shall be responsible for the day-to-day management of the Company and shall directly report to the Board. The Management shall operate within the authority specifically approved and granted by the Board and shall exercise such powers as may be delegated to them by the Board subject to its overall control, direction and supervision. The Management shall report to the Board in such manner as may be determined by the Board from time to time.

10.4.3 Any decision in regard to the appointment or termination, or change in the terms of appointment of any Key Managerial Personnel and, or member of the Management shall be subject to Article 6 .

#### **10.5 Auditors and Accounting.**

10.5.1 The Company shall keep true and accurate accounting records of all operations in accordance with Applicable Laws and Accounting Standards, and such records shall be open for inspection by each Party or by its duly authorised representatives at all times during normal business hours and with sufficient notice so as not to disrupt the Company's operations.

10.5.2 The Financial Statements of the Company shall be audited at the Company's expense by the Statutory Auditor.

10.5.3 The accounting records shall be kept at the registered office of the Company or at such other place, in accordance with Applicable Laws, as the Board may deem fit and proper.

#### **10.6 Indebtedness.**

In the event the Company proposes to incur any Indebtedness, including by borrowing funds from banks and financial institutions, the Investors shall not be asked, or be required to give any warranties, letter of comfort and, or, guarantees, of any nature whatsoever for any loans or with regard to any aspect of the business or functioning of the Company. In relation to any Indebtedness of the Company, the Investors shall not be required to pledge their Securities or provide any support to any Third Party, including but not limited to lenders of the Company.

#### **10.7 Promoter Status.**

10.7.1 The Investors and, or, their Affiliates shall not be named or deemed as 'promoters' or 'sponsors' of the Company nor shall any declaration or statement be made to this effect, either directly or indirectly, in filings with regulatory or Governmental Authorities, offer documents or otherwise without the prior written consent of the Investors in writing.

10.7.2 The Investors, their officials, employees, nominee directors, managers, representatives or agents shall not be named or deemed as an 'occupier' or 'officer in charge' or 'officer in default' under any Applicable Laws. In the event any Governmental Authority takes a view or draws an inference that the Investors or their Affiliates or their officials, employees, nominee directors, managers, representatives or agents, is a 'sponsor', 'occupier' or 'officer in charge' or 'officer in default', then the Company and the Promoters shall co-operate with the Investors to make such representations and make full disclosures to the Investors or such

body or authority as may be required by the Investors to dispel or correct such inference or view under the Applicable Laws.

#### **10.8 Status of the Company.**

The Company is and shall be maintained as a 'private limited company' (as defined under the 2013 Act) and any conversion or action that would result in conversion of the Company to a public limited company (either directly, by converting Promoter III into a public limited company or otherwise) shall be subject to the prior written consent of the Investor and the terms of these Articles.

#### **10.9 Tax Covenants.**

The Company and the Promoters shall act in good faith and shall pay all Taxes (direct and indirect), duties, cess, fees or any other amount payable (whether by way of Tax or otherwise), under the Applicable Laws. Further, the Company, and the Promoters shall take all steps to make the necessary Tax filings under the Applicable Laws (including but not limited to the return of income for the relevant Financial Years, withholding Tax returns etc.).

#### **10.10 Business Plan.**

The Business Plan for each Financial Year shall be discussed and approved by the Board, which approval will require an affirmative vote by the Investors in accordance with Article 6, no later than 30 (thirty) days before the beginning of the relevant Financial Year. The Promoters and the Company shall take all steps necessary, including the exercise of their rights at Shareholders Meetings and causing their nominee Directors to exercise their rights at Board Meetings, to ensure that the Company carries on its business in accordance with the terms of the Business Plan agreed from time to time.

#### **10.11 Related Party Transactions.**

Any transactions with Related Parties (including investments in, or loans to Related Parties, the formation of Affiliate entities or Subsidiaries) shall be conducted (i) on an arm's-length basis; and (ii) with the consent of the majority disinterested directors and at least one Investor Director. Provided that any Related Party transactions which are in the Ordinary Course and are on an arm's-length basis may be approved by the Board through provision of an omnibus approval subject to consent of the Investor in terms of Article 6.

#### **10.12 Subsidiaries.**

**10.12.1** Unless stated otherwise, any and all rights available to the Investors in or with respect to the Company as agreed in writing between the Shareholders and the Company, including, without limitation, the right under Article 6, shall be also available to the Investors in the wholly owned Subsidiaries of the Company, whether such Subsidiaries exist on the Restated Articles Effective Date or not. All obligations of the Promoters hereunder with respect to the Company also apply to the Promoters in respect of such wholly owned Subsidiaries. The Company shall ensure that all of the rights, preferences and privileges of the Investors which are contained in these Articles, including all management principles set out in these Articles, shall be continuously made applicable to each of the present or future wholly owned Subsidiaries of the Company and shall form part of the memorandum and articles of association or other charter documents of such Subsidiaries. The Investors shall have the right to appoint such number of directors on the board of directors of wholly owned Subsidiaries as they are entitled to appoint on the Board and the Promoters and Company shall ensure that the persons nominated by the Investors are appointed as additional directors

on the board of directors of the Subsidiaries of the Company within 15 (fifteen) days of written notice by the Investor in this regard.

- 10.12.2 With respect to Subsidiaries other than wholly owned Subsidiaries of the Company, all rights available to the Investors in or with respect to the Company as agreed in writing between the Shareholders and the Company, including, without limitation, the right under Article 6, shall be exercised by the Board and by seeking specific consent of the Investor Directors, and, or, by the Company and, or, the Promoters voting appropriately at the meetings of the board of directors or shareholders of such Subsidiaries and, or, Associate Companies.

#### **10.13 Most Favoured Right**

The Company shall not, and the Promoters shall procure that the Company and its Subsidiaries shall not, directly or indirectly, or in any manner whatsoever, grant to any Persons (whether in regard to an issue of Securities or otherwise) rights that are superior or more favourable than the rights that have been granted to the Investors under these Articles. Without prejudice to the generality of the above, any rights that are more favourable and, or, superior than the right available to the Investors under these Articles, shall only be granted to any Person in regard to the Company with the prior written consent of the Investors, and such rights shall automatically, without there being any requirement to undertake any further act and, or, omission, be available to the Investors.

#### **10.14 Business Review Meetings**

The Company shall, and the Promoters shall procure that the Company shall, organize, at the Company's cost, business review meetings between the Shareholders and the Company at such regular intervals as may be mutually agreed in writing between the Company, the Promoter and the Investors.

#### **10.15 Fall away of Rights**

In the event the Investors (together with their Affiliates who hold Securities in the Company) hold less than 5% (five per cent.) of the Share Capital on a Fully Diluted Basis due to Transfer of the Securities held by the Investors or dilution of the Shareholding Percentage of the Investors, the rights conferred on the Investors pursuant to Articles 3.2 (*Fresh Issue of Securities*), 3.3 (*Anti-Dilution*), 4 (*Board and Board Meeting*), 5.1.2 (*Notice*), 5.1.3 (*Quorum*) 6 (*Affirmative Vote Matters*), 7.1 (*Restriction on Transfer of Promoter Securities*), 8 (*Exit Rights*) of these Articles shall cease (save and except as otherwise agreed in writing by the Shareholders and the Company). Notwithstanding the above, all other rights available to the Investors under these Articles, and the rights generally available to a shareholder holding less than 5% (five per cent.) of the share capital of a company under Applicable Law, shall continue to be applicable to the Investors until the Investors ceases to hold any Securities in the Company.

#### **10.16 Day-to-day management of the Company**

The Promoters shall ensure that Promoter I remains in charge of day-to-day management and operations of the Company and is responsible for the conduct of Business of the Company.

## **11. EVENTS OF DEFAULT**

### **11.1 Consequences of Default.**

On the occurrence of an event of default as defined and agreed in writing between the Shareholders and the Company, the Investors shall, without prejudice to any other rights or remedies they may have under Applicable Laws or any other contract, have the right (exercisable in its absolute discretion, but not the obligation) by delivery of a written notice to terminate irrevocably all the rights (but not obligations) of the Promoters and the Company under these Articles as well as the agreements between the Shareholders and the Company and require the Promoters to buy all of the Securities held by the Investors, at 175% (one hundred and seventy five percent.) of the fair market value determined in accordance with Applicable Laws assuming that such event of default as defined and agreed in writing between the Shareholders and the Company has not occurred, or the Investment Amount, whichever is higher.

## **12. GENERAL**

- 12.1** Any reference to "as agreed in writing between the Shareholders and the Company" shall mean the Investment Agreement dated 19 January, 2017, as amended from time to time and other documents executed by the Investors, Promoters, and Company.
- 12.2** Capitalised terms used but not defined herein shall have the meanings assigned to them as agreed in writing between the Shareholders and the Company.

S/No.	Signature, Name, Father/ Husband name, Address description, occupation and PAN No. (If any) of each of the subscribers	Signature, Name, Father/ Husband name Address & of Witness
1.	Sd/-  Mr. T. RAGHUNANDANA S/o. Late T.V.S. SHARMA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AADPT0426C	Sd/-  M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2 <sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.NO.5081
2.	Sd/-  Ms. T. SHANTHI W/o. T.RAGHUNANDANA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AAVPS5245C	
3	Sd/-  Mr.T. KESAVAN S/o. P. THATHAPPAN No. F-4, Jumbo vinayak, 21, Leelavathi Ammal Street, Madippakkam Chennai-600 091 Service PAN: AIHPK5560E	
4.	Sd/-  Mr.D.W.LYONS S/o. Late V.T.LYONS No.63, Foxen Street, Perambur Chennai-600 011 Service PAN: APPLIED FOR	
5	Sd/-  Mr.JOSEPH FULBERT EDWARD S/o Late A. J. EDWARD No.17, 7 <sup>th</sup> Street, Thiruvalluvar Nagar Errukkencherry	

	Chennai-600 118 Service PAN: ADUPJ5877D	Sd/-
6	Sd/-  Mr. C. ROY SURESH KUMAR S/o. Late S.L. COLUMBUS No.33, N.G.O Colony Sriperumbudur-602 105 Service PAN: APPLIED FOR	M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2 <sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.No. 5081
7	Sd/-  Mr. S. MARIAPPAN S/o. S. SANKARA NARAYANAN No.146, Pandian Street Alwarthiru Nagar Chennai-600 087 Service PAN: AIRPM 9968L	

Place : Chennai

Date : 06.11.2003

For UPDATER SERVICES (P) LTD

*[Signature]*  
Company Secretary





**THE COMPANIES ACT 1956**  
**COMPANY LIMITED BY SHARES**  
**AMENDED AND RESTATED ARTICLES OF ASSOCIATION**  
**OF**  
**UPDATER SERVICES PRIVATE LIMITED**

*(Substituted the Existing set of Articles by a new set of Articles vide special resolution passed at the EGM held on January 10, 2006)*

1.
  - (a) Subject as hereinafter provided the regulations contained in Table "A" in the First Schedule to Companies Act 1956 shall apply to the Company.
  - (b) Regulations bearing Nos.23, 24 and 66 of the said table shall not apply to the Company.
2. In these regulations:
  - (a) **"1<sup>st</sup> Tranche Closing"** shall mean the date of issue and allotment of the 1<sup>st</sup> Tranche Shares to New Vernon.
  - (b) **"1<sup>st</sup> Tranche Shares"** shall mean 23810 equity shares at a price of INR 6300 per share constituting Twenty-Three point Eighty-One Percent (23.81%) of the issued and paid-up share capital of Company on the 1<sup>st</sup> Tranche Closing on a Fully Diluted basis.
  - (c) **"2<sup>nd</sup> Tranche Closing"** shall mean the date of issue and allotment of the 2<sup>nd</sup> Tranche Shares to New Vernon.
  - (d) **"2<sup>nd</sup> Tranche Shares"** shall mean 15873 equity shares at a price of INR 6300 per share which, along with the 1<sup>st</sup> Tranche Shares, constitute Thirty Four point Twenty-Five Percent (34.25%) of the issued and paid-up share capital of Company on the 2<sup>nd</sup> Tranche Closing on a Fully Diluted basis.
  - (e) **"3<sup>rd</sup> Tranche Closing"** shall mean the date of issue and allotment of the 3<sup>rd</sup> Tranche Shares to New Vernon.
  - (f) **"3<sup>rd</sup> Tranche Shares"** shall mean (a) 23016 equity shares at a price of INR 6300 per share which, along with the 1<sup>st</sup> Tranche Shares and 2<sup>nd</sup> Tranche Shares, constitute Forty-Five point Fourteen Percent (45.14%) of the issued and paid-up share capital of Company on the 3<sup>rd</sup> Tranche Closing on a Fully Diluted basis if the 3<sup>rd</sup> Tranche Closing is completed on or before 30<sup>th</sup> June 2006, or (b) 17705 equity shares at a price of INR 8190 per share which, along with the 1<sup>st</sup> Tranche

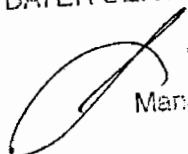
Shares and 2<sup>nd</sup> Tranche Shares, constitute Forty-Two point Ninety-Six Percent (42.96%) of the issued and paid-up share capital of Company on the 3<sup>rd</sup> Tranche Closing on a Fully Diluted basis if the 3<sup>rd</sup> Tranche Closing is completed after 30<sup>th</sup> June 2006.

- (g) **"Act"** means the Companies Act, 1956.
- (h) **"Affiliate"** shall mean, in respect of any Person, any other Person that directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with such first Person.
- (i) **"Annual General Meeting"** means a General Meeting of the Members held in accordance with the provisions of Section 166 of the Act and any adjourned holdings thereof.
- (j) **"Applicable Law"** shall mean any applicable constitution, treaty, statute, rule, regulation, ordinance, order, directive, code, judgment, decree, injunction, or any interpretation, determination, award, permit, license, authorization, directive requirement, ruling or decision of, agreement with, or by a Government Authority.
- (k) **"Best Security Services Private Limited"** shall mean Best Security Services Private Limited a private limited company existing under the Act and having its registered office at 42, Luz Avenue, Mylapore, Chennai – 600 004.
- (l) **"Board"** means the Board of Directors of the Company.
- (m) **"Company"** means UPDATER SERVICES PRIVATE LIMITED.
- (n) **"Control"** shall mean (i) when used with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of Securities, by Contract or otherwise, and (ii) when used with respect to any Security, the possession, directly or indirectly, or the power to vote, or to direct the voting of, such Security or the power to dispose of, or to direct the disposition of, such Security.
- (o) **"Covered Activity"** shall mean direct or indirect participation, whether or not for compensation, in the ownership, management or control of, or the provision of advisory, consulting or any other services to any business or entity engaged in a business or activity identical or similar to or that directly or indirectly competes with the current business of Company or any business or activities that may be commenced by Company after the date of the 1<sup>st</sup> Closing, including but not limited to the business of facility management, building maintenance, project management, logistics management, warehousing management, contract management, contract staffing, contract administration, providing consultancy on

all matters relating to the business, such as, administration, management, organization, staffing, storage, marketing, purchase and production.

- (p) **"Directors"** means the Directors of the Company.
- (q) **"Dividend"** includes bonus paid in cash but does not include any share issued in satisfaction of capital bonus upon capitalization of undistributed profits or share premium account.
- (r) **"Extraordinary General Meeting"** means a General Meeting of the Members other than an Annual General Meeting, duly called and constituted and any adjourned holdings thereof.
- (s) **"Fully Diluted"** shall mean with respect to Securities, all outstanding equity shares and all Securities issuable in respect of, Securities convertible into or exchangeable for equity shares, stock appreciation rights or options, warrants and other irrevocable rights to purchase or subscribe for equity shares or securities convertible into or exchangeable for equity shares.
- (t) **"Funding Notice"** shall have the meaning provided to in Article 11 hereto.
- (u) **"Funding Period"** shall have the meaning provided to in Article 11 hereto.
- (v) **"General Meeting"** means a meeting of Members.
- (w) **"Investment Agreement"** shall mean the Investment Agreement dated December 30, 2005 between the Company, Promoters and New Vernon.
- (x) **"Shareholder" or "Member"** means every person holding shares of the company and whose name is entered in the Register of Members and includes a person holding shares of the company and whose name is entered as Beneficial Owner in the records of the Depository and also includes a subscriber to the Memorandum of Association of the Company but does not include a bearer of a share warrant of the company issued in pursuance of section 114 of the Act."  
*(Amended vide special resolution passed at the EGM held on December 10, 2007)*
- (y) **"Month"** means a calendar month
- (z) **"New Vernon"** shall mean New Vernon Private Equity Limited, a company incorporated and existing under the laws of Mauritius.
- (aa) **"Ordinary Resolution"** shall have the meaning ascribed to it under Section 189 of the Act.
- (bb) **"Paid Up"** includes credited as paid-up

For UPDATER SERVICES (P) LTD.

  
Managing Director

- (cc) **"Promoters"** shall mean Mr. T. Raghunandana and Mrs. T. Shanthi collectively and "Promoter" shall mean any one of them individually.
- (dd) **"Person"** shall mean a human being, labor organization, partnership, association, joint venture, corporation, limited liability company, legal representative, trustee, trustee in bankruptcy, receiver or any other legal entity whatsoever.
- (ee) **"Seal"** means the Common Seal of the Company.
- (ff) **"Section"** means Section of the COMPANIES ACT, 1956
- (gg) **"Securities"** shall have the meaning provided to the term under Section 2(h) of the Securities Contract (Regulation) Act, 1956, and shall include equity shares and preference shares.
- (hh) **"Senior Management"** shall "include Samita Rao, Vivek Phadke and D. Sadasivam.
- (ii) **"Share Capital"** means the Capital for the time being raised or authorized to be raised for the purposes of the Company.
- (jj) **"Special Resolution"** shall have the meaning ascribed to it under Section 189 of the Act.
- (kk) **"Strategic Sale"** shall mean a sale of at least Fifty Percent (50%) and upto One Hundred Percent (100%) of the share capital of Company to a third Person at a price that is not less than:
  - (i) A price not less than 1.75 times the average price at which New Vernon has purchased/acquired shares of Company, if such sale occurs on or prior to the 2<sup>nd</sup> anniversary of the 1<sup>st</sup> Tranche Closing;
  - (ii) A price which shall provide an IRR of Thirty Percent (30%) on the aggregate cost of acquisition of New Vernon, if such sale occurs after the 2<sup>nd</sup> anniversary of the 1<sup>st</sup> Tranche Closing.
- (ll) Words importing the masculine gender include also the feminine gender and vice-versa.
- (mm) "In Writing" and "Written" include printing, lithography and other modes of representing or reproducing words in a visible form.

- (nn) a) **"Beneficial Owner"** shall mean beneficial owner as defined in clause (a) of sub-section (1) of section 2 of Depositories Act, 1996".
- b) **"Depositories Act, 1996"** shall include any statutory modification or re-enactment thereof.
- c) **"Depository"** shall mean a Depository as defined under clause (e) of sub-section (1) of section 2 of Depositories Act, 1996".
- d) **"SEBI"** means Securities and Exchange Board of India established under section 8 of the SEBI Act, 1992.  
**(Amended vide special resolution passed at the EGM held on December 10, 2007)**

#### **PRIVATE COMPANY**


3. The Company is a Private Company within the meaning of Section 3(1)(iii) of the Companies Act, 1956 and accordingly;

The Minimum paid up Capital of the Company shall be Rs.1,00,000/- or such amount as may be prescribed by its Articles.

- (a) The right to transfer the shares in the Company is restricted in the manner hereinafter appearing;
- (b) The number of members of the Company shall be limited to fifty, not including:
- (1) Persons who are in the employment of the Company, and
  - (2) Persons who, having been formerly in the employment of the Company were members of the Company while in that employment and have continued to be members after the employment ceased; and provided that where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this paragraph be treated as a single member.
- (c) Prohibits any invitation to the public to subscribe for any shares in or debentures of the Company.
- (d) Prohibits any invitation or acceptance of deposits from persons other than its members, directors or their relatives.

#### **BUSINESS**

For UPDATER SERVICES (P) LTD.



Managing Director

4. The Company will carry on the business for which it was incorporated and any other business or businesses or lines of business or activity which the Company is authorized to carry on under its Memorandum of Association.

#### **SHARE CAPITAL**

5. (a) The Authorised Share Capital of the Company is Rs.15,00,000/- (Rupees Fifteen Lakhs only)divided into 1,50,000 Equity shares of Rs.10/- each.
- (b) The Paid up Capital of the Company shall be a minimum of Rs. 1 lakhs or such higher amount that shall be prescribed.
- (c) The shares in the Capital of the Company shall be under control of the Directors who may allot or otherwise dispose of the same or any of them to such persons (whether already members or not in such proportion and on such terms and conditions and at such times as the Board may think fit provided however the Board shall comply with the provisions of the Sections 42 and 75 of the Act.
- (d) The Company shall have power to issue shares at a premium or at par or at a discount against payment of cash or kind and at such time as they may from time to time think fit and proper and it shall comply with the provisions of Sections 78 and 79 of the Act.
- (e) The Company shall have power to issue at any time preference shares including redeemable preference shares.

#### **ISSUE OTHER THAN FOR CASH**

6. The Directors may from time to time issue shares for consideration received in kind, or otherwise than for cash, in compliance with the provisions of the Act.

#### **LIABILITY OF JOINT HOLDERS**

7. The joint-holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares.

#### **NEW VERNON'S OPTION**

8. Within a period of Eighteen (18) months from the 1<sup>st</sup> Tranche Closing, New Vernon shall have the right and option exercisable in its sole discretion to subscribe for and acquire, and on exercise of New Vernon's option, Company shall and Promoters shall ensure that Company shall issue and allot on a preferential basis to New Vernon at 3<sup>rd</sup> Tranche Closing all of the 3<sup>rd</sup> Tranche Shares at the 3<sup>rd</sup> Tranche Price, free from all Liens and with all rights and benefits appertaining to the 3<sup>rd</sup> Tranche Shares.

9. If New Vernon does not exercise its option within a period of Eighteen (18) months as above, the option shall expire. The exercise by New Vernon of its option on or prior to the expiry of the period of Eighteen (18) months shall render the Company bound to issue and allot the 3<sup>rd</sup> Tranche Shares to New Vernon, even if the specified Eighteen (18) month period expires before the date of issue and allotment of the 3<sup>rd</sup> Tranche Shares to New Vernon.
10. On exercise by New Vernon of its option under this Section, Company shall be bound to issue and allot the 3<sup>rd</sup> Tranche Shares to New Vernon within thirty (30) days of receipt of notice in writing from New Vernon.

#### **ADDITIONAL CAPITAL**

11. Additional Funding. If the Board, in exercise of good faith and in its reasonable judgment, determines that Company requires additional funds and that such funds cannot be obtained from banks or other financial institutions on reasonable arms-length commercial terms (or terms that are more favourable to Company than reasonable arms-length commercial terms) and without guarantees of or recourse to Promoters, the Board may request, by issuance of a notice (the "Funding Notice") to Promoters and New Vernon, to contribute, within Thirty (30) days after the issuance of the Funding Notice (the "Funding Period") additional capital to Company, on a pro-rated basis upon their proportionate holding of the issued and paid-up share capital of Company, by way of subscription for additional equity shares in accordance with section 81(1) of the Act.
12. Determination of price. If additional capital is to be contributed, then the subscription price for such additional equity shares shall be determined by the Board and set out in the Funding Notice. Company shall, promptly upon the receipt of such subscription price, issue the appropriate number of equity shares based upon the payment received by Promoters and New Vernon.
13. Failure to subscribe. In the event of Promoters or New Vernon failing to acquire the additional equity shares offered to it by itself or through its Affiliates within the Funding Period, such equity shares shall be offered to New Vernon or Promoters, as the case may be. In this event, New Vernon or Promoters shall be entitled to acquire all or any of the equity shares offered to it by itself or through its respective Affiliates within Fifteen (15) days of receipt of the offer and irrespective of any change in the equity shareholding pattern of Company.
14. Restriction on renunciation. Promoters and New Vernon shall not renounce the right in respect of equity shares offered for subscription in favor of any other Person (other than an Affiliate of New Vernon or Promoters) without first giving to the other of New Vernon or Promoters a reasonable opportunity to acquire such right to subscribe to equity shares on the same terms and conditions that such right is proposed to be renounced in favor of any other Person (other than an Affiliate of the renouncing Party). The Person in whose

favor the right is renounced shall execute a deed of adherence undertaking to adhere to the terms and conditions of the Investment Agreement prior to becoming a shareholder in Company. Provided that no such renunciation will be made by Promoters in favor of any Person if such renunciation will be detrimental to the interests of Company or New Vernon.

15. Subscription through Affiliates. Promoters or New Vernon may invest in additional issuance of shares of Company through any of their Affiliates, subject to the prior fulfillment of the following conditions:
- (i) Such Affiliate shall previously sign a deed of adherence in a format agreed upon between New Vernon and Promoters;
  - (ii) Prior to any such Affiliate ceasing to be an Affiliate of Promoters or New Vernon, as the case may be, all of the shares of Company held by such Affiliate shall be transferred to Promoters or New Vernon (as the case may be) or to another Affiliate of Promoters or New Vernon;
  - (iii) Promoters or New Vernon (as the case may be) shall guarantee the performance by such Affiliate of its duties, obligations and liabilities under the Investment Agreement;
16. No default. A failure to provide funds by Promoters or New Vernon pursuant to a Funding Notice shall not make such shareholder in any way liable for the payment of such funds.

## **DIRECTORS**

17. There shall be a minimum of two Directors and a maximum of twelve Directors.
18. The first Directors of the Company are:-
- Mr. T. RAGHUNANDANA
- Mrs. T. SHANTHI
19. New Vernon shall be entitled to nominate directors on the Board of Company in proportion to its holding of the issued and paid up share capital of Company, subject always to a minimum of one (1) director.
20. At the 1<sup>st</sup> Tranche Closing, the Board shall consist of [Three (3)] Directors and shall include [One (1)] director nominated by New Vernon ("New Vernon Director").
21. Within 6 months after the 1<sup>st</sup> Tranche Closing and at all times thereafter, at least One-Third of the Board must comprise independent directors as defined under Applicable Law ("Independent Director").



22. New Vernon Directors shall have all powers and privileges, in line with other Directors on the Board, except such powers and privileges as are enjoyed by the Managing Director of Company.
23. The Board shall have the overall responsibility for management of Company and may appoint and delegate such day to day functions to the chairman, the managing director, the manager or to a committee, as it deems fit and as may be mutually agreed between Promoters and New Vernon.
24. If at any time the Companies Act, 1956 or any other Applicable Law should require an increase or decrease in the number of directors constituting the Board, such increase or decrease shall be effected in a way that preserves the proportional representation on the Board between Promoters and New Vernon in accordance with the provisions of these Articles.
25. One New Vernon Director and one Director appointed by the Promoters on the Board of Company shall be non-retiring directors. All other directors of Company shall be liable to retire by rotation in accordance with the provisions of the Act.
26. The Directors of the Company need not hold any qualification shares.
27. Subject to the provisions of the Act, a Director may resign his office at any time after giving notice to the Board of Directors and the Company.
28. Chairman of the Board. The Board shall appoint a Chairman who shall be a non-executive director. Each meeting of the Board shall be chaired by the Chairman. The Chairman shall not have a casting vote. In the absence of the Chairman at any meeting the Directors shall appoint one of their number to chair the meeting in question.
29. Alternate Director. In the event that any Director (an "Original Director") is away for a continuous period of more than (3) months from the state in which the meetings of the Board are ordinarily held, the Board shall appoint another Director (an "Alternate Director") for and in place of the Original Director. The Board shall only appoint such Alternate Director nominated by the shareholder that nominated the Original Director who shall be deemed to be nominated by the Original Director for this purpose. Such Alternate Director shall be entitled to receive all materials supplied to Directors and shall also be entitled to attend all meetings of the Board and committees thereof in the absence of the Original Director.
30. Vacancies. If any Director resigns, vacates or is removed from office before his term expires, the resulting casual vacancy may be filled by a nominee of the shareholder who originally nominated the Director vacating office, but any person so nominated, shall retain his office only so long as the vacating Director would have retained the same, if no vacancy had occurred.

31. Liability of New Vernon Director.

- (a) New Vernon Directors will be non-executive Directors.
- (b) New Vernon Directors shall not be in charge of, or responsible for the day to day management of Company and shall not be deemed to be "officers in default" as the term is defined in the Companies Act, 1956 and shall accordingly not be liable for any default or failure of Company in complying with the provisions of any Applicable Laws.
- (b) New Vernon Directors shall not be identified as officers in default of Company or occupier of any premises used by Company or an employer of the employees of Company.
- (c) New Vernon and New Vernon Directors shall not be construed as a "promoter" nor as a "person acting in concert" with Promoters and/or Company.

32. Company shall, and Promoters shall ensure that Company shall, procure suitable Director and Officers Liability insurance in favour of New Vernon Directors in respect of claims or liabilities resulting from all actions or omissions of New Vernon Directors as Directors of Company for an amount acceptable to New Vernon.

33. Voting for appointment of Directors. Promoters shall vote their Shares of Company for the election of all persons nominated to be directors of Company by New Vernon.

34. Withdrawal of Nomination. New Vernon shall at any time be entitled to provide written notice to the Board withdrawing its nomination of any New Vernon Director. Such written notice shall take immediate effect. On receipt of such written notice, Promoters shall cause their Directors to vote in favor of the removal of New Vernon Director whose candidature is withdrawn by New Vernon.

35. Every Director shall be paid a sitting fee for each meeting of the Board, committee or General Meeting or other meetings of the Company, attended by him, as may be decided by the Board from time to time.

36. The Directors of the Company shall be paid such remuneration whether as salary and/ or commission and/or share of net profits and in any other form or in one or more the above forms as may be decided by the Board from time to time.

37. The Board may appoint any person by whatever name called as Executive Director, Technical Director, Finance Director or Director in charge of any specific function or functions, upon remuneration or otherwise and delegate all or any powers to all or any of them.

38. A Director of the Company may be or become a Director of any other Company promoted by this Company or in which it may be interested as a member, Shareholder or otherwise and no such Director shall be accountable for any benefits received as a Director or member of such Company
39. The Company may appoint as Director (s) such person or persons as may be nominated to the Board by Financial Institutions either as a part of their lending package or otherwise.

#### **PROCEEDINGS OF DIRECTORS**

40. Number of Board Meetings. The Board shall meet at least four (4) times in every calendar year and at least once in every calendar quarter. Meetings of the Board shall ordinarily be held at Chennai, India. A Board meeting may also be held outside Chennai, India at such other places (within India or outside) as may be agreed by a majority of the Directors, including at least one New Vernon Director. All expenses and costs incurred for attending such meetings by New Vernon Directors shall be borne by Company. A Board meeting may also be held by teleconference or video conferencing and/or the presence of a Director at a meeting shall be recorded if he is present over telephone or video conferencing, if such meeting or presence, as the case may be, is not contrary to law.
41. Convening meetings of the Board. Any Director may, and the secretary of Company, if so appointed, shall on the requisition of a Director, summon a meeting of the Board, in accordance with the notice and other requirements set out in these Articles.
42. Notice for Board Meetings. At least ten (10) days prior written notice shall be given to each of the Directors of any meeting of the Board or a committee. Every notice to New Vernon Director shall also be sent to one of its designated addresses in India. A meeting of the Board or a committee may be held at shorter notice with the written consent (which may be signified by letter, facsimile or e-mail with receipt acknowledged) of a majority of directors including at least one (1) New Vernon Director.
43. Contents of the Notice. A reasonably detailed agenda shall be supplied to each Director along with the notice, together with the draft resolutions and other appropriate documentation with respect to agenda items calling for Board action, to adequately inform Directors regarding matters to come before the Board. Any Director wishing to place a matter on the agenda for any meeting of the Board may do so by communicating with the chairman of the Board sufficiently in advance of the meeting of the Board so as to permit timely dissemination to all Directors of information with respect to the agenda items. No business except that which is set out in the agenda shall be transacted by the Board, save that further business may be added to the agenda without notice to the Directors provided that such further business shall be approved by at least one (1) New Vernon Director.

44. Quorum for Board meeting. A quorum of the Board shall be Three (3) directors which shall include at least one (1) New Vernon Director at the commencement and throughout the duration of the meeting.
45. Decisions of the Board. Subject to Article 57, all decisions of the Board shall require the affirmative vote of a majority of the Directors at a duly convened meeting of the Board at which a quorum is present. In the event there is a vacancy on the Board and an individual has been designated to fill such vacancy, the first order of business shall be to fill such vacancy.
46. Circular Resolution. Subject to Article 57, and except for those actions required by the Companies Act, 1956 to be determined at a meeting of the Board, all decisions of the Board may be taken by circular resolution. The notice period for any circular resolution shall be ten (10) days. The draft of the resolution must be circulated to all Directors including New Vernon Director and as regards New Vernon Director a copy shall also be sent to one of its designated addresses in India. Each circular resolution must be in writing and would get passed by majority and only when signed by each and every Director. It is clarified that in case of circular resolution the majority consent of the Board shall be necessary and not of the Directors then in India.
47. Committees of the Board.
- (a) As and when Company constitutes any committee, New Vernon shall have the right to nominate its representative on such committee in proportion to its holding of the issued and paid-up share capital of Company, subject to a minimum of one (1).
  - (b) The Board shall constitute a Capex Committee that shall be responsible inter alia for utilization of the funds invested by New Vernon in Company. New Vernon shall have the right to nominate its representative on the Capex Committee in proportion to its holding of the issued and paid-up share capital of Company, subject to a minimum of one (1).
48. New Vernon shall have the right to attend all review meetings and/or major strategy meetings of the Board or any committee of directors of Company.

#### **POWERS OF DIRECTORS**

49. (a) Subject to the provisions of the Article 57, the Board may exercise all such powers of the Company and to do all such acts things as are not by the Act or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act and Applicable Law.

- (b) Subject to the powers of the Companies Act, 1956, the Board of Directors may from time to time, at their discretion, borrow or raise funds for the purpose of the Company. The board of Directors may raise or secure the repayment of such sums may think fit and other security on the under taking of the Company, both present and future, including its uncalled capital for the time being.

## **GENERAL MEETING**

50. General Meetings. An Annual General Meeting of the shareholders of Company shall be held within six (6) months of the end of each financial year of Company. Subject to the foregoing, the Board or the Parties may convene an Extraordinary General Meeting of the shareholders of Company whenever they deem appropriate.
51. Notice for General Meetings. At least Twenty-one (21) days prior written notice of every Annual General Meeting of shareholders shall be given to all shareholders whose names appear on the register of members of Company. In case of New Vernon, a copy of the notice should also be sent to an address in India designated by New Vernon. A meeting of the shareholders may be called by giving shorter notice with the prior written consent of New Vernon.
52. Contents of Notice. The notice to shareholders shall specify the place, date and time of the meeting. Every notice convening a meeting of the shareholders shall set forth in full and sufficient detail the business to be transacted thereat, and no business shall be transacted at such meeting unless the same has been stated in the notice convening the meeting.
53. Chairman for General Meeting. The Chairman of the Board shall be the Chairman for all General Meetings, unless the meeting is called by New Vernon, in which case New Vernon will appoint the Chairman for that meeting. The Chairman shall not have any second or casting vote.
54. Proxies. Any shareholder of Company may appoint another Person as his proxy (and in case of a corporate shareholder, an authorized representative) to attend a meeting and vote thereat on such shareholder's behalf, provided that the power given to such proxy must be in writing.
55. Quorum for General Meetings. To constitute a quorum for a General Meeting of Company the presence in person or through proxy of an authorized representative of New Vernon shall be necessary at the commencement and throughout the duration of the meeting.
56. Decision Making. Except as otherwise required by the Applicable Law and Article 57, all decisions of the shareholders of Company shall be made by simple majority of the shareholders at a duly convened meeting at which a quorum is present.

57. Consent Rights. Notwithstanding anything contained in these Articles and subject to the provisions of the Act:

- (a) The matters specified in Article 57(d) below ("Specified Matters"), shall be decided by Company only through a resolution of its Board or shareholders, as the case may be.
- (b) Whenever a Specified Matter is referred by the Board to a Committee, such Committee shall be formed only with the prior written consent of New Vernon.
- (c) No resolution or decision shall be passed or taken by the Board or the shareholders of Company or by any Committee with respect to any of the Specified Matters unless:
  - (i) Such resolution or decision is approved by a majority of the Board of Company or Committee, which majority includes the affirmative vote of at least one New Vernon Director, or
  - (ii) Such resolution is approved in writing by New Vernon, or
  - (iii) New Vernon, by itself or through proxy, votes in favor of such resolution at a General Meeting of Company.
- (d) Specified Matters:
  - (i) Modifications to capital structure including issue of new shares, creation of options or warrants, creating new classes of shares, buy backs/redemption/repurchase, splits, issuance of convertible debt, bonuses, lien or encumbrances or debt restructuring involving conversion into equity which would be anti-dilutive for New Vernon and/or their rights as equity shareholders;
  - (ii) Any amendment or change of the rights, preferences, privileges or powers of, or the restrictions provided for the benefit of equity shares or preference shares of Company;
  - (iii) Any amendment of the Company's Articles of Association or Memorandum of Association after acquisition or subscription of the shares by New Vernon, which would be anti-dilutive for New Vernon and/or its rights as equity shareholders;
  - (iv) Diversification projects which are not in line with the Company's business plan;

- (v) Any merger, consolidation, acquisition, strategic sale, creation of new subsidiary or similar transaction of the Company including sale of substantial assets/closure of business;
- (vi) Voluntary liquidation or dissolution of the Company;
- (vii) Material deviations from the annual business plan as approved by the Board of Directors of the Company, including:
  - (1) Incurring of any unplanned debt, guarantee or security which shall result in the total debt equity ratio of the Company exceeding 1.25:1
  - (2) Revisions in annual operating plans by more than 20% of the approved budgets;
- (viii) Any increase or decrease in the authorised number of directors of the Company.
- (ix) Creation of subsidiaries, joint ventures, technology transfers, strategic alliances, sole selling or sole buying relationships.
- (x) Transactions with the Promoter and Related Parties whether cash or barter variety for an amount exceeding Rs. 10 million per annum;
- (xi) Appointment or re-appointment of statutory and internal auditors;
- (xii) Any changes to the accounting year and significant changes to accounting policies;
- (xiii) Any amendment to or waiver of any clause of these Articles;
- (xiv) Change in name of the Company;
- (xv) All decisions with respect to listing of the Company whether led by the Company or New Vernon;
- (xvi) Any investment in securities for treasury operation other than bank deposits and government bonds;
- (xvii) The remuneration payable to the Managing Director and other whole-time directors of the Company.
- (xviii) Any decision which has an effect on the technology/brand of the Company

- (xix) Acceptance of contracts which may involve contrary/debatable ethical issues including pollution, child labor, food adulteration, etc.
- 58. Exercise of Voting & Other Rights. Promoters and New Vernon shall ensure that they, their representatives and proxies representing them at the General Meetings of the shareholders of Company shall at all times exercise their votes and through their respective appointed/nominated directors (or alternate directors) at Board meetings and otherwise, act in such manner so as to comply with, and to fully and effectually implement the spirit, intent and specific provisions of these Articles.
- 59. Support of Amalgamation Opportunities. Promoters and Company shall support opportunities that may be proposed by New Vernon for possible mergers, acquisitions and/or amalgamations of/by/into other entities engaged in related lines of activities.

#### **TRANSFER OF SHARES**

- 60. Restrictions on Transfer. Promoters shall not do any of the following during the subsistence of the Investment Agreement except (a) if required under the Investment Agreement, or (b) with the prior written consent of New Vernon:
  - (a) Transfer or exchange any Securities of Company at a price lower than the cost of acquisition of shares of New Vernon;
  - (b) Transfer or exchange any Securities other than in compliance with Articles 61 to 67; and
  - (c) Pledge, mortgage, Lien, charge or otherwise encumber any Securities.
- 61. Transfer of shares by Promoters.
  - (a) Notice of Transfer. On Promoters proposing to transfer any of his Securities of Company (the "Offered Shares"), Promoters shall first obtain and provide to New Vernon a bonafide written offer from the proposed third party purchaser (the "Purchaser") to purchase the Offered Shares. Such offer (the "Outside Offer") shall:
    - (i) State the identity of the Purchaser (including the proposed ultimate beneficial owner of such Equity Shares), and any group of companies of which such proposed Purchaser is a part;
    - (ii) Include such financial information concerning such proposed Purchaser as New Vernon may reasonably request;
    - (iii) State price per Share offered ("Offer Price");



- (iv) State the number of Shares to be transferred;
  - (v) State the other material terms and conditions of the Outside Offer; and
  - (vi) Contain an undertaking from the Purchaser that he shall purchase all of the Shares held by New Vernon as of the date of the Outside Offer on the same price and terms as that offered to Promoters.
- (b) Option of New Vernon. Within Thirty (30) days after receipt of the Outside Offer, New Vernon shall have the option, exercisable in its sole discretion to:
- (i) Purchase all of the Offered Shares at the price stipulated at Article 61(a);  
or
  - (ii) Sell all or any of its shares of Company to the Purchaser, pro-rata to the shares proposed to be sold by Promoters, at the price and substantially in accordance with the terms set out in the Outside Offer.

New Vernon shall notify Promoters in writing (the "Purchase Notice") within Thirty (30) days after receipt of the Outside Offer of the manner of exercise of its option under Article 57(b). If no such Purchase Notice shall have been received by Promoters on expiry of such period of Thirty (30) days, New Vernon shall be deemed to have refused to exercise its option under Article 57(b) above, in which event Promoters may execute the Transfer in favour of the Purchaser at the Offer Price and on the terms set forth in the Outside Offer.

62. Transfer of Shares by New Vernon. New Vernon shall have the right to sell all or any of the Securities of Company as and when it desires subject to compliance with the provisions of this Article.

- (a) Right of First Refusal of Promoters. If New Vernon during a 4-year period commencing on the 1<sup>st</sup> Tranche Closing and expiring on the 4<sup>th</sup> anniversary of the 1<sup>st</sup> Tranche Closing enters into an agreement to sell or otherwise transfer all or any of its shares of Company to any third party (the "Transferee"), Promoters shall have a right of first refusal to buy the shares at the price stipulated at Article 64, whereupon the following procedure shall apply:
- (i) New Vernon shall deliver a written notice (the "Transfer Notice") to Promoters at least Thirty (30) days prior to the planned date of such transfer (the "Transfer Date").
  - (ii) Promoters shall notify New Vernon in writing (the "Purchase Notice") no later than the Transfer Date of his intent to purchase all shares on offer. If no such Purchase Notice shall have been received by New Vernon, Promoters shall be deemed to have refused to exercise his right of first

refusal, in which event New Vernon may execute the Transfer in favour of the Transferee.

- (b) Exempted Transfers. New Vernon shall be entitled to sell or transfer all or any of its shares of Company at such price and on such terms as deemed appropriate by New Vernon, free from any restrictions under Article 62(a) or elsewhere in these Articles, in the following events:
  - (i) Any violation of any labour laws applicable to Company, which results in cancellation of any license or closure of all or any part of the business of Company, or
  - (ii) Company incurs in any financial year the liability to pay penalties, damages, compensation or other similar amounts of an aggregate amount of over Fifteen Percent (15%) of the annual wage bill of Company, or
  - (iii) Company or its directors or Senior Managerial Personnel are convicted for any offence under the Indian Penal Code.
- (c) Assignment of Rights. Any transfer or sale by New Vernon of more than Fifty Percent (50%) in number of the shares acquired by New Vernon shall automatically result in the buyer acquiring all of the rights and privileges of New Vernon under the Investment Agreement to the buyer, and on and after purchase of such shares the buyer shall acquire and thereafter hold rights and privileges similar in all respects to the rights and privileges granted to New Vernon under the Investment Agreement. This shall not affect or reduce in any manner the rights and privileges granted to New Vernon under the Investment Agreement, which may continue to be exercised by New Vernon after such transfer throughout the duration of the Investment Agreement.
- (d) Approval of Company. Company shall be bound to approve and implement any and all transfers of Shares by New Vernon within Thirty (30) days of receipt of the share transfer forms and share certificates from New Vernon. If Company is in default of its obligations under this Article, New Vernon shall be entitled to require Company to buy-back its shares or Promoters to purchase its shares of Company at the then prevailing market price of the Shares, plus fifteen percent (15%) per annum as penalty cost.
- (e) Lock-in.
  - (i) For the purpose of a Initial Public Offering, Promoters shall offer their shares for restriction on transfer and lock-in as applicable to promoters shares under the guidelines of SEBI or any other statutory or regulatory

authority from time to time, whether in India and/or outside India and the Securities of New Vernon shall not be subject to any such restriction.

- (ii) New Vernon shall not be deemed and/or construed and/or referred to in any context and/or mentioned in any context to be a "promoter" of Company in connection with any Initial Public Offering, and accordingly, various requirements and regulations applicable to "promoters" (including requirements in connection with "lock-in" period applicable to the shares) prescribed by Applicable Laws and guidelines in connection with public offerings shall apply only to Promoters and not to New Vernon.

(f) Anti-dilution Rights.

- (i) Notwithstanding anything contained in these Articles, the prior written consent of New Vernon shall be required for Company to make any new issuance of Securities on terms which are more favourable (from the perspective of the new investors) as compared with those provided to New Vernon under these Articles.
- (ii) In the event of Company issuing additional Securities at a price less than that paid by New Vernon for the shares of the Company, Company will issue such additional number of equity shares to New Vernon at such lower price to ensure that the equity valuation of New Vernon's shareholding in Company after such allotment is proportionately the same in the new valuation of Company determined by the price at which such new shares are issued.
- (iii) In the event of Company making any further issue of Securities (including any issuance of employee stock options or similar rights), New Vernon shall have the right, to subscribe, along with and on the same terms as they are offered to any third party, such portion as would result into their percentage ownership to the same level as prior to such issue. The right shall be exercisable within Thirty (30) days from the date of receipt of a notice from Company of any such proposed issue. If New Vernon exercises its right under this Section, Company shall be bound to issue the shares and New Vernon shall subscribe to such shares within a further period of Thirty (30) days from notice by New Vernon to Company that it wishes to exercise such rights.
- (iv) In the event any Person who invests in Company is offered rights, including those relating to voting, dividends, transfer of shares, and further issues of shares, that are more favorable to such Person than those offered to New Vernon, New Vernon shall have the right to require Promoters and Company, and Promoters and Company shall ensure that

New Vernon is entitled to enjoy any and all such rights offered to such other Person.

- (v) If a Strategic Investor is desirous of acquiring equity shares in the Company and the Board, in exercise of good faith and in its reasonable judgment is convinced that the long term benefits that would accrue to the Company from such an investment are significant, then any issue of shares to such a Strategic Investor shall take place only with the mutual consent of the Company and New Vernon.

63. Transfer Procedure.

- (a) The option and/or right as specified in Article 61(b)(i) (New Vernon's Right of First Refusal), Article 61(b)(ii) (Tag Along), Article 62(a) (Promoters' Right of First Refusal) and Article 62(d) (Buy-back) shall be exercised by a written notice ("Transfer Notice") from the party exercising such option/right to the other parties.
- (b) Such other party shall execute the necessary instruments of transfer of shares within fifteen (15) of receipt of the Transfer Notice and deliver the same to the Party exercising such right/option (or its designee) against payment in full of the requisite cash price thereof.
- (c) The option and right of New Vernon under Article 61(b)(ii) (Tag Along) shall be exercised in a proportionate manner. In the event that the Offered Shares plus the shares proposed to be included by New Vernon in the sale in exercise of its Tag Along Rights under Article 61(b)(ii) exceeds the number of shares that the Purchaser is willing to purchase, the number of shares of Promoters and New Vernon to be sold to the Purchaser shall be determined in a proportionate manner based on the percentage shareholding of Promoters and New Vernon in the Company.
- (d) Any shares transferred shall be free from any Liens and with all rights attached to the relevant shares.
- (e) Upon the failure of any other party to comply with the provisions of this Article 63, such other party shall be deemed to have irrevocably appointed the party exercising such right/option as its attorney to deal with the matter. The other party shall abide by the directions of the Party exercising such right/option and do or procure all necessary things and execute all necessary forms, documents and agreements to implement such directions.

64. Transfer Price. The transfer price on any transfer pursuant to Article 61(b)(i) (New Vernon's Right of First Refusal), Article 61(b)(ii) (Tag Along), Article 62(a) (Promoters' Right of First Refusal) and Article 62(d) (Buy-back) shall be as determined below:

- (a) **Right of First Refusal.** The transfer price in respect of New Vernon's right of first refusal under Article 61(b)(i) and Promoters' right of first refusal under Article 62(a) shall be such amount as may be mutually agreed on between New Vernon and Promoters but not lower than the following:
    - (i) A price not less than 1.75 times the average price at which New Vernon has purchased/acquired shares of Company, if such sale occurs on or prior to the 2<sup>nd</sup> anniversary of the 1<sup>st</sup> Tranche Closing;
    - (ii) A price which shall provide an IRR of Thirty Percent (30%) on the aggregate cost of acquisition of the seller on the shares to be sold, if such sale occurs after the 2<sup>nd</sup> anniversary of the 1<sup>st</sup> Tranche Closing.
  - (b) **Tag Along.** The transfer price in respect of New Vernon's tag along right under Article 61(b)(ii) shall be the Offer Price specified under Article 61(a)(iii).
  - (c) **Buy-back/Transfer.** The transfer price for New Vernon's rights under Article 62(d) shall be the prevailing market price of the shares plus fifteen percent (15%) per annum as penalty cost. The prevailing market price of the shares shall be determined by an independent chartered accountant (the "Valuer") (acting as an expert and not as an arbitrator). The Valuer shall be appointed by mutual agreement between Promoters and New Vernon, and failing such agreement within fifteen (15) days, by the President of the Institute of Chartered Accountants of India. The Valuer shall determine the fair price of the shares being sold on a going concern basis between a willing seller and a willing buyer. Any costs of the Valuer shall be borne by Company. The Valuer shall report to New Vernon and Promoters.
- 65. **Invalid Transfers.** Company shall not register any transfer or other disposition of Securities purported to be made by Promoters or New Vernon in breach of any of the Articles contained hereinabove. The Parties shall cause their nominees on the Board to cast their votes in such a manner as to ensure that Company registers all transfers made in accordance with these Articles.
- 66. **Government Approvals.**
  - (a) Any sale or transfer contemplated under the provisions of these Articles relating to Transfer of Shares shall be subject to any necessary government or regulatory approvals;
  - (b) Any time limit imposed by the provisions of these Articles shall be extended in respect of any period reasonably necessary to obtain any government or regulatory approval, provided that, the Promoters and New Vernon shall use all reasonable endeavors to expedite the obtaining of any such approvals; and

- (c) If New Vernon is unable to take up any Securities to be issued or transferred in accordance with the provisions of these Articles due to any Applicable Laws, New Vernon shall be entitled to nominate any other party acceptable under Applicable Law to purchase such Securities or any part thereof.
67. Deed of Adherence. In every case of Transfer of Securities by Promoters to any person or entity Promoters shall ensure before transferring its Securities that:
- (a) Such purchaser shall be bound by the obligations of Promoters under the Investment Agreement. Until compliance by such purchaser, the obligation of Promoters under the Investment Agreement shall not cease. Any such purchaser or transferee of the Securities shall, ipso facto, by virtue of its being such a purchaser/transferee be automatically bound by the obligations of Promoters under the Investment Agreement.
  - (b) Prior to the acquisition of Securities, the purchaser of Securities shall execute a deed of adherence in a format agreed upon between New Vernon and the Promoters. If the purchaser fails to or refuses to sign the said deed of adherence, then Promoters shall not be entitled to Transfer any Securities to the purchaser and any Transfer not in accordance with this Section shall be null and void.

#### INFORMATION RIGHTS AND REPORTING

68. Discussions with New Vernon. Company shall permit any person designated by New Vernon in writing to discuss the affairs, finances and accounts of Company with Company's officers and other principal executives at such time as may reasonably be requested, and all books, records, accounts, documents and vouchers relating to the business and the affairs of Company shall at such time be open to the inspection of any such person, who may make such copies thereof or extracts there from as such person may deem appropriate.
69. Information of Company. Company shall furnish to New Vernon and/or its assignees/nominees the following information as regards Company:
- (a) Quarterly, semi-annual and unaudited annual financial statements shall be furnished to New Vernon within thirty (30) days of the end of each quarter, half-year and annual period.
  - (b) Audited annual financial statements shall be furnished to New Vernon within ninety (90) days of the end of each financial year of Company.

The financial statements under Articles 69(a) and (b). shall be accompanied by a report from the Managing Director of Company and the discussion of key issues and variances of the budget with a comparative statement of the previous period.

- (c) MIS information/reports (in standard/agreed format) within fifteen (15) days of the end of each month shall be sent to New Vernon.
- (d) New Vernon shall have the right to attend monthly review meetings and/or major strategy meetings of the Board and all committees of Company.
- (e) A fortnightly report on utilization of funds invested by New Vernon.
- (f) A statutory, corporate and secretarial compliance report shall be furnished by Company to New Vernon within thirty (30) days of the end of each calendar quarter;
- (g) All other information reasonably requested by New Vernon or by any New Vernon Directors from time to time.

70. Annual Operating Budget & Business Plan.

- (a) Preparation of Annual Operating Budget & Business Plan. The business of Company will be conducted in accordance with an annual operating budget and business plan. Each annual operating budget and business plan shall be prepared under the direction and supervision of the Managing Director of Company and shall be updated at least Sixty (60) days prior to the beginning of each financial year of Company. The initial annual operating budget and business plan of Company shall be prepared and finalized by Company with Promoters and New Vernon within sixty (60) days after the date of execution of the Investment Agreement.
- (b) Approval of Annual Operating Budget & Business Plan. The annual operating budget and business plan shall be approved by the Board of Company. The annual operating budget and business plan may be amended only by a resolution of the Board of Company.
- (c) Other budgets. Prior approval of the Board shall also be required for the following budgets which shall be prepared by Company:
  - (i) Estimated sources and applications of funds;
  - (ii) Estimated profit and loss account;
  - (iii) Estimated balance sheet; and
  - (iv) Detailed assumptions underlining the forecasts for the above.
- (d) Variances to annual operating budget & business plan. Any proposed variance to the annual operating budget, business plan or estimations stated above along

with reasons for such variance shall be brought to the immediate attention of the Board and shall not be implemented without the prior written consent of New Vernon.

71. Financial and Accounting.

- (a) Financial and accounting records. Company shall maintain true and accurate financial and accounting records of all operations in accordance with Indian GAAP, and in accordance with all relevant Indian statutory and accounting standards and the policies from time to time adopted by the Board. The financial statements and accounts of Company shall be prepared in English and shall be audited on an annual basis.
- (b) Statutory Auditors. For financial year 2005-06 onwards, Company shall appoint an internationally reputed chartered accountancy firm acceptable to New Vernon as its statutory auditors.

72. Indebtedness to Promoters.

- (a) In the event that there is any Indebtedness outstanding by Company to Promoters (or their Affiliates) as of the 1<sup>st</sup> Tranche Closing or at any time thereafter during the subsistence of the Investment Agreement, Company shall and Promoters shall ensure that Company shall: (a) not pay any interest on such loans without the prior consent in writing of New Vernon, and (b) not issue Securities in respect of such loans without the prior consent in writing of New Vernon.
- (b) The obligation of Company to repay any such loans outstanding to Promoters as of the 1<sup>st</sup> Tranche Closing or at any time thereafter during the subsistence of the Investment Agreement shall be subordinate to Company's obligation to repay to New Vernon the amounts invested in Company in the event of insolvency, bankruptcy or liquidation of Company for any reason whatsoever.

73. Dividend Policy. Subject to Applicable Law, for and after the Financial Year ending as on 31<sup>st</sup> March 2007, Company shall declare at least Forty Percent (40%) of its profits after tax as dividend.

74. Transaction with Promoters.



- (a) From the date of the Investment Agreement, Company shall seek prior permission from the Board for all its transactions with Promoters or their Affiliates. All such contracts with Promoters and their Affiliates whether cash or barter shall be entered only on arms length basis. However, no consent shall be required for transactions up to INR 10 million per financial year (on cumulative basis).
  - (b) From the date of the Investment Agreement, the personal accounts (including bank accounts, guarantees, etc.) of the Promoters and that of the Company shall be clearly delineated and shall not be used interchangeably.
75. Inspection & Audit Rights of New Vernon. Company shall, on receiving a request from New Vernon and at Company's expense provide as soon as practicable to New Vernon copies of any documents, secretarial, accounting or other records which are maintained by Company as may be required by New Vernon. New Vernon shall have full and complete access to the premises, records, accounts, documents of Company and its subsidiaries with rights, by itself or through its authorised representatives, to inspect and audit such accounts, records and documents.

#### **PROMOTER AND COMPANY COVENANTS**

76. Non-Competition.

Except as expressly consented to by New Vernon in writing, the Promoters and the Senior Management shall not at any time after the date of the Investment Agreement,

- (a) directly or indirectly (by itself or through its Affiliates, group entities, relatives or associates) engage in or receive any financial benefit from any Covered Activity, whether as an employer, proprietor, partner shareholder, investor, director, officer, employee consultant or agent or otherwise. Security services business shall be carried on solely by Company and not by Best Security Services Private Limited on and after the 1<sup>st</sup> Tranche Closing.
- (b) Except as expressly consented to by New Vernon in writing Promoters and the Senior Management shall not at any time after the date of the Investment Agreement, directly or indirectly (by itself or through its Affiliates, group entities, relatives or associates) engage in any of the following activities:
  - (i) The use or disclosure of any client database of Company or other know-how or other information pertaining to the customer or suppliers of Company;
  - (ii) The solicitation of any customers or suppliers of Company to terminate or otherwise adversely modify their relationship with Company; or

- (iii) The solicitation, engagement or retention in any capacity of any employee of Company or any director, officer or executive of Company.
  - (c) In case of a Strategic Sale, each of Promoters and Senior Management, shall not for a period of three (3) year thereafter, directly or indirectly (by itself or through its Affiliates, group entities, relatives or associates) engage in or receive any financial benefit from any Covered Activity, whether as an employer, proprietor, partner shareholder, investor, director, officer, employee consultant or agent or otherwise.
77. Insurance Policy.
- (a) Company shall adequately insure its properties against accidents, thefts, acts of God and service liability.
  - (b) Company shall and Promoters shall ensure that Company shall obtain an adequate insurance policy covering life insurance, accident insurance, workman's compensation and employee medical insurance as may be required statutorily for all its employees. In and also in relation to all other acts, omissions and activities of its employees, the Company shall wherever it is considered feasible and prudent obtain adequate insurance cover.
  - (c) Company shall procure an acceptable key man insurance policy for its Managing Director.
  - (d) The Company shall ensure that within Thirty (30) days after the 1<sup>st</sup> Tranche Closing and at all times thereafter, its aggregate gratuity liability is fully funded through an LIC or other policy acceptable to New Vernon.
78. Pledging of New Vernon Shares. New Vernon shall not be required to pledge their shares or provide other support to any third party, including without limitation lenders of Company.
79. Guarantees. No Guarantee shall be requested from New Vernon or its representative directors on the Board of Company for any loans, financial facilities or otherwise obtained by Company.
80. Compliance with Employment Laws. Company shall comply with all employment laws applicable to it and its employees and workmen, including but not limited to Contract Labour Regulation Act, Payment of Gratuity Act, Industrial Disputes Act, Shops & Establishments Act, Payment of Bonus Act, Minimum Wages Act, Workman's Compensation Act, Employees Provident Fund Act, Industrial Standing Orders Act, etc.

81. Transfer of Licenses. The Company shall complete transfer of all Licenses standing in the name of its erstwhile partnership firm in favour of the Company within six (6) months after the 1<sup>st</sup> Tranche Closing.

#### **MODES OF EXIT**

82. Company shall and Promoters shall ensure that Company shall work towards creating liquidity for New Vernon's holding in the following manner:

(a) Initial Public Offering.

Company shall complete an Initial Public Offering within a time-frame and at an issue price mutually agreed between New Vernon, Promoters and Company. A mutually acceptable reputed merchant banker shall be appointed for conducting the Initial Public Offering.

- (b) On Company conducting an Initial Public Offering, New Vernon shall have the right and option, exercisable in its discretion, to sell all or any of its Securities of Company under such Initial Public Offering at a price acceptable to New Vernon which shall under no circumstances be lower than the highest price indicated by at least three (3) merchant bankers acceptable to New Vernon.

83. Consequences of failure to complete IPO.

- (a) 48 months. In the event that Company is unable to complete an Initial Public Offering within Forty Eight (48) months after the 1<sup>st</sup> Tranche Closing, then New Vernon shall have the right exercisable at any time thereafter to conduct or require Company to conduct an initial public offer of Company at any time as advised by independent merchant banker through an offer for sale of New Vernon's shares and/or fresh issue of shares by Company and/or transfer of shares of Promoters. Company and Promoters shall provide as many shares as may be required in addition to New Vernon's shares proposed to be sold under such initial public offering, to fulfill the mandatory minimum offer size requirement for achieving the initial public offering and listing and lock-in provisions.

- (b) 60 months.

- (i) In case Company has not completed an Initial Public Offering and New Vernon is not given the exit as contemplated under Article 83(a) above within Sixty (60) months after the 1<sup>st</sup> Tranche Closing, New Vernon shall have the right to require Company to buy-back all of the shares held by New Vernon in Company.
- (ii) The rights of New Vernon under this Article 83(b)(i) shall be exercised by a written notice ("Transfer Notice") from New Vernon exercising such right to Promoters and Company.
- (iii) On exercise of New Vernon's right under this Article 83(b)(i) above, Company shall implement the buy-back of shares within thirty (30) days of receipt of the Transfer Notice and deliver entire buy-back price to New Vernon (or its designee) against delivery of the shares.
- (iv) Upon the failure of Company to comply with the provisions of this Article 83(b)(i) above, Company shall be deemed to have irrevocably appointed New Vernon as its attorney to deal with the matter. Company shall abide by the directions of New Vernon and shall procure all necessary things and execute all necessary forms, documents and agreements to implement such directions.
- (v) The buy-back of shares under this Article 83(b) shall be implemented in accordance with Applicable Laws. Promoters shall facilitate and ensure the buy-back of shares in accordance with this Article 83(b) and shall not participate in the buy-back scheme in relation to shares of Promoters in Company.
- (vi) The transfer price in respect of New Vernon's right under this Article 83(b) shall be such price as may be agreed between Company and New Vernon but not less than a price that provides to New Vernon an IRR of fifteen percent (15%) on its aggregate investment in Company.
- (vii) General. Promoters and Company shall do and execute all such acts and deeds as may be necessary to facilitate the exercise of New Vernon's rights under Article 83. All costs relating to exercise of New Vernon's rights under Article 83 above shall be borne and paid by Company.

#### **CAPITALISATION OF RESERVES**

84. The Company in General Meeting may, upon recommendations of the Board, resolve

- (a) (i) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the

credit of the profit and loss account or otherwise available for distribution and

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

- (b) The sum aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in sub-clause (c) either in or towards:-

- (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
- (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to amongst such members in the proportions aforesaid; or
- (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).

- (c) A share premium account and a capital redemption reserve account may, for the purpose 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.

- (d) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

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

- (i) Make all appropriations and applications of the of the undivided profits resolved to be capitalised thereby and all allotments and issue of fully paid shares, if any, and
- (ii) authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively credited as fully paid up of any further shares to which they may be titled upon such capitalization or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.

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

#### **SEAL**

- 86 The Company shall have a Common Seal and the Board shall provide for the safe custody thereof. The Seal shall not be applied to any instrument except by the authority of a resolution of the Board and in the presence of one Director or such other person aforesaid, shall sign every instrument to which the seal of the Company is so affixed in his presence.

#### **WINDING UP**

- 87. If the Company shall be wound up and the assets available for distribution among the members are such as shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding-up on the shares held by them respectively. And if in a winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up paid-up or which ought to have been paid-up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.
- 88. If the Company shall be wound up, whether voluntarily or otherwise the liquidators may with the sanction of a special resolution divide among the contributors, in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trust for the benefit of the contributories, or any of them, as the liquidators, with the like sanction shall think fit.

#### **INDEMNITY AND RESPONSIBILITY**

- 89. (a) Subject to the provisions of Section 201 of the Act every Director, manager or officer of the Company shall be indemnified by the Company against all costs, losses and expenses which any such person may incur or become liable to by reason of any contract entered into or act or deed done by him as such director, manager, or officer or in anyway in the discharge of his duties, including traveling allowances, and the amount for which such indemnity is provided shall be immediately attached as a lien on the property of the Company and have priority as between the members over other claims.
- (b) Without prejudice to the generality of the foregoing it is hereby expressly declared that any filing fee payable on any documents required to be filed with

the Registrar of Companies or any other payment to be made to the Registrar of Companies in respect of any act done or required to be done by any Director or other officer, by reason of his holding the said office, shall be paid and borne by the Company.

90. No Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other director or officer, or for joining in any receipt or other act for conformity, or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the directors or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, Company or corporation with whom any moneys, securities, or effects may be entrusted or deposits, or for any loss occasioned by any error or judgment or oversight on his part, or for any other loss damage or misfortune whatever which shall happen in the execution of the duty of his office or in relation thereto, unless the same happens through his own dishonesty.

#### **SECRECY CLAUSE**

91. (a) Subject to the provisions of the Act, no member shall be entitled to inspect the Company's books without the permission of the Directors, or to require discovery of or any Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process, which may relate to the conduct of the business of the Company which in the opinion of the members of the Company to the communicated to the public.
- (b) Every Director, Manager, Officer, Servant, Agent, Accountant, or any other person employed in the business of the Company, shall if so required by the Directors before entering upon his duties or at any time during his term of Office, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of Accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required to do so by the Board or by a Court of law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions contained in these Articles and by the provisions of the Act.

#### **ARBITRATION**

92. Any dispute, controversy or claim arising out of, relating to or in connection with these Articles (a "Dispute") shall be finally settled by arbitration. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996. The arbitration shall be held at Mumbai and shall be conducted by three (3) arbitrators.

For purpose of appointing such arbitrators, New Vernon, on the one hand, and Promoters, on the other hand, shall each appoint one arbitrator, and the third arbitrator, who shall be the chairperson, shall be selected by the two appointed arbitrators. In the event that either of New Vernon or Promoters fails to appoint an arbitrator within fifteen (15) days after receipt of written notice of the other party's intention to refer a Dispute to arbitration, or in the event of the two appointed arbitrators failing to identify the third arbitrator within fifteen (15) days after the two appointed arbitrators are selected such arbitrator shall be appointed by a Court of competent jurisdiction on an application initiated by either Promoters or New Vernon. An arbitral tribunal thus constituted is herein referred to as a "Tribunal". In the event an appointed arbitrator may not continue to act as an arbitrator of a Tribunal, then the party (or the two appointed arbitrators, in the case of the third arbitrator) that appointed such arbitrator shall have the right to appoint a replacement arbitrator in accordance with the provisions of this Article 92.

93. All submissions and awards in relation to arbitration under these Articles shall be made in English and all arbitration proceedings and all pleadings shall be in English. Original documents in English or any other language may be submitted as evidence in their original language. Witnesses not fluent in English may give evidence in their native tongue (with appropriate translation). Original documents in a language other than English shall be submitted as evidence in English translation accompanied by the original or true copy thereof.
94. Each party to arbitration hereunder shall pay its own legal fees and expenses incurred in connection with the arbitration and the expenses of any witness produced by it. The cost of any stenographic record and all transcripts thereof shall be prorated equally among all parties ordering copies and shall be paid by such parties directly to the reporting agency. All other expenses of the arbitrators and the expenses of any witness or the cost of any proof produced at the request of the arbitrator shall be borne as determined by the Tribunal.
95. Any award in connection with any arbitration proceeding hereunder shall be final, binding and not subject to appeal, and any judgment upon such award may be entered and enforced in any court of competent jurisdiction.

#### **TERMINATION**

96. In the event of termination of the Investment Agreement by reason of New Vernon's shareholding in the Company falling below 5% of the paid-up equity share capital of the Company or for any reason whatsoever, the Members of the Company (including New Vernon) shall be obligated to take all necessary action and to vote on their shares of Company to amend these Articles and exclude from these Articles all such provisions as have been included herein exclusively for the purpose of reflecting the provisions of the Investment Agreement.



## DEMATERIALISATION OF SECURITIES

97. (i) Dematerialisation of securities:

Notwithstanding anything contained in these Articles, the company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996.

(ii) Options for Investors:

Every person subscribing to securities offered by the company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of the securities in respect of his holding.

(iii) Securities in depositories to be in fungible form.

All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sec.153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of securities held by it on behalf of the beneficial owners.

(iv) Rights of depositories and beneficial owners:

- (a) Notwithstanding anything contained in these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (c) The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository.

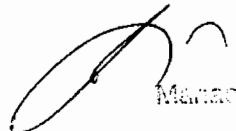
(v) Transfer of Securities:

Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor both of whom are entered as beneficial owners in the records of a depository.

(vi) Allotment of securities dealt within a depository:

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the company shall intimate the details thereof to the depository immediately on allotment of such securities.

For UPDATER SERVICES (P) LTD.

  
Managing Director

(vii) Register and Index of Beneficial Owners:

The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of the Members and security holders for the purpose of these Articles and the provision relating to distinctive numbering shall not apply to the shares of the company which have been dematerialised.

*(Amended vide special resolution passed at the EGM held on December 10, 2007)*

S/No.	Signature, Name, Father/ Husband name, Address description, occupation and PAN No. (If any) of each of the subscribers	Signature, Name, Father/ Husband name Address & of Witness
1.	Sd/- Mr. T. RAGHUNANDANA S/o. Late T.V.S. SHARMA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AADPT0426C	Sd/-  M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2 <sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.NO.5081
2.	Sd/- Ms. T. SHANTHI W/o. T.RAGHUNANDANA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AAVPS5245C	
3	Sd/- Mr.T. KESAVAN S/o. P. THATHAPPAN No. F-4, Jumbo vinayak, 21, Leelavathi Ammal Street, Madippakkam Chennai-600 091 Service PAN: AIHPK5560E	
4.	Sd/-	

For UPDATER SECRETARY

  
Managing Director

	<p>Mr.D.W.LYONS S/o. Late V.T.LYONS No.63, Foxen Street, Perambur Chennai-600 011 Service PAN: APPLIED FOR</p>	
5	<p>Sd/-</p> <p>Mr.JOSEPH FULBERT EDWARD S/o Late A. J. EDWARD No.17, 7<sup>th</sup> Street, Thiruvalluvar Nagar Errukkencherry Chennai-600 118 Service PAN: ADUPJ5877D</p>	Sd/-
6	<p>Sd/-</p> <p>Mr. C. ROY SURESH KUMAR S/o. Late S.L. COLUMBUS No.33, N.G.O Colony Sriperumbudur-602 105 Service PAN: APPLIED FOR</p>	<p>M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2<sup>nd</sup> Street Mylapore Chennai-600 004</p> <p>Company Secretary C.P.No. 5081</p>
7	<p>Sd/-</p> <p>Mr. S. MARIAPPAN S/o. S. SANKARA NARAYANAN No.146, Pandian Street Alwarthiru Nagar Chennai-600 087 Service PAN: AIRPM 9968L</p>	

**MEMORANDUM OF ASSOCIATION  
OF  
UPDATER SERVICES LIMITED**  
(Under the Companies Act, 1956)  
(A Company Limited by Shares)

**MEMORANDUM OF UPDATER SERVICES LIMITED**  
(A Company under Part IX of the Companies Act)  
(Previously known as "UPDATER SERVICES PRIVATE LIMITED")

1 \*  
2 \*  
3 \*  
4 \*  
5 \*  
6 \*  
7 \*

\*(Deleted vide special resolution passed at the EGM held on 08.06.2009)

I. \*\*\*\*Name of the Company – "Updater Services Limited"


II. The Registered office of the Company is situated at "Tamil Nadu"

III. The objects for which the Company is established are:

I. To carry on the business of rendering of any services including but not limited to Facility Management, Building Maintenance, Project Management, Warehouse Management, Contract Management, Contract Staffing, Contract administration to any person, firm, Company, Trust, Association, Institution, Society, body Corporate, Government/ or Government department, Public or Local authority or any other Organization whatsoever including advisory and/ or consultancy on all matters relating to the administration, management, organization, manufacture, production, storage, maintenance, staffing, administration, marketing, distribution and sale and purchase of goods, property, personnel and accounts, and any other activities of and in relation to any business, Trade, Commerce, Industry, to carry on all any of the business of industrial business, commercial and Personnel Consultants : to advice upon the means, methods and procedure for the Establishment, development, improvement and expansion of any of all types of business, trade, commerce and Industry and all systems, methods, techniques, Processes, principles in relation to the foregoing.

\*\*\*\*The word "PRIVATE" has been deleted vide special resolution passed at the Extra-ordinary general meeting of the Company held on 22.02.2022 for conversion of the Company from Private Limited to Public Limited followed with alteration of name clause of Memorandum of Association of the Company.

For Updater Services Pvt Ltd.

  
S. Raghunandana  
Managing Director

2. To Carry on the business of Caterers and contractors, Food Courts, Fast food centers, Restaurants, tea and coffee shops, cafes, snack bars, tourist agents, event managers, running institutes for training persons in management of hotels, travel services, Cooking and catering services and catering services and to provide all kinds of caterings. \*\*

3.To carry on the business of Trading, distribution, agencies, importing, Exporting and Dealing in all Commodities including articles, Electrical and Electronic Goods, Households items, Computers, Hardware & Software, Consumer Durables of all kinds whether Plastic, Metal or otherwise, Agriculture Products, Pesticides, Consumer Durables & Appliances, Textiles, Cosmetics, Food items, Edible oils of all kinds. -\*\*

4. To Develop, Organize implement and Maintain Software for Computer Application, Internet and Intranet based solutions, Mobile Applications and solutions for usage in corporates, trades, Government and all related organizations. \*\*

5.To carry on the business of Computer Software, providing software solutions, Enterprises Resources Planning, Website/Portal Development, Data Warehousing, BPO, Off-shore Operations, e-Commerce related services, designing, implementation, and Maintaining of Information Technology Services for all industries and software related activities. \*\*

6. To carry on business of buying and selling of Computer, Mobile and Telecom hardware and software \*\*

\*\*\*7. To carry on business of providing security services of all kinds and description for the protection of personnel, property and generally army asset or rights in India or Abroad.

\*\*\*8. To deal in all types of personal, residential, commercial and industrial Security Services, to provide bodyguards, security guard and security system installation and monitoring as well as background screening.

\*9. To carry on business of a detective and investigation bureau in civil, criminal, commercial, financial, social, matrimonial and any other matter.

\*10. To carry on business as advisers and consultants on all matters relating to security and protection of personnel, property and rights of all kinds of description.

(B) OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS ARE:-

1. To employ experts to investigate and examine into the conditions, prospects, value, character and circumstances of any business concerns and undertakings and generally of any assets property or rights.

2. To constitute any trusts with a view to the issue of preferred or any other special stocks, shares or securities based on or representing any shares, stocks or other assets specifically appropriated for the purposes of any such trust and to settle regulate and if thought fit, to undertake and execute any such trusts and to issue, dispose of, or hold any such preferred deferred, or other special stocks or securities.

3. To undertake or participate in the formation, management, supervision or control of the business operations of any firm or person. However, the company shall not act as Managers, Managing Agents, Secretaries or Treasurers of any other company.

\*\* Inserted vide special resolution passed at the EGM held on 08.06.2009

\*\*\*"Inserted vide special resolution passed at the EGM held on 17.06.2015

For Updater Services Pvt Ltd.

T. Bhagchandana  
Managing Director

4. To transact or carry on all kinds of agency business, and in particular in relation to the investment of money, the, sale of property and the collection and receipt of money.
5. To sell, and transfer any shares stocks, debentures, debenture stocks, bonds, obligations and securities.
6. To purchase, take on lease or tenancy or in exchange, hire, take options over or otherwise acquire any estate or interest whatsoever and to hold, develop, work, cultivate, deal with and turn to account concessions, grants, decrees, licenses, privileges, claims, options, leases, property, real or personal or rights any business of the any kind which may appear to be necessary or convenient for any business of the company.
7. To sell, exchange, mortgage, let on lease, royalty or tribute, grant licenses, easements, options and other rights over and in any other manner deal with or dispose of the undertaking, property, assets rights and effects of the company or any part thereof for such consideration as may be thought fit and in particular for stocks, to pay for any property, rights, services or benefits acquired by the company either in cash or by the allotment of fully or partly paid up shares of the company with or without preferential rights in respect of dividend or repayment of capital or otherwise, or by any securities which the company has power to issue, or partly in one mode and partly in another on such terms & conditions as the company may determine from time to time.
8. To lend money, either with or without security, and generally to such persons and upon such terms & conditions as the company may think fit
9. To undertake financial and commercial obligations, transactions and operations of all kinds in relation to the company
10. To invest and deal with the moneys of the company not immediately required in any manner.
11. To guarantee the performance of the obligations of and the payment of dividends and interest any stock, shares or securities of any company, corporation, firm or person
12. To enter into partnership or into any arrangements for sharing profits union of interest, cooperation, joint venture, reciprocal concession or otherwise with any person, firm or company carrying on, engaged in or about to carry on or engage in any business or transaction with this company which is authorised to carry on or and to lend money to guarantee the contracts of or otherwise acquire and hold shares or securities of any such person, firm or company, and to sell, hold, reissue with or without guarantee or otherwise deal with the same. The company will not however do banking business as specified in the Banking Regulation Act, 1949.

- 13, To form, incorporate or promote any company or companies whether Indian or Foreign, having amongst its or their objects, the acquisition of all or any of the assets or control, management or development of the company or any other objects or object which in the opinion of the company could or might directly or indirectly assist the company in the management of its business or the development of its properties or otherwise prove advantageous to the company and to pay all costs or any of the costs and expenses incurred in connection with any such promotion or incorporation and to remunerate any person or company in any manner it shall think fit for services rendered or to be rendered in obtaining subscriptions for or for guaranteeing the subscription of or the placing of any shares in the capital of the company or any bonds, debentures, obligations or securities of the company or any stocks, shares, bonds, debentures, obligations or securities of any other company held or owned by the company or in which the company may have an interest in or about the formation or promotion of the company or the conduct of its business in or about the promotion or formation of any other company, in which the company may have an interest,
14. To be interested in, promote and undertake the formation and establishment of such institutions, businesses, industrial, trading or manufacturing as may be considered to be conducive to the profit and interest of the company and to acquire, promote and or subsidies interest in any industry or undertaking
15. To apply for, purchase or otherwise acquire any patents, patent rights, copyrights, trade marks, formulae, licenses, concessions and the like or any secret or other information, the acquisition of which may seem calculated directly to benefit the company.
16. Subject to the Provision of the Act, to amalgamate with any company or companies having objects altogether or in part similar to those of this company.
17. To promote, and form, and to be interested in and take, to apply for acquire, hold and dispose of shares in any other company having objects altogether or in part similar to those of this company or carrying on any business capable of being conducted so as directly or indirectly to benefit the company and to subsidies or assist any such company financially or otherwise by issuing or subscribing for or guaranteeing the subscription and issue of shares, stock, debentures, debenture stocks or other securities of such company.
18. To pay all the costs, charges and expenses of and incidental to the promotion and formation, registration and establishment of this or any other company and the issue of its capital including any underwriting or other commissions, broker's fees and charges in connection therewith.
19. To donate or gift in cash or kind for any national, charitable, benevolent, public or useful purposes or to any institution, club, society, research association, fund. university, college or any other person or body other than for political purpose, subject to the provisions of Companies Act, 1956.

20. To undertake and execute any trusts the undertaking whereof may seem desirable, either gratuitously or otherwise
21. To draw, make, issue, accept and to endorse, discount and negotiate promissory notes, hundies, bills of exchange, bills of lading, delivery orders, warrants, warehouse keeper's certificates, and other negotiable or commercial or mercantile instruments connected with the business of the company.
22. To lend, or deposit moneys belonging to or entrusted to or at the disposal of the company to such person or company and in particular to customers and others having dealings with the company with or without security, upon such terms as may be thought proper and to guarantee the performance of.
23. To borrow or raise money with or without security or to receive within the permissible limits money on deposit at interest, not falling under the provisions of the Banking Regulation Act, 1949 or otherwise in such manner as the company may think, fit and in particular, by the issue of debenture or debenture stock perpetual or otherwise including debentures or stock convertible into shares of this or any other company and in security of any such money so borrowed, raised or received to mortgage, pledge, or charge the whole or any part of the property, assets or revenue of the company, present or future, including its uncalled capital and to purchase, redeem or pay or any such securities, subject to 58A of the Companies Act 1956 and the Rules framed there under.
- 24 To sell and in any other manner deal with or dispose of the undertaking or property of the company, or any part thereof, for such consideration as the company may think fit and in particular shares, debentures and other securities of any other company having objects altogether or in part similar to those of this company and to promote any other company or companies of for the purpose of its or their acquiring all or any of the property, rights or liabilities of this company
25. To distribute amongst the members of the company in specie or in kind any property of the company, or any proceeds Of sale or disposal of any property of the company in the event of the winding up of the company.
26. To do all or any of the above things in any part of the world, and as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents or otherwise, and by or through trustees, agents or otherwise and either alone or in connection with others, subject to Law of the Land.
27. To run or manage any business property which the company may acquire, control and repossess in connection with the main objects of the company
28. To take over, invest, in, amalgamate with, purchase or acquire by any other means any existing business in finance, investment and hire-purchase.



(C) THE OTHER OBJECTS NOT INCLUDED IN A AND B ARE

---

1. To carry on all kinds of agency business, and to take part in the management, supervision or control of the business of any other company associations, firm or person and in connection therewith to appoint and remunerate any directors, accountants' experts or agents without acting as Managers, Managing Agents, Secretaries or Treasurers of any other company,
2. To act as advisors and / or consultants on all matters and problems relating to urban and town planning, landscape, architecture, structural engineering, electrical engineering, interior designing and graphics.
3. To let out on hire all or any of the property of the company whether immovable or movable
4. To acquire and develop farmlands and sell, on time share basis or hire purchase basis and to provide facilities like health club, country club etc,
5. To act as agents or brokers and as trustees for any person, firm or company and to undertake and perform sub contracts and also to act in any of the business of the company through or by means of agent brokers, sub-contractors or others.
6. To carry on the business of import export distribution of all kinds of machinery and vehicles and to act as agents, stockiest, distributors for firms and companies in India and abroad,
7. To buy, sell, refine, manipulate, import export and deal wholesale and retail in computers, scientific apparatus, articles and things of all kinds, capable of being used which can be conveniently dealt in by the Company in connection with any of its objects.
8. To carry on the business of processors, importers and exporters, of gums, gum powder, gelatin products, binders' resins, perfumes, paints, pigments, varnishes, detergents, insecticides, pesticides, fertilizers, pharmaceuticals and bulk drugs.
9. To carry on business of farm, poultry, farms, garden and fruit produce of all kinds and in particular milk, butter, cheese, poultry, fruit and vegetable and to carry on business as cow, buffaloes and cattle keepers, farmers, millers, grains, kirana and general merchants like that of milk, jam, pickles, cider preserved provisions of all kinds.
10. To carry on the business of dealers of fats, fertilizers, dips, sprays, vermifuges, fungicides medicines and remedies of all kinds of agricultural, forest, fruit growing or other purpose of or remedies for man or animals and whether produced from vegetables or animals matter or by any chemical process.

11. To commence business in rendering engineering services, engineering goods or acquiring existing units
12. To establish or acquire units engaged in trade of all packing materials and containers.
13. To acquire by purchase or otherwise and to carry on the business of estate owners, cultivators, planters, growers, seller and dealers in tea, coffee, cardamon, pepper, spices, rubber and gutta-percha and gums of every description, com, cocoa, rice, oils and oil palms, copra, coconuts, sugar, tobacco, fruit, plantations, cinchona, grains, paddy, cereals, cotton, silk, and other artificial manure, vegetables, agricultural, sericulture, horticultural and natural products of any kind and to manufacture, dispose off, buy sell, and deal in the said products.
14. To carry on the business of establishing and developing poultry farms and also to act as dealers and distributors in all kinds of poultry feedings and medicines.
15. To undertake transport contract work in all its kinds.
16. To hold and trade in properties like land, building, plant and mac finery, furniture, office equipment, shares, stocks; debentures, gold silver and other metallic property, lease hold rights, free hold rights and mining rights.
17. To carry on business as factoring agents,
18. To establish and run educational institutions.
19. To carry on business as consultants in computers (including hardware, software & Accessories), computer oriented, systems, automatic test systems, and all branches of Computer science civil, electrical, electronic, mechanical, chemical, optical, Metallurgical and all other branches of engineering and to export technical know-how, and services related to the above. @@
20. To develop, design program, conduct feasibility studies and to act as advisers, consultants, retainers in all capacity and all matters and problems relating to management, marketing, manufacturing and processing system, personnel operational procedures and techniques to carry on the business of man power consultants and to provide trained man power. @@
21. To provide the computing facility to implement computerized applications to users and to develop software for export and undertake. Turnkey systems and software consultancy projects for exports and to carry on the business of buyers, sellers and to develop and deal in all configurations of computers, communication and information technology equipment's in all its branches including hardware, software, tools, accessories, peripherals and all other related products in India and abroad. @@

@@ (Inserted vide special resolution passed at the EGM held on 08.06.2009)

IV. Liability of the Members of the Company is Limited

- V. The Authorized Share Capital of the Company is Rs. 53,00,00,000/- (Rupees Fifty Three Crores only) divided into 5,30,00,000 (Five Crores and Thirty Lakhs only) Equity Shares of Rs.10/- (Rupees Ten only) each with power to increase or reduce the Capital of the Company and so divide the Shares in the Capital for the time being into several classes and attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as may be determined by the company in accordance with the regulations of the company and to vary, modify or abrogate any such rights, privileges, conditions or restrictions, in such manner and by such persons as may, for the time being, be permitted under the regulations of the company or legislative provisions for the time being in force in that behalf. \$

\$(Inserted vide Ordinary resolution passed at the EGM held on 14.03.2017)

VI. \*\*\*

VII. \*\*\*

VIII. \*\*\*

IX. \*\*\*

\*\*\*(Deleted vide special resolution passed at the EGM held on 08.06.2009)

#VI We, the several persons whose name are subscribed are desirous of being formed into a Company in accordance with this Memorandum of Association and we respectively agree to take the numbers of shares in the capital of the Company set opposite to our respective names :

\*(Renumbered vide special resolution passed at the EGM held on 08.06.2009)

S. No.	Signature, Name, Father/ Husband name, Address description, occupation and PAN No. (If any) of each of the subscribers	No. of equity shares taken by each subscriber	Signature, Name, Father/ Husband name Address & of Witness
1	Mr. T. RAGHUNANDANA S/o. Late T.V.S. SHARMA, No.42, Luz Avenue, Mylapore, Chennai-600 004 PAN: AADPT0426C	50,000 (Fifty thousand only)	Sd/-  M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2nd Street Mylapore Chennai-600 004
2	Ms. T. SHANTHI W/o. T. RAGHUNANDANA No.42, Luz Avenue, Mylapore, Chennai-600 004 PAN: AAVPSS245C	49,995 (Forty-nine thousand nine hundred and ninety-five)	
3	Mr.T. KESAVAN S/o. P. THATHAPPAN No. F-4, Jumbo Vinayak, 21, Leelavathi Ammal Street, Madippakkam Chennai-600 091 PAN: AIHPK5560E	1 (One only)	
4	Mr. D.W. LYONS S/o. Late V.T. LYONS No.63, Foxen Street, Perambur Chennai-600 011	1 (One only)	
5	Mr.JOSEPH FULBERT EDWARD S/o Late A. J. EDWARD No.17, 7th Street, Thiruvalluvar Nagar Errukkencherry, Chennai-600 118 PAN: ADUPJ5877D	1 (One only)	Company Secretary C.P.No. 5081
6	Mr. C. ROY SURESH KUMAR S/o. Late S.L. COLUMBUS No.33, N.G.O Colony, Sriperumbudur-602 105	1 (One only)	
7	Mr. S. MARIAPPAN S/o. S. SANKARA NARAYANAN No.146, Pandian Street, Alwarthiru Nagar Chennai-600 087 PAN: ATRPM 9968L	1 (One only)	
Total 1,00,000 (One lakh shares only)			

Place: Chennai  
Date: 06.11.2003

For Updater Services Pvt Ltd.

  
T. Raghunandana  
Managing Director

**THE COMPANIES ACT, 2013  
(OR ANY REENACTMENT THEREOF)  
COMPANY LIMITED BY SHARES**

**AMENDED AND RESTATED ARTICLES OF ASSOCIATION**

**OF**

**\*\*\*UPDATER SERVICES LIMITED**  
(Previously known as Updater Services Private Limited)

---

The Articles consist of two parts, Part 'A' and Part 'B'. The provisions of Part 'A' 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 special provisions of Part 'B'. As long as Part 'B' remains a part of the Articles, in the event of any conflict or inconsistency, the provisions of Part 'B' shall prevail over the provisions of Part 'A'.

---

**PART - A**

**PRELIMINARY**


The regulations contained in Table "F" in Schedule I to the Companies Act, 2013, so far as the same, may be applicable to a Private Company as defined in the Act, shall except, otherwise and to extent provided in these Articles, apply to this Company, in the same manner as if all such regulations of Table F are specifically contained in these Articles.

**INTERPRETATION**

1. In these regulations:
  - (a) "The Act" means the Companies Act, 2013
  - (b) "The Company" or "this Company" means UPDATER SERVICES LIMITED

(\*\*\* The word "PRIVATE" has been deleted vide special resolution passed at the Extraordinary general meeting of the Company held on 22.02.2022 for conversion of the Company from Private Limited to Public Limited)

For Updater Services Pvt Ltd.

  
J. Saphunandana  
Managing Director

- (c) "Directors" means the Directors for the time being of the Company or as the case may be Directors assembled at a Board.
  - (d) "Board of Directors Meeting" or "Board Meeting" means a meeting of the Directors duly called and constituted or as the case may be, Directors assembled at a Board.
  - (e) "Person" includes Corporation.
  - (f) "The Office" means the registered office for the time being of the company.
  - (g) "Month" shall mean calendar month.
  - (h) "Proxy" includes attorney duly constituted under a Power of Attorney
  - (i) "The seal" means the Common Seal of the Company.
  - (j) "Executed" includes any mode of execution.
  - (k) "holder" in relation to shares means the member whose name is entered in the register of members as the holder of the shares.
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.


3. \*\*\*

### SHARE CAPITAL AND VARIATION OF RIGHTS

4. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
5. (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,—

(\*\*\*3 The Restrictions related to Private Company has been deleted vide special resolution passed at the Extra-ordinary general meeting of the Company held on 22.02.2022 for conversion of the Company from Private Limited to Public Limited)

For Updator Services Pvt Ltd.

  
 T. Raghunandana  
 Managing Director

- (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 be under the seal and 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.
- 6. (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.
- 7. Except as required by law, no person shall be recognized 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 recognize (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.
- 8. (i) The company may exercise the powers of paying commissions conferred by subsection(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 rules made there under.
- (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.
- 9. (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 to 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.

10. 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 shares ranking paripassu therewith.
11. 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.

### **TRANSFER OF SHARES**

12. (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.
13. The Board may, subject to the right of appeal conferred by section 58 declines 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.
14. The Board may decline to recognize any instrument of transfer unless-
  - (a) the instrument of transfer is in the form as prescribed in rules made under subsection(1) of section 56;
  - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) the instrument of transfer is in respect of only one class of shares.
15. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, 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

16. (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 sole holder, 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.
17. (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.  
(ii) 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.
18. (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.
19. 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 been complied with.

## **ALTERATION OF CAPITAL**

20. 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 there solution.
21. 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.
22. 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.
23. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law, -
  - (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.

## **BUYBACK OF SHARES**

24. 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**

25. All general meetings other than annual general meeting shall be called extra-ordinary general meeting.
26. (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**

27. (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.
28. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
29. 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.
30. 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**

31. (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.

## **BOARD OF DIRECTORS**

32. The first directors of the Company shall be the following  
**Mr. T. RAGHUNANDANA**  
**Mrs. T. SHANTHI**
33. (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.
34. The Board may pay all expenses incurred in getting up and registering the company.
35. 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.
36. 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.
37. 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.
38. (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.

#### **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

39. 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.

40. 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.

#### **DEMATERIALISATION OF SECURITIES**

41. (i) Dematerialisation of securities:

Notwithstanding anything contained in these Articles, the company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996.

(ii) Options for Investors:

Every person subscribing to securities offered by the company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of the securities in respect of his holding.

(iii) Securities in depositories to be in fungible form.

All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sec.153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of securities held by it on behalf of the beneficial owners.

(iv) Rights of depositories and beneficial owners:

- (a) Notwithstanding anything contained in these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (c) The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository.

(v) Transfer of Securities:

Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor both of whom are entered as beneficial owners in the records of a depository.

(vi) Allotment of securities dealt within a depository:

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the company shall intimate the details thereof to the depository immediately on allotment of such securities.

(vii) Register and Index of Beneficial Owners:

The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of the Members and security holders for the purpose of these Articles and the provision relating to distinctive numbering shall not apply to the shares of the company which have been dematerialised.

## **THE SEAL**

42. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

## **Dividends and Reserve**

43. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
44. 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.
45. (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.
46. (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.
47. 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.

48. (i) Any dividend, interest or other monies payable in cash in respect of shares maybe 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.

49. 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.

50. 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.

51. No dividend shall bear interest against the company.

### **ACCOUNTS**

52. (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 authorized by the Board or by the company in general meeting.

### **WINDING UP**

53. Subject to the provisions of Chapter XX of the Act and rules made there under –

(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**

54. 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.

## **CAPITALISATION OF RESERVES**

55. The Company in General Meeting may, upon recommendations of the Board, resolve
- (a) (i) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and
  - (ii) that such sum be accordingly set free for distribution in the manner specified in sub-clause (b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
  - (b) The sum aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in sub-clause (c) either in or towards:-
    - (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
    - (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to amongst such members in the proportions aforesaid; or
    - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
  - (c) A share premium account and a capital redemption reserve account may, for the purpose 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.
  - (d) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
56. (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall

- (i) Make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue of fully paid shares, if any, and
  - (ii) authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively credited as fully paid up of any further shares to which they may be titled upon such capitalization or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.
- (b) Any agreement made under such authority shall be effective and binding on all such members.

**ISSUE OF SECURITIES UNDER EMPLOYEES STOCK OPTION SCHEME  
OR ANY OTHER SCHEME\*\***

**\*\*57.** Subject to the provisions of these Articles and in accordance with the provisions of Section 54 of the Companies Act, 2013 and of various other laws governing the issue, the Board may issue and allot Securities under Employees Stock Option Schemes or any other scheme to Employees including its Directors other than independent directors and such other persons as the rule may allow from time to time.

*\*\*Clause 57 adopted by Special resolution passed by the members of the Company at the Extraordinary general meeting held on 17 April 2019*

**PART – B**

**1. Additional Definition**

- 1.1 “**1956 Act**” means the Companies Act, 1956 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto;
- 1.2 “**2013 Act**” means the Companies Act, 2013 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto and, or, any re-enactment thereof;
- 1.3 “**Accounting Standards**” means the applicable accounting standards in force in India from time to time, consistently applied during the relevant period, including the generally accepted accounting principles and standards, Indian Accounting Standard (Ind AS), and all pronouncements including the guidance notes and other authoritative statements of the Institute of Chartered Accountants of India;
- 1.4 “**Additional Funding Requirement**” means: (i) additional funding requirements as per the Business Plan; and, or, (ii) the Board determining that such additional funding is required from time to time in terms of these Articles, in compliance with Article 6;

- 1.5 “**Additional Securities**” has the meaning assigned to such term in Article 3.2.1;
- 1.6 “**Affiliate(s)**”, with respect to a Person, means (i) in the case of a Person other than a natural person, any other Person that either directly or indirectly through one or more Persons, Controls, is controlled by or is under common Control with such Person and any investment funds managed or advised by such specified Person, and (ii) in relation to a natural person, any Relative of such a natural person and any other Person, either directly or indirectly, controlled by such a natural person. In case of the Investors, the term ‘Affiliate’ shall be deemed to include any pooled investment fund(s) and, or, juristic entity managed by the same manager, managing member, limited partner / investor of pooled investment fund(s) of Investor I and, or, Investor II, general partner or management company or by an entity Controlling, Controlled by, or under common Control with such manager, managing member, general partner or management company, or any other pooled investment fund(s);
- 1.7 “**Affirmative Vote Matters**” has the meaning assigned to it in Article 6.1;
- 1.8 “**Alternate Director**” has the meaning assigned to such term in Article 4.5.1;
- 1.9 “**Applicable Laws**” means relevant and applicable central, state and local laws of India, including all statutes, enactments, acts of legislature, laws, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, administration, directions, directives, decisions, orders, executive orders, decrees, judicial decisions, orders of any Governmental Authority or other similar directives made pursuant to such laws, whether in effect on the date of these Articles or at any time thereafter;
- 1.10 “**Approvals**” means approvals, permissions, consents, validations, confirmations, waivers, permits, notices, filings, grants, concessions, certificates, registrations, exemption orders, licenses and, or, other authorisations required to be obtained from any Person, including Governmental Authorities, under Applicable Laws, contracts or equity;
- 1.11 “**Articles**” or “**Articles of Association**” means the articles of association of the Company, as amended from time to time; It is clarified that on and from the Restated Articles Effective Date, the “Articles” or “Articles of Association” means the Restated Articles;
- 1.12 “**Assets**”, in regard to the Company, means all properties and assets of such the Company, including movable, immovable, tangible or intangible assets belonging to the Company or used or held for use in connection with, necessary for the conduct of, or otherwise material to the business and, or, operations of the Company, including the Intellectual Property Rights;
- 1.13 “**Associate**”, in regard to a Person, means another Person in which such a Person and, or, its Affiliates have Significant Influence and includes partnerships and private trusts where such Person and its Affiliates is a partner, beneficiary and, or, trustee;
- 1.14 “**Best Security Services Limited**” shall mean Best Security Services Limited a private limited company existing under the Act and having its registered office at 42, Luz Avenue, Mylapore, Chennai – 600 004.
- 1.15 “**Board Meeting**” means a meeting of the Board duly convened in accordance with the 2013 Act, and these Articles;
- 1.16 “**Board**” means the board of directors of the Company as constituted from time to time in accordance with the provisions of these Articles and Applicable Laws;

- 1.17 “**Business Day(s)**” means any day other than Saturday, Sunday or any day on which banks in Chennai (India) or Mumbai (India) or Ebene (Mauritius) are closed for regular banking business;
- 1.18 “**Business Plan**” means, in relation to any Financial Year, the annual business plan of the Company as approved by the Board, including the budget for the relevant Financial Year in relation to the sales budget, revenue and operating expenditure, cash flow, capital expenditure and key financial ratios;
- 1.19 “**Business**” means the business of providing facilities management, production support services, staffing services, staffing solutions and other business support services, as carried on by the Company and as supplemented / expanded from time to time;
- 1.20 “**Chairman**” has the meaning assigned to such term in Article 4.6;
- 1.21 “**Committees**” has the meaning assigned to such terms in Article 4.9;
- 1.22 “**Company Representative**” has the meaning assigned to such term in Article 10.2.2(i);
- 1.23 “**Conflicting Business**” has the meaning assigned to such term in Article 10.1.1(i);
- 1.24 “**Control**”, in relation to any Person, means (i) the beneficial ownership, directly or indirectly, of more than 50% (fifty per cent.) of the voting rights or paid-up share capital of such a Person, (ii) the right to nominate a majority of the directors or members on the board of directors or other such governing body of that Person, and, or, (iii) the possession of power to cause direction of the management or policies of such a Person; Correlative terms such as “controlling” and “controlled” shall be construed in accordance with this definition;
- 1.25 “**Deed of Adherence**” means a deed in the form agreed in writing between the Shareholders and the Company;
- 1.26 “**Dilution Instruments**”, in regard to a company, means and includes preference shares, debentures, bonds, warrants, options or other securities or instruments which are convertible into or exercisable or exchangeable for or which carry a right to subscribe to or purchase equity shares or equity capital of such a company or any instrument or certificate or right representing a legal or beneficial ownership interest in equity shares or equity capital of such a company;
- 1.27 “**Dilution Price**” has the meaning assigned to such term in Article 3.3.2;
- 1.28 “**Dilutive Issuance**” has the meaning assigned to such term in Article 3.3.2;
- 1.29 “**Director(s)**” means a director on the Board, as constituted from time to time;
- 1.30 “**Dividend Policy**” means a policy formulated determining the distribution of dividends of the Company to the Shareholders in accordance with Applicable Law which is acceptable to the Investors;
- 1.31 “**Encumbrance(s)**” means all kinds of charges and encumbrances, including mortgage, pledge, lien, hypothecation, title defect, attachment in the decree of any court, court injunction, assignment by way of security, restriction or limitation of any nature whatsoever, including restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, or any other agreement or arrangement which has the effect of conferring security of any kind whatsoever; For the avoidance of doubt, it is clarified that, insofar as any shares

or securities are concerned, the term “encumbrances” includes any voting agreement, interest, option, right of pre-emption or transfer restriction in favour of any Person;

- 1.32 **“Equity Shares”**, means the equity shares of the Company having a face value of INR 10 (Indian Rupees ten) each per share;
- 1.33 **“ESOP”** means the Employee Stock Option Plan;
- 1.34 **“Event of Default”** has the meaning assigned to such term as agreed in writing between the Shareholders and the Company;
- 1.35 **“Exit Trade Sale”** means any transaction apart from an IPO that provides each of the Investors a complete exit from the Company and includes the following: (i) a strategic sale to any Person (including a Person engaged in a Conflicting Business) through either a sale of more than 51% (fifty one per cent.) of the Share Capital of the Company or less than 51% (fifty one per cent.) of the Share Capital of the Company that results in a change in Control; or (ii) a secondary sale of the Investor Shares to any Person;
- 1.36 **“Exit Trigger Event”** has the meaning assigned to such term in Article 8.3.1;
- 1.37 **“FCPA”** has the meaning assigned to such term in Article 10.2.1(iii);
- 1.38 **“Financial Statements”**, in regard to the Company, means the audited financial statements comprising an audited balance sheet as of the end of the relevant Financial Year and the related audited statement of income and statement of cash flows for such a Financial Year, together with the auditor’s report thereon and notes thereto prepared in accordance with Applicable Laws and Accounting Standards;
- 1.39 **“Financial Year”** means the period commencing from the 1<sup>st</sup> day of April of every calendar year and ending on the 31<sup>st</sup> day of March of the next calendar year;
- 1.40 **“Fully Diluted Basis”**, in regard to the Company, means that the calculation is to be made assuming that all outstanding Dilution Instruments (whether or not by their terms currently convertible, exercisable or exchangeable), options, warrants, outstanding commitments to issue Equity Shares or Dilution Instruments at a future date, whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged in accordance with their respective terms;
- 1.41 **“Government Official”** has the meaning assigned to such term in Article 10.2.1(iv);
- 1.42 **“Governmental Authority”** means any competent governmental, regulatory, statutory or administrative authority, agency, department, commission or instrumentality (whether local, municipal, national or otherwise), court, board or tribunal of competent jurisdiction or other law, rule or regulation making entity having jurisdiction on any of the Parties or the transactions contemplated by these Articles;
- 1.43 **“Indebtedness”** as applied to any Person, means any indebtedness of any kind (other than current trade accounts incurred or payable in the Ordinary Course), whether secured or unsecured, including any liability or financial obligation pertaining to borrowed money, any liability or financial obligation evidenced by a note, bond, debenture, letter of credit, draft or similar instrument, any obligation owed for all or any part of the deferred purchase price of property or services, any guarantee, warranty or indemnity extended by such Person to any other Person;

- 1.44 “**Independent Director**” has the meaning assigned to such term in the 2013 Act;
- 1.45 “**Indication of Interest**” has the meaning assigned to such term in Article 7.3.3(i);
- 1.46 “**Indication of Non Acceptance**” has the meaning assigned to such term in Article 7.3.3(ii);
- 1.47 “**Integrity Requirements**” means the integrity-related obligations including but not limited to obligations related to anti money laundering/countering of financing of terrorism, “know-your-customer” and fraud, corruption and Sanctionable Practices of the Company under (i) Applicable Laws and relevant codes of conduct and similar requirements, rules and codes of conduct issued by industry self-regulatory organizations and similar trade associations, (ii) Article 10.2, and (iii) as agreed in writing between the Shareholders and the Company;
- 1.48 “**Interested Entities**” has the meaning assigned to such term in Article 10.1.2;
- 1.49 “**Investment Amount**” means the total amount invested by the Investors in the Company whether through subscription of Securities or through purchase of securities;
- 1.50 “**Investor Directors**” has the meaning assigned to such term in Article 4.2.1;
- 1.51 “**Investor I**” shall mean **INDIA BUSINESS EXCELLENCE FUND – II**, a unit scheme of Business Excellence Trust II, a trust created under the Indian Trust Act, 1882, whose trustee is Vistra ITCL (India) Limited (formerly known as **IL&FS TRUST COMPANY LIMITED**), a public company incorporated under the provisions of the 1956 Act and having its registered office at the IL&FS Financial Centre, C-22, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, India, acting through its investment manager, **MOPE INVESTMENT ADVISORS PRIVATE LIMITED**, a company registered in India under the 1956 Act having its registered office at Motilal Oswal Tower, Junction of Gokhale & Sayani Road, Prabhadevi, Mumbai – 400 025;
- 1.52 “**Investor II**” shall mean **INDIA BUSINESS EXCELLENCE FUND – IIA**, a public limited company incorporated under the laws of Mauritius and having its office at Suite 304, Third Floor, NG Tower, Cyber City, Ebene, Mauritius;
- 1.53 “**Investors**” shall mean Investor I & Investor II collectively
- 1.54 “**IPO**” has the meaning assigned to such term in Article 8.1.1;
- 1.55 “**Key Managerial Personnel**” has the meaning assigned to such term in sub-section (51) of section 2 of the 2013 Act;
- 1.56 “**Management**” has the meaning assigned to such term in Article 10.4.1;
- 1.57 “**Material Adverse Effect**” means any event, occurrence, fact, condition, change, development or effect that, individually or in the aggregate, has had or may reasonably be expected to have a material and adverse effect on: (i) the ability of the Company and, or, the Promoters to perform its obligations hereunder; and, or, (ii) the condition (financial or otherwise and including any material increase in provisions), operations, results of operations, prospects, Assets, liabilities or Business of the Company;
- 1.58 “**Non-Subscribing Shareholder**” has the meaning assigned to such term in Article 3.2.4;
- 1.59 “**Observer**” has the meaning assigned to such term in Article 4.3;
- 1.60 “**OFAC**” has the meaning assigned to such term in Article 10.2.1(vi);

- 1.61 **“Offer of Existing Securities”** has the meaning assigned to such term in Article 8.1.1 (ii);
- 1.62 **“Offer Price”** has the meaning assigned to such term in Article 7.3.3(i);
- 1.63 **“Ordinary Course”** as applied to any Person, means an action taken by or on behalf of such a Person that is consistent with past customs of such a Person and prudent business practices as per best industry standards, including with respect to quantity and frequency;
- 1.64 **“Original Director”** has the meaning assigned to such term in Article 4.5.1;
- 1.65 **“Permitted Investor Transferee”** has the meaning assigned to such term in Article 7.2.1;
- 1.66 **“Permitted Recipients”** means the following: (i) funds under the management / advised / sub-advised by the respective managers of the Investors and their respective Affiliates and their respective directors, officers, employees, agents and advisors; and, or, (ii) valuation agencies undertaking the valuation of the Investors’ portfolio, etc.;
- 1.67 **“Person”** means and includes any natural person, limited or unlimited liability company, corporation, limited or unlimited liability partnership firm, proprietorship firm, Hindu undivided family, trust, union, association or any other entity that may be treated as a person under Applicable Laws;
- 1.68 **“PMLA”** has the meaning assigned to such term in Article 10.2.1(iii);
- 1.69 **“Promoter Director”** has the meaning assigned to such term in Article 4.2.1;
- 1.70 **“Promoter I”** shall mean **MR. RAGHUNANDANA TANGIRALA**, aged 56 years, s/o Mr. T.V. Subbiah Sarma, citizen of India having PAN AAPDPT0426C and permanent residence at No.7 D'Silva Road, Mylapore, Chennai- 600 004;
- 1.71 **“Promoter II”** shall mean **MRS. SHANTHI TANGIRALA**, aged 48 years, d/o Mr. Karunakaran Chathukutty Nair, citizen of India having PAN AAVPS5245C and permanent residence at No.7 D'Silva Road, Mylapore, Chennai- 600 004;
- 1.72 **“Promoter III”** shall mean TANGI FACILITY SOLUTIONS PRIVATE LIMITED, a private limited company with CIN – U74900TN2014PTC097603, established under the laws of India, having its registered office at Old No.42, New No. 2, Luz Avenue Mylapore, Chennai – 600 004
- 1.73 **“Promoters”** shall mean Promoter I, Promoter II & Promoter III collectively
- 1.74 **“Protective Covenants”** has the meaning assigned to such term in Article 10.1.7;
- 1.75 **“Related Party”** has the meaning assigned to such term in sub-section (76) of section 2 of the 2013 Act and, or, as per applicable Accounting Standards;
- 1.76 **“Relative(s)”** in connection with (i) Promoter I or Promoter II, means the children of Promoter I and Promoter II, and (ii) any other natural person, has the meaning assigned to such a term in the 2013 Act;
- 1.77 **“Restated Articles Effective Date”** means 10 February 2017;
- 1.78 **“ROFO Acceptance Notice”** has the meaning assigned to such term in Article 7.3.4;

- 1.79 **“ROFO Eligible Shareholders”** has the meaning assigned to such term in Article 7.3.2;
- 1.80 **“ROFO Notice”** has the meaning assigned to such term in Article 7.3.2;
- 1.81 **“ROFO Period”** has the meaning assigned to such term in Article 7.3.3;
- 1.82 **“ROFO Response Period”** has the meaning assigned to such term in Article 7.3.4;
- 1.83 **“ROFO Transfer Period”** has the meaning assigned to such term in Article 7.3.5;
- 1.84 **“Role”** means any investment / arrangement whereby the Promoters, either directly or indirectly, have or attain: (i) any shareholding / economic interest / investment in any business or any Person, (ii) a right to nominate management positions, (iii) a right to appoint / select persons on the board / governing body of such business or Person, or (iv) a role as an employee, director, lender, observer, consultant or advisor;
- 1.85 **“Sanctionable Practice”** means any Corrupt Practice, Fraudulent Practice, Coercive Practice, Collusive Practice, or Obstructive Practice, as those terms are interpreted in accordance with the Anti-Corruption Legislation and Anti-Corruption Guidelines as agreed in writing between the Shareholders and the Company;
- 1.86 **“Securities”**, in regard to the Company, means any form of securities and shares of the Company, including the Equity Shares and Dilution Instruments;
- 1.87 **“Share Capital”**, in regard to the Company, means the total issued, subscribed and paid up share capital of such the Company determined on a Fully Diluted Basis;
- 1.88 **“Shareholder(s)”** means the shareholder(s) of the Company from time to time;
- 1.89 **“Shareholders Meeting”** has the meaning assigned to such term in Article 5.1.1;
- 1.90 **“Shareholding Percentage”** means the respective percentage proportions in which the Share Capital is held by the Shareholders from time to time on Fully Diluted Basis. It is clarified that for the purposes of Article 3, any calculation of the Shareholding Percentage for determining the entitlement of a Shareholder in any proposed issuance shall be undertaken based on the Share Capital held by such a Shareholder immediately prior to such proposed issuance on Fully Diluted Basis;
- 1.91 **“Significant Influence”** means the possession of power to cause or prevent any actions pertaining to the management or policies of a Person, through the ownership or control or benefit of at least 20% (twenty percent) of total share capital or voting interest or economic interest of such a Person or the ability to nominate or have elected 1 (one) or more members of a governing body of such person or the ability to direct, restrict or otherwise influence any management decision of such Person, whether through debt arrangements, contract, voting interest, membership to governing bodies such as a board of director, or otherwise;
- 1.92 **“Statutory Auditor”** means the statutory auditor of the Company from time to time;
- 1.93 **“Strategic Sale Closing Date”** has the meaning assigned to such term in Article 8.3.3;
- 1.94 **“Strategic Sale Exercise Notice”** has the meaning assigned to such term in Article 8.3.2;
- 1.95 **“Strategic Sale Right”** has the meaning assigned to such term in Article 8.3.1;



- 1.96 “**Strategic Sale Securities**” has the meaning assigned to such term in Article 8.3.2;
- 1.97 “**Strategic Transferee**” has the meaning assigned to such term in Article 8.3.1;
- 1.98 “**Subscribing Shareholder(s)**” has the meaning assigned to such term in Article 3.2.4;
- 1.99 “**Subscription Cut-Off Period**” has the meaning assigned to such term in Article 3.2.2;
- 1.100 “**Subsidiary**” has the meaning assigned to such term in sub-section (87) of section 2 of the 2013 Act;
- 1.101 “**Tag Exercise Notice**” has the meaning assigned to such term in Article 7.4.3;
- 1.102 “**Tag Request Notice**” has the meaning assigned to such term in Article 7.4.2;
- 1.103 “**Tag Response Period**” has the meaning assigned to such term in Article 7.4.3;
- 1.104 “**Tag Right**” has the meaning assigned to such term in Article 7.4.2;
- 1.105 “**Tag Securities**” has the meaning assigned to such term in Article 7.4.3;
- 1.106 “**Taxes**” means any and all forms of taxation, imposts, duties, and levies, whether direct or indirect, deductible at source or otherwise, together with any interest, penalties, surcharges or fines relating thereto, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction. It is clarified that the term “Taxes” shall include any interest, surcharges, penalties or additional taxes payable in connection therewith; Correlative terms such as “tax” and “taxation” shall be construed in accordance with this definition;
- 1.107 “**Third Party**” means any Person other than the Shareholders and the Company;
- 1.108 “**Transfer Securities**” has the meaning assigned to such term in Article 7.3.2;
- 1.109 “**Transfer**” means, whether directly or indirectly, any transfer, including any sale, assignment, pledge, hypothecation, creation of security interest in or lien or Encumbrance on, placing in trust (voting or otherwise), exchange, gift or transfer by operation of law or in any other way, whether or not voluntarily. Correlative terms such as “transferred”, “transferring” and “transferability” shall be construed in accordance with this definition.
- 1.110 “**Transferring Promoter**” has the meaning assigned to such term in Article 7.4.2;
- 1.111 “**Transferring Shareholder**” has the meaning assigned to such term in Article 7.3.2;

## **2. UTILISATION OF PROCEEDS**

- 2.1 The Company shall, and the Promoters shall procure the Company to, utilise the Investment Amount solely and exclusively, for the purposes agreed in writing between the Shareholders and the Company.
- 2.2 Till such time as the Investment Amount has been utilized in accordance with Article 2.1, the Company shall, at each meeting of the Board, table a statement setting out the extent of utilization of Investment Amount.

### 3. FURTHER FUNDING REQUIREMENTS

#### 3.1 Furnishing of guarantees and securities to meet Additional Funding Requirements.

- 3.1.1 Upon occurrence of an Additional Funding Requirement, additional funds shall be raised on terms approved, and from sources identified, by the Board. For the avoidance of doubt, it is clarified that the Investors shall not be obligated to provide any such guarantees or securities, whether directly or indirectly, to any banks or other financial institutions for any reason whatsoever.
- 3.1.2 The Investors do not have any obligation to provide additional funding in terms of this Article to the Company and they shall be entitled to provide such additional funding at their sole discretion.

#### 3.2 Fresh issue of Securities.

- 3.2.1 If the Business Plan contemplates the issuance of fresh Securities to Shareholders or if the Board determines, subject to the provisions of Article 6, that an Additional Funding Requirement is to be met through issuance of fresh Securities to the Shareholders of the Company, then the Company shall issue fresh Securities to the Shareholders (“**Additional Securities**”), proportionate to their respective Shareholding Percentage in the Company. Such Additional Securities to be issued to the Shareholders shall be fully paid-up by the respective Shareholder in cash. Notwithstanding anything to the contrary contained in these Articles, any issuance of Additional Securities shall be on such terms and conditions as the Board may, subject to the provisions of Article 6, determine at its sole discretion.
- 3.2.2 Not less than 30 (thirty) days before the date of proposed issuance of the Additional Securities, the Company shall deliver to each Shareholder notice / letter of offer for the proposed issuance setting forth: (i) the aggregate number of Additional Securities proposed to be issued and the Shareholding Percentage of the relevant Shareholder; (ii) the price at which such Additional Securities are proposed to be issued and other terms of issuance, if any; and (iii) such other relevant details as the Board may deem fit or as may be required as per Applicable Laws. Within 15 (fifteen) days following delivery of the notice referred to in this Article (“**Subscription Cut-Off Period**”), each Shareholder electing to exercise its rights to subscribe to its Shareholding Percentage entitlement in the Additional Securities shall give a notice to the Company specifying the number of Additional Securities basis its Shareholding Percentage that it is willing to subscribe to and if such a subscription is being undertaken, in case of the Investors through any other Person (except a Person engaged in a Conflicting Business) and in case of the Promoters through an Affiliate, then all documents that are required to be furnished in terms of Article 7.2.1 or Article 7.1.3 as the case may be, such as a duly executed Deed of Adherence and copies of all Approvals and consents required to be obtained under Applicable Laws, shall be furnished to the Board by the Investors and, or, the Promoters, as the case may be.
- 3.2.3 The Investors may indicate their willingness to subscribe to any unsubscribed portion of the Additional Securities offered, either directly or through any Person (except a Person engaged in a Conflicting Business) including their Affiliates. The Shareholders electing to exercise their rights shall, within a period of 15 (fifteen) days from the Subscription Cut-Off Period, remit the requisite funds towards the Additional Securities, which they have agreed to subscribe to, and the Company shall allot such Additional Securities to the Shareholders on the issuance date specified in the notice / letter of offer in regard to such Additional Securities. Failure by any Shareholder to give such a notice within the Subscription Cut-Off Period or remit the fund in the manner set forth above shall be deemed to be a waiver by such Shareholder of its rights under this Article with respect to the proposed issuance in question. The Promoters will be entitled to renounce the right to subscribe to Additional

Securities in the Company in favour of any Affiliate, which comply with the provisions of these Articles, including by executing a Deed of Adherence. Provided that the Shareholding Percentage of Promoter I shall not fall below 25% (twenty five per cent.) of the Share Capital for any reason whatsoever.

- 3.2.4 In the event that a Shareholder (“**Non-Subscribing Shareholder**”) does not subscribe or is not desirous of subscribing to its Shareholding Percentage of the Additional Securities entirely, then within a period of 3 (three) Business Days from the date of expiry of the Subscription Cut-Off Period; the Board shall send a written intimation to the other Shareholder(s) (for the purposes of this Article 3.2.4 and 3.2.5 “**Subscribing Shareholder(s)**”, which term specifically excludes every Non-Subscribing Shareholder), giving them an opportunity to subscribe to the unsubscribed portion of the Additional Securities offered to such Non-Subscribing Shareholder, either by themselves or, in case the Subscribing Shareholders are Investors, then through their Affiliates.
- 3.2.5 In the event that the Subscribing Shareholder(s) sends a notice to the Company, within a period of 7 (seven) days from the date of intimation by the Board as aforesaid, agreeing to subscribe to any or all of the unsubscribed Additional Securities and remits the requisite funds towards subscription to such unsubscribed Additional Securities within a period of 15 (fifteen) days from the Subscription Cut-Off Period, then the Board shall allot such unsubscribed Additional Securities to such willing Subscribing Shareholder(s). It is clarified that if more than 1 (one) Subscribing Shareholder notifies the Board of its intention to subscribe to unsubscribed Additional Securities as above, and the unsubscribed Additional Securities are less than the aggregate number of unsubscribed Additional Securities, then the unsubscribed Additional Securities shall be issued to such Subscribing Shareholders proportionate to their respective Shareholding Percentage in the Company.

### 3.3 **Anti-dilution.**

- 3.3.1 The Investors shall have a right, whether exercisable through itself or any other Person nominated in this regard (except a Person engaged in a Conflicting Business), to subscribe to any issuance by the Company of any Equity Shares or Dilution Instruments to any Third Party in proportion to their respective Shareholding Percentage in the Company.
- 3.3.2 Upon each issuance by the Company of any Equity Shares or Dilution Instruments at a price per Equity Share less than the price (“**Dilution Price**”) at which the Investors subscribed to the Investor Shares (“**Dilutive Issuance**”), the Investors shall be entitled to, and the Company shall provide and the Promoters shall procure the Company to provide to the Investors, dilution protection on weighted average basis.
- 3.3.3 The anti-dilution mechanism set forth in this Article shall be accomplished by issuance by the Company or transfer by the Promoters of such number of Equity Shares to the Investors and, or, any other Person nominated by the Investors for this purpose (except a Person engaged in a Conflicting Business) at the lowest price possible under Applicable Laws, so as to give full effect to the weighted average anti-dilution right of the Investors.
- 3.3.4 Upon each Dilutive Issuance, the Company and the Promoters shall take all necessary acts to put Investor I and Investor II in the position that they would have if the adjustment to the Dilution Price had been made, by issuance by the Company or transfer by the Promoters to Investor I and Investor II or any Person nominated by the Investors in this regard (except a Person engaged in a Conflicting Business) of such number of Equity Shares, whereby Investor I and Investor II or any Person nominated by the Investors in this regard (except a Person engaged in a Conflicting Business) are not required to pay any additional amounts for the issuance of such new Equity Shares or the transfer of Equity Shares. The above arrangement shall be implemented in accordance with Applicable Laws.

- 3.3.5 It is clarified that nothing in this Article shall apply to any issuance by the Company of any Equity Shares or Dilution Instruments as Additional Securities to the Shareholders pursuant to Article 3.2 of these Articles or an ESOP plan, in each case as approved by the Board in accordance with Article 4.7.5 of these Articles, or a Bonus Issue.

#### 4. BOARD AND BOARD MEETINGS

##### 4.1 Management of the Company.

The property, business and affairs of the Company shall be managed by and under the direction of the Board, and the Board shall be responsible for the overall management, supervision, direction and control of the Company. Subject to the provisions of these Articles, the Board may exercise all such powers of the Company and do all such lawful acts and things as are permitted under these Articles and Applicable Laws. The Board shall manage the Company in the overall, general, and strategic sense and shall ensure proper organization of the business of the Company and shall appoint / dismiss the members of the Management. The Board shall be entitled to delegate its powers to such persons and such Committees that the Board may create to assist it in developing and meeting its business strategy and objectives. The approval of the Shareholders shall be obtained on such matters as may be required under these Articles, and, or, Applicable Laws.

##### 4.2 Composition of the Board. @@

- 4.2.1 The Board shall not exceed 8 (Eight) Directors that will be appointed in terms of Article 4.2.2, or such other number of Directors as may be mutually agreed between the Shareholders and the Company in writing, from time to time. The Investors shall be entitled to nominate Directors in proportion to their respective Shareholding subject to a minimum of 2 (two) Directors (collectively, the "Investor Directors" and each, an "Investor Director") and the Promoters shall be entitled to nominate Directors in proportion to their respective Shareholding subject to a minimum of 3 (three) Directors (collectively, the "Promoter Directors", and each, a "Promoter Director") in accordance with the terms and conditions set out in this Article. Provided that Promoter I shall at all times during the subsistence of these Articles be a Promoter Director.

- 4.2.2 Unless otherwise agreed between the Shareholders and the Company in writing and subject to Article 6 of these Articles, the Board shall be constituted in the following manner:

- (i) on and from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors and 3 (three) Promoter Directors;
- (ii) on and from 6 (six) months from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors, 3 (three) Promoter Directors and 1 (one) Independent Director identified by Investor I and Investor II and acceptable to the Promoters on the Board; and
- (iii) on and from 12 (twelve) months from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors, 3 (three) Promoter Directors and 2 (two) Independent Directors, out of such 2 (two) Independent Directors, 1 (one) will be identified by the Promoters and acceptable to Investor I and Investor II on the Board

@@ Articles 4.2.1 and 4.2.2 substituted vide special resolution passed at the Extra-ordinary general meeting of the Company held on 22.02.2022

Provided that subject to the proviso to Article 4.2.2, 4.2.3 and Articles 10.16 and the right of the Investors to assign their rights, the number of Investor Directors on the Board shall not, at any time fall below 2 (two) Directors.

In the event of any increase in the number of Directors in terms of Article 4.2.1, the Board shall be constituted in a manner as may be mutually agreed between the Shareholders and the Company in writing.

- 4.2.3 The Investors may at any time remove from office any Investor Director(s) and, if desired, appoint another in his / her place. The Promoters may at any time remove from office any Promoter Director(s) and, if desired, appoint another in his / her place.
- 4.2.4 Subject to Article 4.2.2, the Board shall appoint such number of Independent Directors on the Board, as per the requirements of Applicable Laws. All such Independent Directors shall be acceptable to the Investors and Promoter I.
- 4.2.5 The Promoters and the Investors shall exercise all powers and rights available to them so as to fix the number of Directors in accordance with this Article and to ensure that the persons nominated by the Investors and the Promoters are expeditiously appointed or removed (as the Investors and the Promoters may specify in accordance with this Article) as a Director and the appointments and removals referred to in this Article result in the persons nominated / appointed or removed becoming or ceasing to be Directors, as applicable.

#### 4.3 **Observer.**

On and from the Restated Articles Effective Date, the Investors shall be entitled to appoint 1 (one) person as an observer to attend all Board Meetings in a non-voting capacity (“**Observer**”). The Observer shall have the right to receive all notices, documents and information provided to the Directors and be entitled to attend all meetings of the Board or Committees thereof, subject to the Observer being bound to confidentiality obligations as applicable to Directors. The Observer shall not be considered for quorum, and the Observer shall not be entitled to vote with respect to any resolution proposed to be passed at a Board meeting. The Company shall reimburse all out of pocket expenses incurred by the Observer in attending Board Meetings or otherwise perform its duties and functions as Observer.

#### 4.4 **Appointment, removal and retirement of Directors.**

- 4.4.1 Any appointment or removal of Directors shall be implemented in the following manner:

- (i) Appointment of Directors: Subject to the provisions of Article 4.2, each Shareholder shall have the right to, from time to time, issue a notice specifying their intention to nominate a Person as a Director on the Board. Such a notice shall be addressed to the Board and delivered to the Managing Director at the registered office of the Company or presented directly before the Board during a Board Meeting. The aforementioned notice should be accompanied by consent letter and such other documents which are required in terms of Applicable Laws from the prospective nominee. If any such notice along with the accompanying documents is delivered at a Board Meeting, the Board shall at the same meeting pass necessary resolutions in respect of appointment of such person as an additional director. If such a notice along with the accompanying documents is delivered to the Company, then the relevant officers of the Company shall, immediately and in any case within a period of 7 (seven) days from the date of receipt of such notice, either convene a meeting of the Board to pass necessary resolutions in respect of appointment of such Director(s) as additional director(s), or if it is not practicable to convene such Board Meeting, initiate, subject to Applicable Laws, the process for appointment of such Director(s)

through a circular resolution in terms of Applicable Laws. Notwithstanding anything to the contrary contained in these Articles, any such nominee shall only be appointed as a Director if such a Person fulfils all criteria prescribed under Applicable Laws.

- (ii) Removal / replacement of Directors: Each Shareholder shall have the right to, from time to time, issue a notice specifying that they wish to remove all or any of the Directors appointed by them on the Board. Such a notice shall be addressed to the Board and delivered at the registered office of the Company or presented directly before the Board during a Board Meeting. The aforementioned notice should be accompanied by a resignation letter to this effect from the relevant Director(s) in the form prescribed by the 2013 Act, and if no such form is prescribed then as per standard secretarial practice. If any such notice along with the accompanying resignation letter is delivered at a meeting of the Board, the Board shall at the same meeting pass necessary resolutions in respect of such removal. If such a notice along with the accompanying resignation letter is delivered to the Company, then the relevant officers of the Company shall, immediately and in any case within a period of 7 (seven) days from the date of receipt of such notice, either convene a meeting of the Board to pass necessary resolutions in respect of removal of such Director(s), or if it is not practicable to convene such Board Meeting, initiate, subject to Applicable Laws, the process for removal of such Director(s) through a circular resolution in terms of Applicable Laws. If the relevant Shareholder wishes to replace a Director nominated by it in on the Board with another Person and provides consent letter and such other documents which are required in terms of Applicable Laws from the prospective nominee, then the Company shall, subject to such a nominee fulfilling all criteria prescribed under Applicable Laws, appoint the relevant Person as an additional director on the Board in the same Board Meeting where the other nominee Director of such a Shareholder is being removed. If the removal is being carried out through a circular resolution then another circular resolution shall be passed concurrently for appointment of the new nominee Director of such a Shareholder.
- (iii) Approval by Shareholders: If any appointment or removal of a Director, as the case may be, has to be approved by the Shareholders in a Shareholders Meeting as per Applicable Laws, then the Board shall convene an extraordinary general meeting of the Company promptly to approve the appointment or removal of such Director(s). All relevant actions in regard to appointment or removal of such Director(s) by the Shareholders shall be completed within a period of 30 (thirty) days from the date of receipt of notice mentioned in Article 4.4.1(i) or (ii), as the case may be.
- (iv) Retirement of Directors: It is clarified that the Investor Directors shall not be liable to retire by rotation.

- 4.4.2 The Shareholders and Company shall co-operate with each other in convening a meeting of the Board and, or, Shareholders to effect: (i) appointment of Director(s) so nominated; or (ii) removal of Director so requested, and to exercise its voting rights in any meeting of the Company, and shall cause any Director nominated by it exercise his voting rights in any Board Meetings, so as to give effect to the such appointment/removal.
- 4.4.3 Subject to the provisions of Applicable Laws and these Articles, no Director shall be removed during the term for which such Director was elected without the consent of the Shareholder, if any, who nominated such Director on the Board. Notwithstanding the foregoing, a Shareholder may ask for removal, substitution or recall for any reason, of any of the Directors nominated by such Shareholder by serving a notice in terms of Article 4.4.1.
- 4.4.4 The Directors shall not be required to hold qualification shares.

- 4.4.5 At any point in time, in the event the number of Directors nominated and appointed by the Investors or Promoters, as the case may be, is less than their entitlement under Article 4.2.2 (including for reason such as death, disqualification, inability to act or removal), then the Investors or Promoters, as the case may be, shall be entitled to nominate such Directors at their sole discretion at any time thereafter. No other Shareholder shall have the right to fill-in such vacancy.

#### 4.5 **Alternate Director.**

- 4.5.1 Any Director nominated by any Shareholder and appointed to the Board (“**Original Director**”) shall be entitled, in accordance with Applicable Laws, to nominate an alternate (and such nominee shall be appointed by the Board as an “**Alternate Director**”) to attend and vote at Board Meetings in his / her absence. Prior to the Original Director exercising any such rights, such Alternate Director appointee shall be required to be approved in writing by the Shareholder who nominated the Original Director. An Alternate Director shall be entitled to receive notice of all meetings of the Board, to attend and vote at any such meeting at which the Original Director appointing him is not personally present and at the meeting to exercise and discharge all the functions, powers and duties of his appointee or as a Director. An Alternate Director shall automatically vacate his office as an Alternate Director if the Original Director who appointed such an alternate is personally present or if such Original Director ceases to be a Director, in terms of these Articles and, or, Applicable Laws. Notwithstanding anything to the contrary contained in these Articles, Promoter I shall not be entitled to appoint an Alternate Director, except in case of his incapacitation due to ill health or if otherwise agreed in writing between the Shareholders and the Company.

- 4.5.2 All references to ‘Directors’ in these Articles shall be deemed to include a reference to their respective ‘Alternate Director’. For the avoidance of doubt, it is clarified that all provisions applicable to an Investor Director shall equally apply to the Alternate Director appointed / proposed to be appointed in accordance with this Article and all actions taken by such Alternate Director shall be deemed to be actions taken by the relevant Original Director.

#### 4.6 **Chairman.**

At every Board Meeting, the chairman of the Board for such a Board Meeting (“**Chairman**”) shall be Promoter I. The Chairman shall not have a casting vote or extra vote.

#### 4.7 **Board Meetings.**

- 4.7.1 Frequency and Location: The Board Meetings shall be held as often as circumstances require, including upon the written request of at least 1 (one) Director, and all such meetings should be held as soon as reasonably possible and in any event not later than 7 (seven) days from the date that such a request for convening a Board Meeting is received by the Chairman. Not less than 4 (four) Board Meetings shall be held in each year in a manner such that not more than 120 (one hundred and twenty) days elapse between 2 (two) consecutive Board Meetings. All Board Meetings shall be conducted in English.

- 4.7.2 Notice: A Board Meeting may be called by the Chairman or a Director by giving notice in writing to the company secretary, or any other Person nominated in this regard by the Board, specifying the date, time and agenda for such meeting; provided, however, any agenda for a Board Meeting shall be provided to each Investor at least 2 (two) days prior to the notice of the Board Meeting being issued to the Directors unless such right is waived by each Investor in writing. The company secretary (or such nominated person) shall upon receipt of such notice, give a copy of such notice to all Directors at their respective address registered with the Company and such notice shall be sent by hand delivery or by post or by email,

accompanied by a written agenda specifying the business of such meeting and copies of papers relevant for such meeting. The Company shall ensure that sufficient information is included within such notice to the Directors to enable each Director to make a decision on the issue in question at such meeting. Every notice convening a meeting of the Board shall set forth in full and sufficient detail each item of the business to be transacted thereat, and no item or business shall be transacted at such meeting, unless the same has been stated in full and in sufficient detail in the notice convening the meeting, except as otherwise consented to by all the Directors or their respective Alternate Directors. Not less than a minimum 7 (seven) days' prior written notice shall be given to each Director for any Board Meeting, accompanied by the agenda for the Board Meeting; provided, however, a Board Meeting may, subject to the Applicable Laws, be called at shorter notice to transact urgent business subject to the condition that at least 1 (one) Investor Director and least 1 (one) Promoter Director shall have consented to the shorter notice and be present at/throughout such Board Meeting and, or, waived their presence. All documents presented or circulated to the Directors in regard to a Board Meeting shall be in English.

- 4.7.3 Quorum: The quorum for a meeting of the Board shall be 2 (two) Directors, provided, however the quorum shall not be valid without the presence, in person or otherwise, of at least 1 (one) Investor Director, or his/her duly appointed Alternate Director throughout the relevant Board Meeting and Promoter I, unless waived by the Investors and, or, Promoter I, as the case may be. If the quorum is not present within 30 (thirty) minutes from the time when the meeting should have begun, or if during the meeting there is no longer a quorum, the meeting shall be adjourned for 1 (one) Business Day and shall be reconvened at the same place and time, or at such other date, place and, or, time as may be agreed to by the majority of the Directors (including at least 1 (one) Investor Director), with the same agenda. If at 2 (two) consecutively adjourned Board Meetings, the quorum is not present within 30 (thirty) minutes of the time appointed for the meeting, then, subject to the 2013 Act, the Directors present, in person or through Alternate Directors, at such meeting shall constitute the quorum and the Board Meeting shall proceed with respect to the business stated in the agenda for the Board Meeting; provided, however, even in such a reconvened/adjourned Board Meeting no Affirmative Vote Matter shall be discussed and, or, no resolution pertaining to an Affirmative Vote Matter shall be passed unless 1 (one) Investor Director is present during such a Board Meeting.
- 4.7.4 Voting: Each Director is entitled to cast 1 (one) vote at any Board Meeting.
- 4.7.5 Decisions of the Board: A decision shall be validly made and, or, a resolution validly passed at a Board Meeting only if passed at a validly constituted Board Meeting and, subject to the provisions of these Articles in regard to Affirmative Vote Matters, by a simple majority of the Directors present and voting at the relevant Board Meeting. A resolution in writing of the Board shall be as valid and effective as if it had been a resolution passed at a meeting of the Board duly convened and held, if the resolution is signed in support thereof by a majority of the Directors for the time being. Without affecting the generality of the foregoing, where the resolution is with respect to, or includes, an Affirmative Vote Matter, then it shall require the written consent of the Investors for only such matter. Any such resolution bearing the signature of any Director and dispatched by email shall constitute a valid document for the purpose of this clause. It is clarified that where a resolution of the Board has been approved by a Promoter Director and, or, the Investor Director in respect of a specific matter, the Promoters and, or, the Investors, as the case may be, shall vote in accordance with such resolution in case that particular matter is taken up at a Shareholders' meeting of the Company.
- 4.7.6 Electronic Participation: The Board has the power to allow electronic or remote participation and voting in Board Meetings, subject to compliance with the relevant requirements under the 2013 Act. A Director may make a request for electronic or remote participation to the



Board and the Board shall consider such a request favourably and provide such facility in accordance with the requirements of the 2013 Act. Accordingly, a reference to the presence of any Director for a meeting of the Board, shall include either physical presence or through video conferencing or electronic or remote means.

- 4.7.7 Maintenance of minutes: The Board shall record the minutes of its meetings as prescribed under the 2013 Act, provided that such minutes shall be subject to the written approval of the Investors.

**4.8 Resolution by Circulation.**

Except for resolutions which the 2013 Act requires to be passed at a physical meeting of the Board, a resolution of the Board may be passed by the Directors by circulation (provided that it has been circulated in draft form by hand delivery or by post or by email, together with the relevant papers, if any, to all the Directors in accordance with the requirement of these Articles, and 2013 Act), which resolution shall be valid and effective if, subject to the provisions of these Articles in regard to Affirmative Vote Matters, it is approved by a majority of Directors.

**4.9 Committees of the Board.**

Subject to the provisions of these Articles, and Applicable Laws, the Board shall have the power and right to constitute and disband, if necessary, committees or sub-committees and delegate such of the Board's powers to the aforesaid committees as the Board may deem fit ("**Committees**"). Only the Board can appoint a committee of Directors or delegate its powers to any Persons. Unless agreed in writing by the Investors, the Board shall, while forming such Committees, ensure that 1 (one) Investor Director and Promoter I is a member of each such Committee. The provisions relating to Board and Board Meetings contained herein (including relating to notice, quorum, quorum at adjourned meetings and Affirmative Vote Matters) shall apply *mutatis mutandis* to all the Committees and their respective meetings. All resolutions passed by the Committees shall have to be necessarily ratified by the Board.

**4.10 Record keeping.**

The Company shall keep a book of all resolutions and the minutes of all meetings of the Board in which there shall be recorded the time and place of such meeting, whether regular or special, and if special, however called, the notice thereof given, the names of those present and the processing thereof.

**4.11 Directors' Access.**

Any Director shall be entitled to examine the books, accounts and records of the Company and shall have, during normal business hours of the Company and with prior reasonable written notice, the right to reasonably inspect the properties and facilities of the Company. The Company shall provide such information relating to its business affairs and financial position as the relevant Director may require. Subject to the Applicable Laws, any Director may provide such information to the Shareholder who has nominated such a Director. The relevant Director and Shareholder would be bound by the confidentiality obligations as agreed in writing between the Shareholders, and the Company, in relation to such information received.

**4.12 Fees and Expenses of Directors.**

Subject to Applicable Laws, all expenses and costs incurred in connection with the convening and conduct of the Board Meetings shall be borne by the Company. The Company

shall reimburse all out of pocket expenses incurred by the Investor Directors and the Promoter Directors (subject to any cap prescribed for whole-time directors in terms of Applicable Laws if applicable) in attending Board Meetings or business review meetings or otherwise perform their duties and functions as Directors. However, no sitting fees shall be paid to the Investor Directors and the Promoter Directors by the Company. Any reimbursements and sitting fees payable to Independent Directors shall be governed by the specific agreement between the Company and the Independent Director in this regard.

#### **4.13 Indemnification of Directors.**

4.13.1 The Company shall, subject to Applicable Laws, indemnify and keep indemnified the Directors against any:

- (i) act, omission or conduct of or by the Company or its employees or agents as a result of which any Director is made, in whole or in part, a party to, or otherwise incurs any loss or damage pursuant to, any proceedings arising out of or relating to any such conduct;
- (ii) action or omission by any Director at the request of or with the consent of the Company; and
- (iii) contravention of any of the Applicable Laws including, without limiting the generality of the foregoing, laws relating to provident fund, gratuity, labour, environment, pollution, the anti-bribery laws, and any action or proceedings taken against such Director in connection with any such contravention or alleged contravention.

#### **4.14 No Liability of Investor Director**

4.14.1 The Company recognizes that the Investor Directors shall not have any day-to-day managerial powers and that they will not be whole time, managing or executive directors of the Company and will not, subject to applicable Law, be held responsible for any default or failure of the Company in complying with the provisions of any applicable Law. 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 Investors and/or the Investor Directors.

4.14.2 Notwithstanding anything to the contrary contained in these Articles, no Investor Director shall be deemed to be an 'occupier' or 'officer in charge' or 'officer in default' for the purposes of the 2013 Act or any other Applicable Laws, as the Investor Directors are non-executive directors and do not have the power to and are not responsible for overall management, supervision, direction and control of the Company. Further, the Promoters and the Company shall ensure that the Investor Directors are not nominated as compliance officers, occupiers and/or employers and/or persons-in-charge, as the case may be, in order to ensure that, to the maximum extent permitted by Applicable Law, the Investor Directors do not incur any liability for any default or failure of the Company in complying with the provisions of any Applicable Laws.

4.14.3 In the event that any notice or proceedings have been filed against the Investor Directors by virtue of being Directors of the Company, the Company and the Promoters shall take all necessary steps to ensure that name of such Investor Directors is excluded/ deleted and the charges/proceedings against such Investor Directors are withdrawn and shall also take all steps to defend such Investor Directors against such proceedings and the Company shall pay all costs, damages, fines, levies etc. that may be levied against such Investor Director in such proceedings. The Investor Directors shall also be entitled to appoint any counsel at his/her own discretion, to defend any proceedings instituted against the Investor Directors by virtue

of being Directors of the Company. All reasonable expenses borne by the Investor Directors in this regard shall be borne by the Company.

## 5. SHAREHOLDERS AND SHAREHOLDERS MEETINGS

### 5.1 Shareholders Meetings.

5.1.1 Frequency of Shareholders Meeting: An annual general meeting of the Shareholders shall be held as per the provisions of the 2013 Act. Subject to the foregoing, the Board, on its own or at the request of either of the Investors, may convene an extraordinary general meeting of the Shareholders, whenever it may deem appropriate (each such meeting, a “**Shareholders Meeting**”). All such Shareholders Meetings shall be held at such place as the Board may determine from time to time. Shareholders Meetings shall be called at such times as may be required to procure any consent of the Shareholders in terms of the provisions of these Articles, and, or, the 2013 Act, and in any event at least once in each financial year. Subject to the provisions of the 2013 Act, the Shareholders shall be entitled to participate in Shareholders Meetings through their respective duly authorized representative(s), duly constituted proxies or attorneys, as the case may be. English shall be the language used at all Shareholder meetings.

5.1.2 Notice: In accordance with provisions of the 2013 Act a minimum 21 (twenty one) days’ prior written notice shall be given to all the Shareholders of any Shareholders Meeting, accompanied by the agenda for such meeting; provided, however, any agenda for a Shareholders Meeting shall be provided to each Investor at least (two) days prior to the notice of the Shareholder Meeting being issued to the Shareholders unless such right is waived by each Investor in writing. The aforesaid notice may be waived or a Shareholders Meeting may be called by giving a shorter notice with at least 95% (ninety five per cent.) of all the Shareholders entitled to vote at such meeting providing their written consent for such shorter notice. Subject to the 2013 Act, the notice of each general meeting shall include an agenda approved by the Board setting out the business proposed to be transacted at the meeting, together with copies of all relevant papers connected therewith and, or, proposed to be placed before or tabled at the Shareholders Meeting, and no item or business other than as set out in the agenda shall be transacted or discussed at any Shareholders Meeting unless agreed to / approved by the Investors and the Promoters in advance. The notice shall specify the place, date and time of the meeting. All documents presented or circulated to the Shareholders in regard to a Shareholders Meeting shall be in English.

5.1.3 Quorum: The quorum for any Shareholders Meeting shall be at least 2 (two) Shareholders present in person or through their respective duly authorized representative(s), duly constituted proxy(s) or attorney(s), as the case may be, 1 (one) of which shall be one of the Investors and the other Promoter I, at the beginning of the meeting and throughout the meeting (unless waived by the Investors and, or, the Promoter 1, as the case may be). If the quorum is not present within 30 (thirty) minutes from the time when the meeting is scheduled to begin or if during the meeting there is no longer a quorum, the meeting shall be adjourned for 2 (two) Business Days and shall be reconvened at the same place and time, or at such other day, date, place and, or, time as the Board may determine, with the same agenda.

5.1.4 Proxies and Authorised Representatives: Any Shareholder of the Company may appoint another Person as his proxy (and in case of a corporate Shareholder, its authorized representative) to attend a meeting and vote thereat on such Shareholder’s behalf, provided that the power given to such proxy or representative must be in writing. Any Person possessing a proxy or other such written authorization with respect to any Securities shall be able to vote on such Securities, as the case may be, and participate in meetings as if such Person were a Shareholder, subject to Applicable Laws.

- 5.1.5 Chairman for Shareholders Meeting: The Chairman of Board shall be the chairman for the Shareholders Meeting. The chairman of the Shareholders Meetings shall not have any second or casting vote.
- 5.1.6 Voting: Subject to the Applicable Laws, voting on all matters to be considered at a Shareholders Meeting shall be by way of show of hands unless a poll is demanded in accordance with provisions of the 2013 Act.
- 5.1.7 Decisions of the Shareholders: Subject to the provisions of these Articles in regard to Affirmative Vote Matters, a decision shall be validly made and, or, a resolution validly passed at a Shareholders Meeting only if the requisite majority approves the relevant decision / resolution in compliance with the provisions of the 2013 Act.
- 5.1.8 Electronic Participation: The Shareholders may participate and vote in the Shareholders Meeting through electronic or remote participation and voting in the manner permitted under the 2013 Act, from time to time. A Shareholder may make a request for electronic or remote participation to the Board and the Board shall consider such a request favourably and provide such facility in accordance with the requirements of the 2013 Act. Accordingly, subject to Applicable Laws, a reference to the presence of any Shareholder for a meeting of the Shareholders, shall include either physical presence or through video conferencing or electronic or remote means, and the process that is to be followed in regard to Board Meetings for presence and voting through video conferencing or electronic or remote means under the 2013 Act shall be followed in regard to such Shareholders Meeting.

## 6. **AFFIRMATIVE VOTE MATTERS**

- 6.1 Notwithstanding any other provision of these Articles or any power conferred upon the Board by these Articles, and, or, the 2013 Act, with effect from the Restated Articles Effective Date, neither the Company nor any Shareholder, Director, Committee member, or any of their respective delegates or representatives shall take any decisions or actions in relation to any of the matters set forth in Article 6.5 (“**Affirmative Vote Matters**”) with respect to the Company, in any meeting, forum, circular resolution or in any other manner whatsoever, without the affirmative prior written consent or approval of the Investors. It is agreed that any discussions pertaining to Affirmative Vote Matters shall necessarily be included in the agenda papers in relation to the relevant meeting in advance and shall not be taken up in a Board Meeting, meeting of any Committee or Shareholders Meeting, unless specifically agreed to, in writing, by the Investor.
- 6.2 The principle set out in this Article 6 is fundamental to the governance of the Company and each Party undertakes not to commit any act or omission that would violate this Article.
- 6.3 It is clarified that any consent by the Investors in relation to any of the Affirmative Vote Matters shall apply only in relation to the particular Affirmative Vote Matters and only in the context specified in the relevant notice and shall not constitute, or be deemed to constitute in any manner, a general consent for any other Affirmative Vote Matters, or a consent for the same Affirmative Vote Matters in any other context.
- 6.4 If any other provision of these Articles conflicts with the provisions of this Article, the provisions of this Article shall prevail and be given effect.
- 6.5 The following matters shall be considered Affirmative Vote Matters:
- i. Any amendment to these Articles, and, or the Memorandum of Association of the Company;

- ii. Any decision in relation to winding up, liquidation, bankruptcy or dissolution of the Company or any Exit Trade Sale;
- iii. Any change in the composition (including structure and strength and, or, manner of election and, or, term of office) of the Board;
- iv. Any forming of a committee of the Board;
- v. Any decision in relation to Additional Funding Requirement;
- vi. Any capital expenditure in excess of INR 1,00,00,000 (Indian Rupees one crore) beyond the approved Business Plan;
- vii. Finalisation, approval and adoption of Business Plan and any changes or deviation of more than 10% (ten per cent.) from such Business Plan and, or, expansion plan;
- viii. Incurring of any Indebtedness or creation of any Encumbrance on the Assets, including any contingent liabilities beyond the amounts specified in the Business Plan and extension of any loans already borrowed;
- ix. Entering into any arrangements not included in the Business Plan in excess of INR 1,00,00,000 (Indian Rupees one crore);
- x. Any transaction involving the acquisition of substantially all the assets, shares, voting power or controlling interest in any other company, business, partnership firm, or body corporate by the Company, or investment in any other business / the same business as the Company;
- xi. Any transaction involving purchase, sale, lease, license or Transfer of Assets of the Company (including any vehicles an, or cars but excluding Intellectual Property Rights of the Company) in excess of INR 1,00,00,000 (Indian Rupees one crore) of the written down value of such Asset at the commencement of the relevant Financial Year or if not contemplated in the Business Plan;
- xii. Guarantees and credit enhancement (other than in the Ordinary Course) and entering into derivative contracts which are not contemplated in the Business Plan;
- xiii. Any transaction involving sale, license or Transfer of the Intellectual Property Rights of the Company involving an amount in excess of INR 10,00,000 (Indian Rupees ten lakhs);
- xiv. Any bonus or profit sharing scheme for Key Managerial Personnel, Management or the Promoters or Shareholders, and, or, any distribution of profits and, or, commission and, or remuneration to any Promoters, Key Managerial Personnel, Management or Director other than in the Ordinary Course;
- xv. Any payment, directly or indirectly, of salaries, bonuses, consulting fees or other compensation, payments, or fees to any Promoters or Shareholders of the Company or members of the Management except as contemplated by the Business Plan;
- xvi. Any appointment or removal, determination of the terms of employment and any significant changes in the terms of the employment agreement or arrangement of Directors, Management and, or, Key Managerial Personnel;

- xvii. Any merger, amalgamation, acquisition, recapitalization, reorganisation, business combination, consolidation, settlements with creditors and other business combinations or financial alliances or any change in Control of the Company and any decisions related to the terms and conditions of any restructuring of the Company including (i) timing of such restructuring; (ii) share swap / consideration payable for such restructuring and (iii) appointment of independent advisors who shall advise the Company on matters related to such restructuring;
- xviii. Any decision to undertake an IPO or list the shares in any stock exchange and any decisions related to (i) pricing and other terms and conditions of the IPO, or (ii) timing of the IPO, or (iii) the stock exchanges on which the Equity Shares of the Company are to be listed, (iv) appointment of independent merchant banker(s), manager(s), arranger(s), or (v) any other matters in regard to the IPO;
- xix. Any authorization of or setting aside for payment of, or payment of dividends, or buyback/redemption of any Securities of the Company, or distribution of any kind, in cash or in property;
- xx. Granting to any holder of Securities any rights which have a priority greater than those granted to the Investors pursuant to these Articles;
- xxi. Any alteration in any manner whatsoever of the rights of the Investors under these Articles;
- xxii. Any action which adversely changes the rights of the Investors under these Articles or prevents the Investors from exercising their rights under these Articles;
- xxiii. Appointment, re-appointment, removal or change in terms of the statutory and internal auditors of the Company, including the scope of work, terms of reference, or any modifications and changes thereto;
- xxiv. Approval of Financial Statements and any change to such Financial Statements of the Company or the Subsidiaries;
- xxv. Any addition and, or, deletion of any off-balance sheet liability structure of the Company including, without limitation, leasing and drawing on bank guarantees, encumbrances, Transfer, pledge or creation of lien not in the Ordinary Course;
- xxvi. Any changes in the tax and accounting policies and, or practices and, or, the Financial Year of the Company.
- xxvii. Any transaction between the Company and a Related Party or modification of an existing related party transaction which is not in the Ordinary Course and, or, on an arm's-length basis;
- xxviii. Defence of any Litigation initiated by any Person (other than the indemnified parties in terms of the agreements between the Shareholders and the Company) where the amount involved is in excess of INR 10,00,000 (Indian Rupees ten lakh) in any Financial Year;
- xxix. Commencement of any Litigation where the amount involved is in excess of INR 25,00,000 (Indian Rupees twenty five lakh) or settlement and, or, withdrawal of any Litigation where the amount involved is in excess of INR 10,00,000 (Indian Rupees ten lakh);

- xxx. Any change in the Share Capital of the Company and, or, reduction of Share Capital;
- xxxi. Any variation of the rights and preferences attached to any Securities;
- xxxii. Any offer, sale of any Securities, issuance, listing of any Securities and creation of or taking on record any Encumbrance on the Securities;
- xxxiii. Any change in the nature of the business carried on by the Company or entering into any new business line or activity or in any way undertaking any new business initiative exceeding INR 3,00,00,000 (Indian Rupees three crores) that is not contemplated in the Business Plan whether in India or abroad or any change in the name or registered office of the Company;
- xxxiv. Creation of any new Subsidiary or joint venture by the Company;
- xxxv. Entering into, modification or termination of any material contract in existence or proposed to be entered into by the Company, including any decision in relation thereto, including waiver of any material default under or in relation to the breach of any material contract other than in the Ordinary Course;
- xxxvi. Entering into any arrangement or settlement with the debtors or the creditors of the Company other than in the Ordinary Course;
- xxxvii. Any decision in regard to creation of any stock option plan (by whatever name called), restricted stock plan or similar incentive or equity plan or effecting any ESOP / ESOS / Phantom Stock Plan / incentive pool plans, any grant of options or allotment of shares under such plans;
- xxxviii. Issuance or redemption of any debt securities / equity linked debt securities issued by the Company;
- xxxix. The Company entering into any contract to undertake any obligations (in relation to the Business) in relation to a transaction or arrangement where the Company is not a party;
- xl. The Company furnishing any performance / financial guarantee to any Person for any reason whatsoever;
- xli. Any agreement or commitment to give effect to any of the foregoing; and, or
- xlii. Any of the foregoing actions, if undertaken or agreed to be undertaken in respect of the Subsidiaries of the Company.

## **7. TRANSFER OF SECURITIES**

### **7.1 Restrictions on Transfer of Promoter Securities.**

- 7.1.1 Subject to the other provisions of this Article 7.1, the Promoters shall not, and shall ensure that all other Shareholders, if any (other than the Investor), shall not, Transfer in any way or manner, directly or indirectly, any of the Securities held by them from time to time to any Person (including a Promoter, a Third Party, Shareholder or another Party), without the prior written consent of the Investors. This restriction shall not be circumvented in any manner, including by change of ownership or Control of the Shareholder (including Promoter III), any merger, consolidation or recapitalization of the Shareholder (including Promoter III), or any Transfer or issuance of securities or ownership rights of the Shareholder (including

Promoter III) and the Board shall not acknowledge, approve or register such merger, consolidation, recapitalization, Transfer or issuance.

7.1.2 After issuing a 30 (thirty) day prior written notice referred to in Article 7.1.3:

- (i) the Promoters may, sell and Transfer Securities representing not more than 5% (five per cent.) of the Share Capital of the Company to a Third Party identified by it. For the avoidance of doubt, it is clarified that the aforesaid option to sell Securities to a Third Party shall be (a) utilised by the Promoters only once, (b) at price per Security not lesser than the per share price of INR 609.20 (Indian Rupees Six Hundred and Nine and Paise Twenty), and (c) subject to the rights of Investor I and Investor II under Article 7.3 . Irrespective of whether all the Promoters participated in such a sale and irrespective of the quantum of Securities sold in such a sale, this exemption shall expire immediately upon sale and Transfer of Securities by any of the Promoters and thereafter the Promoter shall not be permitted to Transfer the Securities held by it. Notwithstanding the foregoing, the Promoters and all other Shareholders (other than the Investors) shall only be entitled to Transfer the Securities held by them subject to the right of first offer as set out in Article 7.3 but not the tag along right in Article 7.4; and
- (ii) the relevant Promoter may, sell and, or, Transfer Securities representing not more than 20% (twenty per cent.) of the Share Capital of the Company to Promoter I, Promoter II, their children and, or, a trust with Promoter I, Promoter II and, or, their children as the sole and exclusive beneficiaries, for the purposes of estate planning whether through a standalone transaction or through a series of transactions,

provided, however, pursuant to any of the aforesaid Transfers or otherwise, the Shareholding Percentage in the Company of (i) Promoter I or (ii) a trust with Promoter I as the sole and exclusive beneficiary during the lifetime of Promoter I, shall not reduce below 25% (twenty five per cent.) of the Share Capital.

7.1.3 At least 30 (thirty) days prior to the permitted transfers specified Article 7.1.2(i), as specified above, the Promoters shall send a written notice to the Investors stating the date on which the intended Transfer is to occur, the name and other relevant details of the Transferee / ultimate beneficiary / trustees, the number and class of Securities involved and attaching: (i) a completed and duly executed Deed of Adherence from such a transferee, and (ii) copies of all Approvals, consents and filings required to be obtained / filed under these Articles or Applicable Laws, if any. The Company shall after the expiry of the aforesaid 30 (thirty) day period and upon being presented with the relevant documents required as per Applicable Laws, register / take on record such a Transfer of Securities.

7.1.4 The Promoters shall not create any Encumbrance on the Securities held by them in the Company, from time to time, whether directly or indirectly by creating an Encumbrance on the shares and securities of Promoter III or any Affiliates that are holding Securities in the Company from time to time, without the prior written consent of the Investors.

7.1.5 Notwithstanding anything else contained herein the Promoters shall not, without the Investor's prior written consent, take any action, which has the effect of undermining the underlying beneficial interest in the Share Capital of the Company and, or, obligations of the Promoters under these Articles. The Company and Promoters shall undertake all acts, deeds and omissions to prevent Transfer of any Securities in violation, breach of or non-compliance with the provisions of this Article, and all such Transfers shall be null and *void ab initio*. Notwithstanding the generality of the foregoing, the Company shall refuse to register any Transfer or other disposition of Securities purported to be made by any Promoter or any other Shareholder in breach of any of the provisions herein contained. The Shareholders and the



Company shall cause their nominees on the Board to cast their votes in such a manner as to ensure that the Company registers all Transfers made in accordance with these Articles, and refuses to register a Transfer that is not in accordance with these Articles.

## **7.2 Affiliate Transfers by Investors and restrictions on Transfer.**

7.2.1 Notwithstanding the restrictions set forth in this Article 7, each of the Investors may Transfer Securities held by it to its Affiliates (each a **“Permitted Investor Transferee”**) provided such Permitted Investor Transferee executes the Deed of Adherence prior to such Transfer. At least 30 (thirty) days prior to the permitted Transfer under this Article, the Investors shall send a notice to the other Shareholders and the Company stating the date on which the intended Transfer is to occur, the name and other relevant details of the Permitted Investor Transferee, the number and class of Securities involved and attaching: (i) a completed and duly executed Deed of Adherence and (ii) copies of all Approvals, consents and filings required to be obtained / filed under these Articles or Applicable Laws, if any. The Company shall after the expiry of the aforesaid 30 (thirty) day period and upon being presented with relevant documents required as per Applicable Laws, register / take on record such a Transfer of Securities to a Permitted Investor Transferee.

7.2.2 Until the occurrence of an Exit Trigger Event the Investors (i) shall only be entitled to Transfer any and, or, all the Securities held by them subject to the right of first offer as set out in Article 7.3; and (ii) shall not Transfer any of the Securities held by the Investors from time to time to a Person (including an Affiliate of such a Person) engaged in a Conflicting Business, without the prior written consent of the Promoters.

## **7.3 Right of First Offer.**

7.3.1 Subject always to Articles 7.1 and 7.2, if any Shareholder (for clarity, including the Promoters and Investors) proposes to Transfer any Securities in the Company, either directly or indirectly, to any Person (including a Third Party, Shareholder or another Party), then the other Party(s), i.e., either of the Investors or Promoters as the case may be, shall have a right of first offer in respect of such Transfer. It is clarified that, notwithstanding anything to the contrary contained in this Article, in case a Promoter is a Transferring Shareholder then none of its Affiliates and the other Promoters and their respective Affiliates shall be treated as ROFO Eligible Shareholders and such Persons shall not be entitled to exercise the right of first offer vested in terms of this Article. It is clarified that, notwithstanding anything to the contrary contained in this Article, in case one of the Investors is a Transferring Shareholder then none of its Affiliates shall be treated as ROFO Eligible Shareholders and such Persons shall not be entitled to exercise the right of first offers vested in terms of this Article. The process to be followed for the exercise of the right of first offer is set out in this Article.

7.3.2 A Shareholder proposing to Transfer any Securities (**“Transferring Shareholder”**) to any Person (including a Third Party, Shareholder or another Party), shall first give a written notice (hereinafter referred to as **“ROFO Notice”**) to all the other Shareholders (hereinafter referred to as the **“ROFO Eligible Shareholders”**) specifying the number of Securities proposed to be Transferred (hereinafter referred to as the **“Transfer Securities”**) and the number and class of Securities the Transferring Shareholder owns at that time on a Fully Diluted Basis.

7.3.3 Within a period of 30 (thirty) days from the date of receipt of the ROFO Notice (**“ROFO Period”**), each ROFO Eligible Shareholder shall have the option to either:

- (i) serve a written notice on the Transferring Shareholder (**“Indication of Interest”**) indicating whether they wish to purchase all, but not less than all, of the Transfer Securities and the price (**“Offer Price”**) at which they are offering to purchase the

Transfer Securities on a delivery against cash basis; or

- (ii) serve a notice on the Transferring Shareholder stating that they are not offering to purchase the Transfer Securities in full (“**Indication of Non Acceptance**”).

Provided that if the ROFO Eligible Shareholders fail to deliver the Indication of Interest within the ROFO Period, they shall be deemed on the last day of such period to have served an Indication of Non Acceptance on the Transferring Shareholder.

- 7.3.4 If the ROFO Eligible Shareholders have delivered an Indication of Interest that contains an offer to purchase the Transfer Securities (including the Offer Price) and the Transferring Shareholder finds the Offer Price (as set forth in the Indication of Interest) acceptable, the Transferring Shareholder shall within 15 (fifteen) days from the date of receipt of the Indication of Interest (“**ROFO Response Period**”) issue a notice (“**ROFO Acceptance Notice**”) to the concerned ROFO Eligible Shareholder indicating its willingness to sell the Transfer Securities to the ROFO Eligible Shareholder who has provided the Indication of Interest. If more than 1 (one) ROFO Eligible Shareholder has provided an Indication of Interest, at the same Offer Price, the Transferring Shareholder shall issue a ROFO Acceptance Notice to each such ROFO Eligible Shareholder in regard to Transfer Securities proportionate to the *inter se* shareholding calculated on Fully Diluted Basis, of such ROFO Eligible Shareholders.
- 7.3.5 Pursuant to delivery of the ROFO Acceptance Notice to the ROFO Eligible Shareholder(s), the completion of Transfer of the Transfer Securities to the concerned ROFO Eligible Shareholder(s) shall be effected within a period of 60 (sixty) days from the date of delivery of the ROFO Acceptance Notice to the ROFO Eligible Shareholders (“**ROFO Transfer Period**”). If more than 1 (one) ROFO Eligible Shareholder has been issued a ROFO Acceptance Notice, in terms of Article 7.3.4, the Transfer Securities shall be Transferred to the ROFO Eligible Shareholders in the proportion determined on the basis of their *inter se* shareholding calculated on Fully Diluted Basis and as specified in the respective ROFO Acceptance Notice.
- 7.3.6 If completion of the sale and Transfer of Transfer Securities to the concerned ROFO Eligible Shareholder does not take place within the ROFO Transfer Period, the provisions of Article 7.3 shall once again apply to the Transfer Securities.
- 7.3.7 Where any ROFO Eligible Shareholder requires prior legal, governmental, regulatory or its shareholders’ consent for acquiring the Transfer Securities pursuant to these Articles, then, notwithstanding any other provision of these Articles, such ROFO Eligible Shareholder shall only be obliged to acquire the Transfer Securities once such consent or Approval is obtained, and the ROFO Transfer Period shall automatically stand extended beyond the aforesaid 60 (sixty) day period. The Shareholders and the Company shall use their reasonable endeavours to obtain any such required Approvals.
- 7.3.8 Upon occurrence of an Exit Trigger Event, notwithstanding anything to the contrary contained in this Article and other provisions of these Articles, the Investors shall not be obligated to provide a right of first offer to the Promoters or any other Person in terms of this Article and the Investors shall be free to Transfer the Securities held by them in the Company to any Person as they may deem fit.

#### 7.4 **Tag Along Right of the Investor.**

- 7.4.1 Subject to Article 7.4.2, if no ROFO Acceptance Notice is issued by the Transferring Shareholder within the ROFO Response Period or if the ROFO Eligible Shareholder delivers

or is deemed to have delivered an Indication of Non Acceptance on the Transferring Shareholder under Article 7.3, the Transferring Shareholder shall be permitted to Transfer the Transfer Securities to any Person at a price equal to or higher than the Offer Price within a period of 90 (ninety) days from the expiry of the ROFO Period, failing which any subsequent Transfer of the Transfer Securities shall again be subject to the provisions of Article 7.3.

- 7.4.2 In case the Transferring Shareholder is a Promoter (“**Transferring Promoter**”) and such a Transferring Promoter has identified a Person for sale and Transfer of the Transfer Securities then such a Transferring Promoter shall simultaneous with the ROFO Notice, issue a written notice to each of the Investors (“**Tag Request Notice**”) requesting it to confirm if it wishes to exercise its right under this Article (“**Tag Right**”) to sell in proportion to their Shareholding Percentage in the Company except in case the Transfer by the Transferring Promoter results in a change in Control in which case the Investor can sell up to all the Securities held by such Investor, in the proposed Transfer by the Transferring Promoter at the same price per Security (which shall not be less than the Offer Price) and on the same terms on which the Transferring Promoter proposes to Transfer the Transfer Securities. The Tag Request Notice shall clearly state the details of the proposed transferee, the price per Transfer Security (which shall not be less than the Offer Price) and the other relevant terms and conditions on which the Transferring Promoter proposes to Transfer the Transfer Securities.
- 7.4.3 Unless an Investor has responded with a ROFO Acceptance Notice, if an Investor desires to exercise its Tag Right, it shall within, 30 (thirty) days following receipt of the Tag Request Notice (“**Tag Response Period**”) exercise its Tag Right by giving the Transferring Promoter a written notice (“**Tag Exercise Notice**”) to that effect, specifying the number of Securities held by it with respect to which it has elected to exercise its Tag Right (“**Tag Securities**”) and upon giving such Tag Exercise Notice, each Investor shall be deemed to have effectively exercised its Tag Right.
- 7.4.4 In the event an Investor decides to exercise the Tag Right, the Transferring Promoter shall cause the proposed transferee to purchase from the relevant Investor, the Tag Securities at the same price per Security at which the Transfer Securities are being purchased from the Transferring Promoter. The relevant Investor shall not be required to make any representation, provide any covenants or undertakings, grant any indemnifications or incur any obligations to the proposed transferee or any other Person (other than representations and indemnities on the clear title of the Tag Securities, or relating to authority to effect such transfer or Tax related representations relating to the sale of the Tag Securities held by such an Investor). The Transferring Promoter shall ensure that all of the terms of the proposed Transfer offered by the proposed transferee are also offered to the Investors exercising their respective Tag Right for the same consideration.
- 7.4.5 If for any reason, the proposed transferee acquiring the Transfer Securities hereunder is unable to or refuses to acquire the Tag Securities in respect of which an Investor has exercised its Tag Right (or any part thereof) within 90 (ninety) days from the expiry of the ROFO Period (or such other period as may be agreed in writing between the Investors, Transferring Promoter and proposed transferee), then the Transferring Promoter shall not be entitled to Transfer any of the Transfer Securities held by it to such a proposed transferee, and the provisions of Articles 7.3 and 7.4 shall once again apply to the Transfer Securities.

## 7.5 **Void Transfers.**

The Shareholders shall not, make a sale or Transfer of their shareholding other than in the manner as set out in Article 7.1 to Article 7.4 and if purported to be made, such sale or Transfer shall be *void ab initio* and shall not be binding on the Company and shall be deemed

to be a material breach of the terms of these Articles. Additionally, all such sales or Transfers shall be subject to the transferee, whether an Affiliate of the Promoter or Investors or a Third Party, executing the Deed of Adherence.

## 7.6 **Investor Securities.**

Subject to Article 7.2, 7.3 and 7.5, all Securities of the Company acquired or held by each of the Investors from time to time and rights of the Investors attached thereto or detailed hereunder shall be freely transferable and assignable by the Investors and their successors in interest to their Affiliates and to Third Parties and such Affiliates or Third Parties shall be subject to the conditions and restrictions on the relevant Investors under these Articles. Notwithstanding anything to the contrary contained in these Articles, upon occurrence of an Exit Trigger Event, the restrictions / conditions set out in Article 7.3 shall fall away insofar as the Investors are concerned and the Investors shall not be obligated to provide a right of first offer to the Promoters or any other Person in terms of Article 7.3 and each Investor shall be free to Transfer the Securities held by them in the Company to any Person as it may deem fit.

## 8. **EXIT RIGHTS**

### 8.1 **IPO.**

8.1.1 The Company shall, and the Promoters shall ensure that the Company shall, consummate an IPO involving all of the Securities held by the Investors in the Company at any time after 36 (thirty six months) but in any event before 48 (forty eight) months from the Restated Articles Effective Date. For the purposes of these Articles, an “**IPO**” means a firm underwritten initial public offering of the Equity Shares or such other Securities (including depository receipts) as may be agreed to by the Investors in writing, either domestic or overseas, of the Company and consequent listing of the Securities of the Company on domestic or internationally recognised stock exchanges, either:

- (i) through a public issue of fresh Securities, or
- (ii) an offer of existing Securities by some or all the Shareholders (an “**Offer of Existing Securities**”); or
- (iii) a combination of (i) and (ii).

Provided that the Shareholders and the Company may mutually agree in good faith to extend the aforementioned time periods on account of any delays attributable to regulatory requirements under Applicable Laws.

8.1.2 The Board shall decide on the following matters:

- (i) the price, and other terms and conditions of the IPO;
- (ii) the timing of the IPO;
- (iii) the stock exchanges on which the Securities are to be listed;
- (iv) the firm of independent merchant banker(s), manager(s), arranger(s) of the IPO, who shall advise the Company on matters relating to such IPO, including but not limited to matters set out under (i) and (ii) above; and
- (v) any other matters related to the IPO,

with the consent of the Investors in the manner stated under Article 6 in respect of each of the aforementioned matters, and subject to such statutory guidelines as may be in force.

- 8.1.3 In the event of the IPO which entails an Offer of Existing Securities, each Investor shall have the right (but not the obligation) to offer any or all of its Securities for sale in the IPO, in priority to any other Shareholders of the Company, including the Promoters. In the event that further Securities are required to be offered by way of such Offer of Existing Securities under Applicable Laws, or if the Investors do not offer sufficient Securities as are required to be offered in terms of Applicable Laws, the Investors and Promoters shall offer such number of Securities that are in proportion to their Shareholding Percentage.
- 8.1.4 The Promoters shall vote in favour of and to do all acts and deeds necessary for effecting the IPO. In the event of an IPO, the Promoters shall offer such number of their Securities for a lock-in as may be required to meet the minimum promoter contribution or similar lock-in requirements under Applicable Laws. The Investors shall not be required to call themselves, and the Company shall not refer to any of the Investors as “founder” or “promoter” in the offer documents, nor shall be required to offer any of the Securities held by the Investors for such lock-in.
- 8.1.5 All fees and expenses (including payment of all costs relating to the listing and sponsorship, underwriting fees, listing fees, merchant bankers fees, bankers fees, brokerage, commission, reasonable legal fees of the Investors and any other costs that may be incurred due to the changes to Applicable Laws for the time being in force) required to be paid in respect of the IPO, shall be borne and paid by the Company and all intermediaries, agents and managers shall be appointed by the Company in consultation with the Investors.
- 8.1.6 The Company shall indemnify the Investors to the maximum extent permitted under Applicable Laws, against any loss, claim, damage, liability (including reasonable attorneys’ fees), cost or expense arising out of or relating to any misstatements and omissions of the Company in any registration statement, offering document or preliminary offering document, and like violations of Applicable Laws by the Company or any other error or omission of the Company in connection with a public offering hereunder, other than with respect to information provided by the Investors, in writing, expressly for inclusion therein.

## **8.2 Exit Trade Sale.**

- 8.2.1 The Company shall, and the Promoters shall ensure that the Company shall, consummate an Exit Trade Sale involving all of the Securities held by the Investors in the Company at any time after the date that is 48 (forty eight) months from the Restated Articles Effective Date in the event that the IPO is not consummated by such date.

Provided that the Shareholders and the Company may mutually agree in good faith to extend the aforementioned time periods on account of any delays attributable to regulatory requirements under Applicable Laws.

- 8.2.2 The Board shall, with the consent of the Investors in the manner stated under Article 6, and subject to such statutory guidelines as may be in force, decide on:
- (i) the nature of the Exit Trade Sale;
  - (ii) the identity of the purchaser (as applicable);
  - (iii) the price or valuation; and
  - (iv) all other matters related to the Exit Trade Sale.

- 8.2.3 Any such Exit Trade Sale shall be subject to the approval of the Investors.
- 8.2.4 The Promoters and the Investors shall vote in favour of and to do all acts and deeds necessary for effecting the Exit Trade Sale.
- 8.2.5 All fees and expenses (including *inter alia* payment of all costs relating to merchant bankers fees, bankers fees, brokerage, commission, reasonable legal fees of the Investors and any other costs that may be incurred due to the changes to Applicable Law for the time being in force) required to be paid in respect of the Exit Trade Sale, shall be borne and paid by the Company and all intermediaries, agents and managers shall be appointed by the Company in consultation with the Investors.

### 8.3 **Strategic Sale Right of the Investor.**

- 8.3.1 In case the Company does not successfully consummate an IPO in the manner contemplated in Article 8.1 before the expiry of 48 (forty eight) months from the Restated Articles Effective Date and, or if the Exit Trade Sale is not consummated within 54 (fifty four) months from the Restated Articles Effective Date, in each case for any reason whatsoever including due to the Investors not approving the IPO and, or, the Exit Trade Sale in terms of Article 6(**"Exit Trigger Event"**), then the Investors shall have the right, but not an obligation, exercisable jointly in accordance with this Article to sell the Securities held by such Investors in the Company to any Person (**"Strategic Transferee"**) and to require all or any of the Promoters to immediately sell all or any part of their respective Securities to the Strategic Transferee on terms and conditions, no less favourable to the Promoters than those offered to the Investors by the Strategic Transferee (**"Strategic Sale Right"**). The Promoters irrevocably grant the Investors an option to exercise the aforesaid Strategic Sale Right and to negotiate the terms and conditions for sale of the Strategic Sale Securities to the Strategic Transferee, including the price at which the Strategic Sale Securities shall be purchased by such a Strategic Transferee. Provided that pursuant to exercise of such Strategic Sale Right, the Investors should have divested all the Securities held by them in the Company.
- 8.3.2 In the event the Investors elect to exercise their Strategic Sale Right, they shall deliver a written notice of such election to the Promoters (a **"Strategic Sale Exercise Notice"**). The Strategic Sale Exercise Notice shall specify: (i) the name and address and identity of the Strategic Transferee, (ii) the number of Securities that the Promoters shall be required to sell to the Strategic Transferee (**"Strategic Sale Securities"**), and (iii) the amount in cash of the proposed consideration for such sale. The Strategic Sale Exercise Notice shall be irrevocable and shall constitute a binding agreement by the Promoters to sell and Transfer the Strategic Sale Securities to the Strategic Transferee without the requirement of any further acceptance or acknowledgement of the Strategic Sale Exercise Notice by the Promoters.
- 8.3.3 Within 30 (thirty) days of the receipt of the Strategic Sale Exercise Notice or such other date as may be specified in the Strategic Sale Exercise Notice (**"Strategic Sale Closing Date"**), the Promoters shall take all steps necessary to give effect to the provisions of this Article and to the Strategic Sale Right of the Investors. The Company and the Promoters shall take all necessary and desirable actions in connection with the consummation of the transactions contemplated in this Article, including passing of all necessary resolutions and obtaining all necessary consents to give effect to the Strategic Sale Right, the timely execution and delivery of such agreements and instruments and other actions reasonably necessary to cooperate with the Strategic Transferee, to provide such access and information as may be requested by the Strategic Transferee, participate in meetings with the Strategic Transferee, permit the Strategic Transferee to conduct a due diligence on the Company, and to provide the representations, warranties, indemnities, covenants, and other provisions and agreements customary to such sale. The Shareholders and the Company agree and acknowledge that the

Investors shall not be required to make any representations and, or, provide indemnities in connection with the Securities that are transferred by the Promoters to the Strategic Transferee.

- 8.3.4 The closing of any purchase of the Strategic Sale Securities by the Strategic Transferee from the Promoters shall take place on the Strategic Sale Closing Date and simultaneous with the closing of the purchase of Securities by the Strategic Transferee from the Investors. On the Strategic Sale Closing Date, the Promoters shall deliver all documents and instruments as may be required in accordance with the Applicable Laws to effect a Transfer of the Strategic Sale Securities free from and clear of any or all Encumbrances, including duly executed transfer instructions to the relevant depository participant, as applicable. The Strategic Sale Securities that are to be sold pursuant to the Strategic Sale Right shall be free and clear of any Encumbrance.
- 8.3.5 The Strategic Transferee purchasing the Strategic Sale Securities shall make payment in full for the Strategic Sale Securities to the relevant bank accounts of the Promoters, the details of which shall be intimated in writing by the Promoters to the Investors. On the Strategic Sale Closing Date, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale and transfer of the Securities held by the Investors and the Strategic Sale Securities to the Strategic Sale Transferee.
- 8.3.6 If the Promoters do not, on the Strategic Sale Closing Date provide duly executed transfer instructions in accordance with the requirements of Applicable Laws to the relevant depository participant, in regard to all the Strategic Sale Securities, the Promoters shall be deemed to have irrevocably authorized any Person nominated by the Investors to be the Promoters' agent and attorney to execute all necessary sale and Transfer(s) documents on their behalf and against receipt by the Company (on trust for the Promoters) and in accordance with the requirements of this Article and deliver such documents to the Strategic Transferee and the Directors shall forthwith register the Strategic Transferee as the holder thereof. After the Strategic Transferee has been registered as the holder, the validity of such proceedings shall not be questioned by the Promoters or any Person.
- 8.3.7 On the Strategic Sale Closing Date, the Investors shall cause each of the Directors nominated by them to resign from the Board, and the Promoters shall cause such number of Directors nominated by them to resign from the Board, such that the Strategic Sale Transferee gets the right to nominate a majority of Directors on the Board with immediate effect. Provided that, if required by the Strategic Transferee, the Promoters shall ensure that Promoter I is retained in his present position in the management of the Company for a reasonable transition period as determined by such Strategic Transferee pursuant to such Strategic Sale.
- 8.3.8 If the Strategic Transferee refuses to consummate the transaction contemplated by this Article, then the Investors and the Promoters shall not have any liability whatsoever in regard to such a Strategic Transferee, and such failure shall not preclude the right of the Investors to exercise their Strategic Sale Right at a future date.
- 8.3.9 Upon occurrence of an Exit Trigger Event, without prejudice to the right of the Investors to explore options to exercise their Strategic Sale Right, the Promoters shall have the obligation to identify prospective Strategic Transferee(s) and procure non-binding offers from such Persons and present it to the Investors to facilitate the Strategic Sale Right of the Investors. The Investors shall have the sole discretion to accept or reject such offers procured by the Promoters and if the Investors reject any of the offers procured by the Promoters then the obligation of the Promoters to continue to explore and identify other Strategic Transferee(s) shall continue and shall not fall away or stand diluted in any manner.

- 8.4 Notwithstanding anything to the contrary contained herein, any exit provided to the Investor pursuant to this Article 8 that entails sale of the Securities held by the Investor should necessarily require payment of consideration for such Securities in cash, unless otherwise agreed by the Investors in writing.

## **9. INFORMATION RIGHTS AND INSPECTION**

### **9.1 Information Rights.**

- 9.1.1 So long as the Investors, along with their Affiliates, holds any Securities in the Company, the Company shall provide to the Investors and Permitted Recipients:

- (i) monthly information statements in a format prescribed by the Investors pursuant to discussions with the Promoters, containing such information as is required to understand the business (including details of significant events impacting or expected to impact the Company), by not later than 20 (twenty) days following the end of the month to which they relate;
- (ii) un-audited quarterly financial statements, within 30 (thirty) days from the end of the period to which they relate, duly certified by the managing director and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (iii) un-audited half-yearly financial statements, within 45 (forty five) days from the end of the period to which they relate, duly certified by the managing director and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (iv) annual audited financial statements, within 90 (ninety) days from the end of the period to which they relate, duly certified by the Promoters and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (v) a copy of the auditors' report, within 120 (one hundred and twenty) days from the end of the period to which it relates;
- (vi) minutes of all Board Meetings, Shareholders Meetings and any meetings of the Committees, as soon as practicable, and in any case within 15 (fifteen) days of the date of the relevant meeting; and
- (vii) projection of any debt and equity requirements for each of the next (two) financial quarters, as soon as practicable.

- 9.1.2 The Financial Statements delivered under this Article 9.1 shall at least include a balance sheet, a statement of profit or loss, and a statement of cash flows for the relevant period and shall be prepared in English in accordance with Accounting Standards consistently applied with past practice for prior periods.

- 9.1.3 All information and documents to be provided by the Company under this Article 9.1 shall be prepared and provided in English.

### **9.2 Right of Inspection.**

- 9.2.1 So long as the Investors, along with their Affiliates, holds any Securities in the Company, the Investors shall, by giving a notice of at least 7 (seven) days, be entitled to carry out inspection of site, stores, accounts, documents, records, premises, and equipment and all



other Assets of the Company during normal working hours through its authorized representatives and, or, agents at its own cost, and the Company shall use reasonable efforts to provide such information, data, documents, evidence as may be required for the purpose of and in the course of such inspection in connection therewith. The Investors shall have the right to make copies of, all books of account, records, including the corporate and the financial records, audited accounts and management accounts. The Company shall provide all possible assistance to the Investors or their respective authorised representatives (including legal advisors, accountants and other professional advisors) in this regard. In the event that any concerns are raised pursuant to such inspection and audit, the Company shall address and resolve such concerns promptly to the satisfaction of the relevant Party. The Investors shall also be entitled to consult and discuss matters concerning the Company or its business with the Directors, Key Managerial Personnel, employees, statutory auditors, accounting advisors and legal advisers of the Company. It shall be the responsibility of the Promoters to ensure that the obligations under this Article 9.2 are given full effect. The reasonable costs of any such inspection including appointment of any auditors for this purpose shall be borne by the Company.

- 9.2.2 The Investors shall be entitled to standard information, inspection and visitation rights, in compliance with the requirements of Applicable Laws.

All inspection, auditing or other activities conducted by a Shareholder, pursuant to this Article 9.2 shall be conducted in a manner so as not to interfere unreasonably with the conduct of the business of the Company.

## 10. **OTHER COVENANTS**

### 10.1 **Protective Covenant.**

- 10.1.1 The Promoters agree that they shall not, and shall ensure that their Affiliates and Associates do not (except, where relevant, through the Company and its Subsidiaries), directly or indirectly,:

- (i) set up, solicit business on behalf of, render any services to, engage in, guarantee any obligations of, extend credit to or have any ownership interests, in any **Conflicting Business**. For the purposes of these Articles, “**Conflicting Business**” means the business of providing facilities management services, production support services, staffing solutions and other business support services that, directly competes with the business of the Company as carried on from time to time;
- (ii) assume any Role in any Person engaged in, or proposed to be engaged in, any **Conflicting Business**;
- (iii) solicit and render services to or for, or accept from, anyone who is a client or customer of the Company (whether present or future), any **Conflicting Business**, or persuade or attempt in any manner to persuade any client or customer of the Company to cease to do business or to reduce the amount of business which any such client or customer has customarily done or is reasonably expected to do with the Company;
- (iv) interfere or seek to interfere or take such steps as may interfere with the continuance of supplies to the Company (or the terms relating to such supplies) from any suppliers who have been supplying goods or services to the Company; and

- (v) employ as an employee or retain as a consultant any Person (including an individual, firm, corporation or other form of entity) who is then, or at any time during the 6 (six) month period prior to the date of the purported solicitation, was an employee of, or exclusive consultant to the Company, or persuade or attempt to persuade any employee of, or exclusive consultant to, the Company, to leave the employment of the Company or to become employed as an employee or retained as a consultant by any other Person.

10.1.2 Notwithstanding anything to the contrary agreed in writing between the Shareholders and the Company, and without prejudice to restrictions contained in Article 10.1.1, the Promoters shall not, individually or together, at any time, have any Role or have any interest, directly or indirectly, in any Persons / businesses, irrespective of the nature of the business / operations ("Interested Entities") which is not in compliance with this Article 10.1. The Interested Entities are set forth in Article 10.1.3. As and when a Promoter acquires / assumes any Role / interest in any new Person / business, the relevant Promoter shall issue a written intimation to the Investors and upon a Promoter acquiring / assuming such a Role / interest in the manner aforesaid, the relevant Person / Business shall be treated as an Interested Entity for the purposes of these Articles. Further, each Promoter shall, as and when it ceases to have any Role / interest in any Interested Entity issue a written intimation to the Investors as soon as practicable. As and when a Promoter acquires / assumes any additional Role / interest or enhancing its shareholding or interest in any Interested Entity, the relevant Promoter shall issue a written intimation to the Investors.

10.1.3 The details of Interested Entities are as follows:

<i>S.No.</i>	<i>Name of Interested Entity</i>	<i>Nature and Extent of Interest</i>
1.	Tangirala Infrastructure Development Private Limited	(i) director;  (ii) shareholder – legally and beneficially holding 50% (fifty per cent.) of the share capital
2.	Best Security Services Limited	(i) director;  (ii) shareholder – legally and beneficially holding 50% (fifty per cent.) of the share capital
3.	Tangi Facility Solutions Private Limited	(i) director;  (ii) shareholder – legally and beneficially holding 99% (ninety nine per cent.) of the share capital

10.1.4 Notwithstanding anything to the contrary contained herein, the restrictions contained in this Article 10 shall not be circumvented by the Promoters indirectly including through its Affiliates, Associates or any other Person.

10.1.5 The restrictions contained in Article 10.1.1 shall not apply to any financial / passive investments made by the Promoters subject to the Promoters having sought the prior written consent of the Investor for any investment exceeding INR 25,00,00,000 (Indian Rupees

twenty five crores). Provided that for any financial / passive investment made by the Promoters not exceeding INR 25,00,00,000 (Indian Rupees twenty five crores), the Promoters shall intimate the Investors immediately after having made such investment.

- 10.1.6 The Shareholders and the Company acknowledge that (i) the type and periods of restriction imposed in the provisions of this Article 10.1 are fair and reasonable and are reasonably required in order to protect and maintain the legitimate business interests and the goodwill associated with the business carried on by the Company; and (ii) the time, scope and other provisions of this Article 10.1 have been specifically negotiated by parties and have been agreed to, in light of the investments made by the Investors in the Company, either directly or indirectly.
- 10.1.7 If any of the restraints contained in this Article 10.1 or any part thereof, is held to be unenforceable in a jurisdiction by reason of it extending for too great a period of time, or by reason of it being too extensive in any other respect, the Shareholders and the Company agree for only that particular jurisdiction that (i) such restraint shall be interpreted to extend only over the maximum period of time, geographic area or extent to which it may be enforceable, as determined by the court or arbitration panel making such determination, and (ii) in its reduced form, such restraint shall then be enforceable. Each of the restraints and agreements contained in this Article 10.1 (collectively, the “Protective Covenants”) is separate, distinct, and severable.
- 10.1.8 The unenforceability of any portion of the Protective Covenant shall not affect the validity or enforceability of any other portion of the Protective Covenant or any other provision or provisions of these Articles.
- 10.1.9 The Promoters undertake that:
- (i) Promoter I shall devote all of his time, energy and efforts to the activities of Company and the promotion of the Business.
  - (ii) except with the prior written consent of the Investors, all new projects and businesses relating to the Conflicting Business, shall only be undertaken by the Company, and not through any other Affiliates or Associates of any of the Promoters or the Company or through the Relatives of Promoter I and Promoter II. Provided that the security business that is currently being carried on through Best Security Services Limited can be carried on by such an entity subject to the preceding portion of this Article 10.1.9(ii).
  - (iii) all opportunities for new projects and businesses relating to the Conflicting Business that are developed or sourced by, or offered to, the Promoters shall be referred exclusively to the Company.

## **10.2 Conduct of Business.**

- 10.2.1 The Company and the Promoters shall cause the Company, Promoters and their respective Affiliates (present or future) to agree and undertake, that:
- (i) the Company and its Subsidiaries shall devise and implement appropriate mechanisms and reporting systems to ensure:
    - (a) compliance with all Applicable Laws and Accounting Standards, including requisite corporate governance practices; and

- (b) that all agreements, dealings and arrangements with any of the Shareholders, their Affiliates or other Related Parties and other transactions with a Related Party are on an arm's length basis with full disclosures to the Board;
- (ii) the Company and its Subsidiaries shall conduct its business in accordance with all Applicable Laws, terms and conditions of the agreed in writing between the Shareholders and the Company, these Articles and the Business Plan;
- (iii) they and, or, their Affiliates shall not engage, by themselves directly or by authorizing any Person to do so, in any offering, giving, receiving, or soliciting, any money, gifts, gratifications or any other thing of value to any Government Official or any other Person, that will amount to a violation of the U.S. Foreign Corrupt Practices Act; 15 U.S.C. §78dd-1, et seq. as amended (the "**FCPA**"), and the Prevention of Money Laundering Act, 2002 ("**PMLA**") and other equivalent laws applicable to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, notwithstanding the applicability or non-applicability of the FCPA and, or, the PMLA to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, in relation to such conduct;
- (iv) they shall not and further undertake to ensure that their respective directors, officers, representatives, employees, advisors and agents do not, make any offer, payment, promise to pay or authorise the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any government official (including without limitation, any tax or customs official, any employee of a government owned or controlled company, or of a public international organization, or any person acting in an official capacity on behalf of a government, government owned or controlled company, or public international organization), or to any arbitration tribunal, or to any political party or an employee of any political party, domestic or foreign (or official thereof) ("**Government Official**") or to any other Person who was or is in a position to help or hinder the business of the Company, the Promoter and, or, their respective Affiliates: (a) with the intent or purpose of influencing such Government Official or other Person in his official capacity, inducing such Government Official to do or omit to do any act in violation of the lawful duty of such official, or securing any improper advantage; (b) inducing such Government Official to use his influence with a government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality; (c) that would cause the Company, the Promoters and, or, their respective Affiliates and their respective directors, and employees to violate or be in violation of any applicable laws (including without limitation the FCPA, as amended from time to time, notwithstanding the applicability of the FCPA and, or, the PMLA to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, in relation to such conduct) or subject it or them to damages or penalties in a civil or criminal proceeding; or (d) that could reasonably be expected to have a Material Adverse Effect, if not discontinued;
- (v) the Company, the Promoters and their respective Affiliates shall comply with the FCPA policy, as adopted by the Board, effective from the Restated Articles Effective Date;
- (vi) each of the Company, the Promoters and their respective Affiliates are: (a) not currently identified on the Specially Designated Nationals and Blocked Persons List maintained by the U.S. Office of Foreign Assets Control, Department of the Treasury ("**OFAC**") and, or, on any other similar list maintained by OFAC or any other U.S. governmental agency pursuant to any authorising statute, Order or regulation, and (b) not a person or entity with whom a citizen of the United States

of America is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States law, regulation, or order of the President of the United States of America;

- (vii) they and their Affiliates and their respective directors, officers, representatives, employees, advisors and agents have not provided or collected funds with the intention that they be used, or in the knowledge that they are to be used, in order to carry out terrorist acts or support any terrorist organization;
- (viii) the Company, the Promoters and their respective Affiliates (as applicable) shall issue to the Investors, a certificate on an annual basis, in a form and substance satisfactory to Investor II, certifying compliance with the provisions of this Article 10.2; and
- (ix) the Company, its Subsidiaries and Promoter III shall adopt at the meetings of their respective Board of Directors and implement all compliance related policies and procedures in relation to matters set out in this Article, as the Investors may deem necessary from time to time.

#### 10.2.2 The Company and the Promoters shall:

- (i) cause the Company, the Promoters and their respective Affiliates and each of their respective officers, directors and employees (individually and collectively, a “**Company Representative**”) to: (a) engage only in lawful practices in commercial operations and in relation to Governmental Authorities or Government Official; (b) not make any bribe, rebate, payoff, influence payment, or any other payment that would be unlawful under any applicable Anti-Corruption Legislation and Anti-Corruption Guidelines as agreed in writing between the Shareholders and the Company;
- (ii) not engage in (or authorize or permit any of their Affiliates or any other Person acting on its behalf to engage in), any Sanctionable Practice with respect to any transaction as agreed in writing between the Shareholders and the Company or otherwise;
- (iii) not make or hold any investments in any entity that (a) is sanctioned pursuant to United Nations Security Council resolutions issued under Chapter VII of the United Nations Charter; (b) is on the World Bank Listing of Ineligible Firms and Individuals or (c) has been convicted, indicted or subjected to any similar criminal sanction, by any court or governmental body of competent jurisdiction, for engaging in money laundering or financing of terrorism or any Sanctionable Practice;
- (iv) upon being notified by the Investors of their concern that there has been a violation of the Articles 10.2.2(i) to (iii), the United Nations Security Council Resolutions, and, or, any Sanctionable Practices in relation to the foregoing, the Company shall cooperate in good faith with the Investors and its representatives in determining whether such a violation has occurred, and shall respond promptly and in reasonable detail to any notice from the Investors, and shall furnish documentary support for such response upon such request;
- (v) (the Promoters) not Transfer, and the Company shall not permit the Transfer of, any of their interests in the Company to any person or entities (a) named on lists promulgated from time to time by the United Nations Security Council or its committees pursuant to any resolution issued under Chapter VII of the United Nations Charter; (b) named on the World Bank Listing of Ineligible Firms and Individuals (see [www.worldbank.org/debarr](http://www.worldbank.org/debarr) or any successor website or location);

and, or, (c) convicted, or subjected to any similar criminal sanction, by any court or governmental body of competent jurisdiction, for engaging in money laundering or financing of terrorism or any Sanctionable Practice, or in each case, to any successor in interest or ultimate beneficial owner thereof; and

- (vi) on becoming aware of any violation of the Integrity Requirements, they shall promptly notify the Investors.

### **10.3 Distribution of Profits.**

The Board shall determine the amount and the time of distribution of dividends in accordance with the Dividend Policy. The Shareholders and the Company agree that the profits of the Company, as and when distributed, shall be distributed to the Shareholders as per their Shareholding Percentage.

### **10.4 Key Managerial Personnel.**

- 10.4.1 Key Managerial Personnel shall be appointed by the Board from time to time in accordance with the requirements of Applicable Laws and the Company shall ensure that the position of chief executive officer, chief financial officer/ vice-president (finance) and business development head of the Company is not vacant for longer than a period of 60 (sixty) days at any point in time. The Persons including the Key Managerial Personnel so appointed by the Board from time to time including Mr. Raghunandana Tangirala, along with the executive directors of the Company, if any, shall hereinafter be referred to as the “**Management**”.

- 10.4.2 The Management shall be responsible for the day-to-day management of the Company and shall directly report to the Board. The Management shall operate within the authority specifically approved and granted by the Board and shall exercise such powers as may be delegated to them by the Board subject to its overall control, direction and supervision. The Management shall report to the Board in such manner as may be determined by the Board from time to time.

- 10.4.3 Any decision in regard to the appointment or termination, or change in the terms of appointment of any Key Managerial Personnel and, or member of the Management shall be subject to Article 6 .

### **10.5 Auditors and Accounting.**

- 10.5.1 The Company shall keep true and accurate accounting records of all operations in accordance with Applicable Laws and Accounting Standards, and such records shall be open for inspection by each Party or by its duly authorised representatives at all times during normal business hours and with sufficient notice so as not to disrupt the Company’s operations.

- 10.5.2 The Financial Statements of the Company shall be audited at the Company’s expense by the Statutory Auditor.

- 10.5.3 The accounting records shall be kept at the registered office of the Company or at such other place, in accordance with Applicable Laws, as the Board may deem fit and proper.

### **10.6 Indebtedness.**

In the event the Company proposes to incur any Indebtedness, including by borrowing funds from banks and financial institutions, the Investors shall not be asked, or be required to give any warranties, letter of comfort and, or, guarantees, of any nature whatsoever for any loans

or with regard to any aspect of the business or functioning of the Company. In relation to any Indebtedness of the Company, the Investors shall not be required to pledge their Securities or provide any support to any Third Party, including but not limited to lenders of the Company.

#### **10.7 Promoter Status.**

10.7.1 The Investors and, or, their Affiliates shall not be named or deemed as ‘promoters’ or ‘sponsors’ of the Company nor shall any declaration or statement be made to this effect, either directly or indirectly, in filings with regulatory or Governmental Authorities, offer documents or otherwise without the prior written consent of the Investors in writing.

10.7.2 The Investors, their officials, employees, nominee directors, managers, representatives or agents shall not be named or deemed as an ‘occupier’ or ‘officer in charge’ or ‘officer in default’ under any Applicable Laws. In the event any Governmental Authority takes a view or draws an inference that the Investors or their Affiliates or their officials, employees, nominee directors, managers, representatives or agents, is a ‘sponsor’, ‘occupier’ or ‘officer in charge’ or ‘officer in default’, then the Company and the Promoters shall co-operate with the Investors to make such representations and make full disclosures to the Investors or such body or authority as may be required by the Investors to dispel or correct such inference or view under the Applicable Laws.

#### **10.8 Status of the Company.**

The Company is and shall be maintained as a ‘private limited company’ (as defined under the 2013 Act) and any conversion or action that would result in conversion of the Company to a public limited company (either directly, by converting Promoter III into a public limited company or otherwise) shall be subject to the prior written consent of the Investor and the terms of these Articles.

#### **10.9 Tax Covenants.**

The Company and the Promoters shall act in good faith and shall pay all Taxes (direct and indirect), duties, cess, fees or any other amount payable (whether by way of Tax or otherwise), under the Applicable Laws. Further, the Company, and the Promoters shall take all steps to make the necessary Tax filings under the Applicable Laws (including but not limited to the return of income for the relevant Financial Years, withholding Tax returns etc.).

#### **10.10 Business Plan.**

The Business Plan for each Financial Year shall be discussed and approved by the Board, which approval will require an affirmative vote by the Investors in accordance with Article 6, no later than 30 (thirty) days before the beginning of the relevant Financial Year. The Promoters and the Company shall take all steps necessary, including the exercise of their rights at Shareholders Meetings and causing their nominee Directors to exercise their rights at Board Meetings, to ensure that the Company carries on its business in accordance with the terms of the Business Plan agreed from time to time.

#### **10.11 Related Party Transactions.**

Any transactions with Related Parties (including investments in, or loans to Related Parties, the formation of Affiliate entities or Subsidiaries) shall be conducted (i) on an arm’s-length basis; and (ii) with the consent of the majority disinterested directors and at least one Investor Director. Provided that any Related Party transactions which are in the Ordinary Course and

are on an arm's-length basis may be approved by the Board through provision of an omnibus approval subject to consent of the Investor in terms of Article 6.

#### **10.12 Subsidiaries.**

- 10.12.1 Unless stated otherwise, any and all rights available to the Investors in or with respect to the Company as agreed in writing between the Shareholders and the Company, including, without limitation, the right under Article 6, shall be also available to the Investors in the wholly owned Subsidiaries of the Company, whether such Subsidiaries exist on the Restated Articles Effective Date or not. All obligations of the Promoters hereunder with respect to the Company also apply to the Promoters in respect of such wholly owned Subsidiaries. The Company shall ensure that all of the rights, preferences and privileges of the Investors which are contained in these Articles, including all management principles set out in these Articles, shall be continuously made applicable to each of the present or future wholly owned Subsidiaries of the Company and shall form part of the memorandum and articles of association or other charter documents of such Subsidiaries. The Investors shall have the right to appoint such number of directors on the board of directors of wholly owned Subsidiaries as they are entitled to appoint on the Board and the Promoters and Company shall ensure that the persons nominated by the Investors are appointed as additional directors on the board of directors of the Subsidiaries of the Company within 15 (fifteen) days of written notice by the Investor in this regard.
- 10.12.2 With respect to Subsidiaries other than wholly owned Subsidiaries of the Company, all rights available to the Investors in or with respect to the Company as agreed in writing between the Shareholders and the Company, including, without limitation, the right under Article 6, shall be exercised by the Board and by seeking specific consent of the Investor Directors, and, or, by the Company and, or, the Promoters voting appropriately at the meetings of the board of directors or shareholders of such Subsidiaries and, or, Associate Companies.

#### **10.13 Most Favoured Right**

The Company shall not, and the Promoters shall procure that the Company and its Subsidiaries shall not, directly or indirectly, or in any manner whatsoever, grant to any Persons (whether in regard to an issue of Securities or otherwise) rights that are superior or more favourable than the rights that have been granted to the Investors under these Articles. Without prejudice to the generality of the above, any rights that are more favourable and, or, superior than the right available to the Investors under these Articles, shall only be granted to any Person in regard to the Company with the prior written consent of the Investors, and such rights shall automatically, without there being any requirement to undertake any further act and, or, omission, be available to the Investors.

#### **10.14 Business Review Meetings**

The Company shall, and the Promoters shall procure that the Company shall, organize, at the Company's cost, business review meetings between the Shareholders and the Company at such regular intervals as may be mutually agreed in writing between the Company, the Promoter and the Investors.

#### **10.15 Fall away of Rights**

In the event the Investors (together with their Affiliates who hold Securities in the Company) hold less than 5% (five per cent.) of the Share Capital on a Fully Diluted Basis due to Transfer of the Securities held by the Investors or dilution of the Shareholding Percentage of the Investors, the rights conferred on the Investors pursuant to Articles 3.2 (*Fresh Issue of*



*Securities*), 3.3 (*Anti-Dilution*), 4 (*Board and Board Meeting*), 5.1.2 (*Notice*), 5.1.3 (*Quorum*) 6 (*Affirmative Vote Matters*), 7.1 (*Restriction on Transfer of Promoter Securities*), 8 (*Exit Rights*) of these Articles shall cease (save and except as otherwise agreed in writing by the Shareholders and the Company). Notwithstanding the above, all other rights available to the Investors under these Articles, and the rights generally available to a shareholder holding less than 5% (five per cent.) of the share capital of a company under Applicable Law, shall continue to be applicable to the Investors until the Investors ceases to hold any Securities in the Company.

#### **10.16 Day-to-day management of the Company**

The Promoters shall ensure that Promoter I remains in charge of day-to-day management and operations of the Company and is responsible for the conduct of Business of the Company.

### **11. EVENTS OF DEFAULT**

#### **11.1 Consequences of Default.**

On the occurrence of an event of default as defined and agreed in writing between the Shareholders and the Company, the Investors shall, without prejudice to any other rights or remedies they may have under Applicable Laws or any other contract, have the right (exercisable in its absolute discretion, but not the obligation) by delivery of a written notice to terminate irrevocably all the rights (but not obligations) of the Promoters and the Company under these Articles as well as the agreements between the Shareholders and the Company and require the Promoters to buy all of the Securities held by the Investors, at 175% (one hundred and seventy five percent.) of the fair market value determined in accordance with Applicable Laws assuming that such event of default as defined and agreed in writing between the Shareholders and the Company has not occurred, or the Investment Amount, whichever is higher.

### **12. GENERAL**

12.1 Any reference to “as agreed in writing between the Shareholders and the Company” shall mean the Investment Agreement dated 19 January, 2017, as amended from time to time and other documents executed by the Investors, Promoters, and Company.

12.2 Capitalised terms used but not defined herein shall have the meanings assigned to them as agreed in writing between the Shareholders and the Company.

S/No.	Signature, Name, Father/ Husband name, Address description, occupation and PAN No. (If any) of each of the subscribers	Signature, Name, Father/ Husband name Address & of Witness
1.	<p>Sd/-</p> <p>Mr. T. RAGHUNANDANA S/o. Late T.V.S. SHARMA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AADPT0426C</p>	
2.	<p>Sd/-</p> <p>Ms. T. SHANTHI W/o. T.RAGHUNANDANA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AAVPS5245C</p>	Sd/-
3	<p>Sd/-</p> <p>Mr.T. KESAVAN S/o. P. THATHAPPAN No. F-4, Jumbo vinayak, 21, Leelavathi Ammal Street, Madippakkam Chennai-600 091 Service PAN: AIHPK5560E</p>	<p>M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2<sup>nd</sup> Street Mylapore Chennai-600 004</p> <p>Company Secretary C.P.NO.5081</p>
4.	<p>Sd/-</p> <p>Mr.D.W.LYONS S/o. Late V.T.LYONS No.63, Foxen Street, Perambur Chennai-600 011 Service PAN: APPLIED FOR</p>	
5	<p>Sd/-</p> <p>Mr.JOSEPH FULBERT EDWARD S/o Late A. J. EDWARD No.17, 7<sup>th</sup> Street, Thiruvalluvar Nagar Errukkencherry</p>	

	Chennai-600 118 Service PAN: ADUPJ5877D	Sd/-
6	Sd/-  Mr. C. ROY SURESH KUMAR S/o. Late S.L. COLUMBUS No.33, N.G.O Colony Sriperumbudur-602 105 Service PAN: APPLIED FOR	M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2 <sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.No. 5081
7	Sd/-  Mr. S. MARIAPPAN S/o. S. SANKARA NARAYANAN No.146, Pandian Street Alwarthiru Nagar Chennai-600 087 Service PAN: AIRPM 9968L	

Place : Chennai

Date : 06.11.2003

For Updater Services Pvt Ltd.

  
T. Raghunandana  
Managing Director

**THE COMPANIES ACT, 2013  
(OR ANY REENACTMENT THEREOF)  
COMPANY LIMITED BY SHARES**

**AMENDED AND RESTATED ARTICLES OF ASSOCIATION**

**OF**

**\*\*\*UPDATER SERVICES LIMITED**

(Previously known as Updater Services Private Limited)

---

The Articles consist of two parts, Part 'A' and Part 'B'. The provisions of Part 'A' 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 special provisions of Part 'B'. As long as Part 'B' remains a part of the Articles, in the event of any conflict or inconsistency, the provisions of Part 'B' shall prevail over the provisions of Part 'A'.

---

**PART - A**

**PRELIMINARY**

The regulations contained in Table "F" in Schedule I to the Companies Act, 2013, so far as the same, may be applicable to a Public Company as defined in the Act, shall except, otherwise and to extent provided in these Articles, apply to this Company, in the same manner as if all such regulations of Table F are specifically contained in these Articles.

**INTERPRETATION**

- I. In these regulations:
  - (a) "The Act" means the Companies Act, 2013
  - (b) "The Company" or "this Company" means UPDATER SERVICES LIMITED

(\*\*\* The word "PRIVATE" has been deleted vide special resolution passed at the Extraordinary general meeting of the Company held on 22.02.2022 for conversion of the Company from Private Limited to Public Limited)

- (c) "Directors" means the Directors for the time being of the Company or as the case maybe Directors assembled at a Board.
  - (d) "Board of Directors Meeting" or "Board Meeting" means a meeting of the Directors duly called and constituted or as the case may be, Directors assembled at a Board.
  - (e) "Person" includes Corporation.
  - (f) "The Office" means the registered office for the time being of the company.
  - (g) "Month" shall mean calendar month.
  - (h) "Proxy" includes attorney duly constituted under a Power of Attorney
  - (i) "The seal" means the Common Seal of the Company.
  - (j) "Executed" includes any mode of execution.
  - (k) "holder' in relation to shares means the member whose name is entered in the register of members as the holder of the shares.
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.

3. \*\*\*

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

4. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
5. (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,—

(\*\*\*3 The Restrictions related to Private Company has been deleted vide special resolution passed at the Extra-ordinary general meeting of the Company held on 22.02.2022 for conversion of the Company from Private Limited to Public Limited)

- (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 be under the seal and 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.
- 6. (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.
- 7. Except as required by law, no person shall be recognized 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 recognize (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.
- 8. (i) The company may exercise the powers of paying commissions conferred by subsection(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 rules made there under.
- (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.
- 9. (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 to 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.

10. 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 shares ranking paripassu therewith.
11. 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.

#### **TRANSFER OF SHARES**

12. (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.
13. The Board may, subject to the right of appeal conferred by section 58 declines 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.
14. The Board may decline to recognize any instrument of transfer unless-
  - (a) the instrument of transfer is in the form as prescribed in rules made under subsection(1) of section 56;
  - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) the instrument of transfer is in respect of only one class of shares.
15. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, 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

16. (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 sole holder, 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.
17. (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.  
(ii) 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.
18. (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.
19. 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 been complied with.



## ALTERATION OF CAPITAL

20. 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 there solution.
21. 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.
22. 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.
23. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law, -
  - (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.

## **BUYBACK OF SHARES**

24. 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**

25. All general meetings other than annual general meeting shall be called extra-ordinary general meeting.
26. (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**

27. (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.
28. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
29. 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.
30. 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

31. (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.

## BOARD OF DIRECTORS

32. The first directors of the Company shall be the following  
**Mr. T. RAGHUNANDANA**  
**Mrs. T. SHANTHI**
33. (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.
34. The Board may pay all expenses incurred in getting up and registering the company.
35. 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.
36. 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.
37. 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.
38. (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.

#### **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

39. 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.

40. 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.

#### **DEMATERIALISATION OF SECURITIES**

41. (i) Dematerialisation of securities:

Notwithstanding anything contained in these Articles, the company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996.

(ii) Options for Investors:

Every person subscribing to securities offered by the company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of the securities in respect of his holding.

(iii) Securities in depositories to be in fungible form.

All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sec.153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of securities held by it on behalf of the beneficial owners.

(iv) Rights of depositories and beneficial owners:

- (a) Notwithstanding anything contained in these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (c) The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository.

(v) Transfer of Securities:

Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of securities effected by a transferor both of whom are entered as beneficial owners in the records of a depository.

(vi) Allotment of securities dealt within a depository:

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the company shall intimate the details thereof to the depository immediately on allotment of such securities.

vii) Register and Index of Beneficial Owners:

The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of the Members and security holders for the purpose of these Articles and the provision relating to distinctive numbering shall not apply to the shares of the company which have been dematerialised.

## **THE SEAL**

42. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

### **Dividends and Reserve**

43. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
44. 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.
45. (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.
46. (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.
47. 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.

48. (i) Any dividend, interest or other monies payable in cash in respect of shares maybe 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.
49. 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.
50. 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.
51. No dividend shall bear interest against the company.

### **ACCOUNTS**

52. (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 authorized by the Board or by the company in general meeting.

### **WINDING UP**

53. Subject to the provisions of Chapter XX of the Act and rules made there under –
- (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**

54. 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.

### **CAPITALISATION OF RESERVES**

55. The Company in General Meeting may, upon recommendations of the Board, resolve
- (a) (i) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and
  - (ii) that such sum be accordingly set free for distribution in the manner specified in sub-clause (b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
  - (b) The sum aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in sub-clause (c) either in or towards:-
    - (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
    - (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to amongst such members in the proportions aforesaid; or
    - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
  - (c) A share premium account and a capital redemption reserve account may, for the purpose 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.
  - (d) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
56. (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall



- (i) Make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue of fully paid shares, if any, and
  - (ii) authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively credited as fully paid up of any further shares to which they may be titled upon such capitalization or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.
- (b) Any agreement made under such authority shall be effective and binding on all such members.

**ISSUE OF SECURITIES UNDER EMPLOYEES STOCK OPTION SCHEME  
OR ANY OTHER SCHEME\*\***

**\*\*57.** Subject to the provisions of these Articles and in accordance with the provisions of Section 54 of the Companies Act, 2013 and of various other laws governing the issue, the Board may issue and allot Securities under Employees Stock Option Schemes or any other scheme to Employees including its Directors other than independent directors and such other persons as the rule may allow from time to time.

*\*\*Clause 57 adopted by Special resolution passed by the members of the Company at the Extraordinary general meeting held on 17 April 2019*

**PART – B**

**1. Additional Definition**

- 1.1 **“1956 Act”** means the Companies Act, 1956 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto;
- 1.2 **“2013 Act”** means the Companies Act, 2013 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto and, or, any re-enactment thereof;
- 1.3 **“Accounting Standards”** means the applicable accounting standards in force in India from time to time, consistently applied during the relevant period, including the generally accepted accounting principles and standards, Indian Accounting Standard (Ind AS), and all pronouncements including the guidance notes and other authoritative statements of the Institute of Chartered Accountants of India;
- 1.4 **“Additional Funding Requirement”** means: (i) additional funding requirements as per the Business Plan; and, or, (ii) the Board determining that such additional funding is required from time to time in terms of these Articles, in compliance with Article 6;

- 1.5 “**Additional Securities**” has the meaning assigned to such term in Article 3.2.1;
- 1.6 “**Affiliate(s)**”, with respect to a Person, means (i) in the case of a Person other than a natural person, any other Person that either directly or indirectly through one or more Persons, Controls, is controlled by or is under common Control with such Person and any investment funds managed or advised by such specified Person, and (ii) in relation to a natural person, any Relative of such a natural person and any other Person, either directly or indirectly, controlled by such a natural person. In case of the Investors, the term ‘Affiliate’ shall be deemed to include any pooled investment fund(s) and, or, juristic entity managed by the same manager, managing member, limited partner / investor of pooled investment fund(s) of Investor I and, or, Investor II, general partner or management company or by an entity Controlling, Controlled by, or under common Control with such manager, managing member, general partner or management company, or any other pooled investment fund(s);
- 1.7 “**Affirmative Vote Matters**” has the meaning assigned to it in Article 6.1;
- 1.8 “**Alternate Director**” has the meaning assigned to such term in Article 4.5.1;
- 1.9 “**Applicable Laws**” means relevant and applicable central, state and local laws of India, including all statutes, enactments, acts of legislature, laws, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, administration, directions, directives, decisions, orders, executive orders, decrees, judicial decisions, orders of any Governmental Authority or other similar directives made pursuant to such laws, whether in effect on the date of these Articles or at any time thereafter;
- 1.10 “**Approvals**” means approvals, permissions, consents, validations, confirmations, waivers, permits, notices, filings, grants, concessions, certificates, registrations, exemption orders, licenses and, or, other authorisations required to be obtained from any Person, including Governmental Authorities, under Applicable Laws, contracts or equity;
- 1.11 “**Articles**” or “**Articles of Association**” means the articles of association of the Company, as amended from time to time; It is clarified that on and from the Restated Articles Effective Date, the “Articles” or “Articles of Association” means the Restated Articles;
- 1.12 “**Assets**”, in regard to the Company, means all properties and assets of such the Company, including movable, immovable, tangible or intangible assets belonging to the Company or used or held for use in connection with, necessary for the conduct of, or otherwise material to the business and, or, operations of the Company, including the Intellectual Property Rights;
- 1.13 “**Associate**”, in regard to a Person, means another Person in which such a Person and, or, its Affiliates have Significant Influence and includes partnerships and private trusts where such Person and its Affiliates is a partner, beneficiary and, or, trustee;
- 1.14 “**Best Security Services Limited**” shall mean Best Security Services Limited a private limited company existing under the Act and having its registered office at 42, Luz Avenue, Mylapore, Chennai – 600 004.
- 1.15 “**Board Meeting**” means a meeting of the Board duly convened in accordance with the 2013 Act, and these Articles;
- 1.16 “**Board**” means the board of directors of the Company as constituted from time to time in accordance with the provisions of these Articles and Applicable Laws;

- 1.17 **“Business Day(s)”** means any day other than Saturday, Sunday or any day on which banks in Chennai (India) or Mumbai (India) or Ebene (Mauritius) are closed for regular banking business;
- 1.18 **“Business Plan”** means, in relation to any Financial Year, the annual business plan of the Company as approved by the Board, including the budget for the relevant Financial Year in relation to the sales budget, revenue and operating expenditure, cash flow, capital expenditure and key financial ratios;
- 1.19 **“Business”** means the business of providing facilities management, production support services, staffing services, staffing solutions and other business support services, as carried on by the Company and as supplemented / expanded from time to time;
- 1.20 **“Chairman”** has the meaning assigned to such term in Article 4.6;
- 1.21 **“Committees”** has the meaning assigned to such terms in Article 4.9;
- 1.22 **“Company Representative”** has the meaning assigned to such term in Article 10.2.2(i);
- 1.23 **“Conflicting Business”** has the meaning assigned to such term in Article 10.1.1(i);
- 1.24 **“Control”**, in relation to any Person, means (i) the beneficial ownership, directly or indirectly, of more than 50% (fifty per cent.) of the voting rights or paid-up share capital of such a Person, (ii) the right to nominate a majority of the directors or members on the board of directors or other such governing body of that Person, and, or, (iii) the possession of power to cause direction of the management or policies of such a Person; Correlative terms such as “controlling” and “controlled” shall be construed in accordance with this definition;
- 1.25 **“Deed of Adherence”** means a deed in the form agreed in writing between the Shareholders and the Company;
- 1.26 **“Dilution Instruments”**, in regard to a company, means and includes preference shares, debentures, bonds, warrants, options or other securities or instruments which are convertible into or exercisable or exchangeable for or which carry a right to subscribe to or purchase equity shares or equity capital of such a company or any instrument or certificate or right representing a legal or beneficial ownership interest in equity shares or equity capital of such a company;
- 1.27 **“Dilution Price”** has the meaning assigned to such term in Article 3.3.2;
- 1.28 **“Dilutive Issuance”** has the meaning assigned to such term in Article 3.3.2;
- 1.29 **“Director(s)”** means a director on the Board, as constituted from time to time;
- 1.30 **“Dividend Policy”** means a policy formulated determining the distribution of dividends of the Company to the Shareholders in accordance with Applicable Law which is acceptable to the Investors;
- 1.31 **“Encumbrance(s)”** means all kinds of charges and encumbrances, including mortgage, pledge, lien, hypothecation, title defect, attachment in the decree of any court, court injunction, assignment by way of security, restriction or limitation of any nature whatsoever, including restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, or any other agreement or arrangement which has the effect of conferring security of any kind whatsoever; For the avoidance of doubt, it is clarified that, insofar as any shares

or securities are concerned, the term "encumbrances" includes any voting agreement, interest, option, right of pre-emption or transfer restriction in favour of any Person;

- 1.32 **"Equity Shares"**, means the equity shares of the Company having a face value of INR 10 (Indian Rupees ten) each per share;
- 1.33 **"ESOP"** means the Employee Stock Option Plan;
- 1.34 **"Event of Default"** has the meaning assigned to such term as agreed in writing between the Shareholders and the Company;
- 1.35 **"Exit Trade Sale"** means any transaction apart from an IPO that provides each of the Investors a complete exit from the Company and includes the following: (i) a strategic sale to any Person (including a Person engaged in a Conflicting Business) through either a sale of more than 51% (fifty one per cent.) of the Share Capital of the Company or less than 51% (fifty one per cent.) of the Share Capital of the Company that results in a change in Control; or (ii) a secondary sale of the Investor Shares to any Person;
- 1.36 **"Exit Trigger Event"** has the meaning assigned to such term in Article 8.3.1;
- 1.37 **"FCPA"** has the meaning assigned to such term in Article 10.2.1(iii);
- 1.38 **"Financial Statements"**, in regard to the Company, means the audited financial statements comprising an audited balance sheet as of the end of the relevant Financial Year and the related audited statement of income and statement of cash flows for such a Financial Year, together with the auditor's report thereon and notes thereto prepared in accordance with Applicable Laws and Accounting Standards;
- 1.39 **"Financial Year"** means the period commencing from the 1<sup>st</sup> day of April of every calendar year and ending on the 31<sup>st</sup> day of March of the next calendar year;
- 1.40 **"Fully Diluted Basis"**, in regard to the Company, means that the calculation is to be made assuming that all outstanding Dilution Instruments (whether or not by their terms currently convertible, exercisable or exchangeable), options, warrants, outstanding commitments to issue Equity Shares or Dilution Instruments at a future date, whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged in accordance with their respective terms;
- 1.41 **"Government Official"** has the meaning assigned to such term in Article 10.2.1(iv);
- 1.42 **"Governmental Authority"** means any competent governmental, regulatory, statutory or administrative authority, agency, department, commission or instrumentality (whether local, municipal, national or otherwise), court, board or tribunal of competent jurisdiction or other law, rule or regulation making entity having jurisdiction on any of the Parties or the transactions contemplated by these Articles;
- 1.43 **"Indebtedness"** as applied to any Person, means any indebtedness of any kind (other than current trade accounts incurred or payable in the Ordinary Course), whether secured or unsecured, including any liability or financial obligation pertaining to borrowed money, any liability or financial obligation evidenced by a note, bond, debenture, letter of credit, draft or similar instrument, any obligation owed for all or any part of the deferred purchase price of property or services, any guarantee, warranty or indemnity extended by such Person to any other Person;

- 1.44 “**Independent Director**” has the meaning assigned to such term in the 2013 Act;
- 1.45 “**Indication of Interest**” has the meaning assigned to such term in Article **Error! Reference source not found.**(i);
- 1.46 “**Indication of Non Acceptance**” has the meaning assigned to such term in Article **Error! Reference source not found.**(ii);
- 1.47 “**Integrity Requirements**” means the integrity-related obligations including but not limited to obligations related to anti money laundering/countering of financing of terrorism, “know-your-customer” and fraud, corruption and Sanctionable Practices of the Company under (i) Applicable Laws and relevant codes of conduct and similar requirements, rules and codes conduct issued by industry self-regulatory organizations and similar trade associations, (ii) Article 10.2, and (iii) as agreed in writing between the Shareholders and the Company;
- 1.48 “**Interested Entities**” has the meaning assigned to such term in Article 10.1.2;
- 1.49 “**Investment Amount**” means the total amount invested by the Investors in the Company whether through subscription of Securities or through purchase of securities;
- 1.50 “**Investor Directors**” has the meaning assigned to such term in Article 4.2.1;
- 1.51 “**Investor I**” shall mean **INDIA BUSINESS EXCELLENCE FUND – II**, a unit scheme of Business Excellence Trust II, a trust created under the Indian Trust Act, 1882, whose trustee is Vistra ITCL (India) Limited (formerly known as **IL&FS TRUST COMPANY LIMITED**), a public company incorporated under the provisions of the 1956 Act and having its registered office at the IL&FS Financial Centre, C-22, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, India, acting through its investment manager, **MOPE INVESTMENT ADVISORS PRIVATE LIMITED**, a company registered in India under the 1956 Act having its registered office at Motilal Oswal Tower, Junction of Gokhale & Sayani Road, Prabhadevi, Mumbai – 400 025;
- 1.52 “**Investor II**” shall mean **INDIA BUSINESS EXCELLENCE FUND – IIA**, a public limited company incorporated under the laws of Mauritius and having its office at Suite 304, Third Floor, NG Tower, Cyber City, Ebene, Mauritius;
- 1.53 “**Investors**” shall mean Investor I & Investor II collectively
- 1.54 “**IPO**” has the meaning assigned to such term in Article 8.1.1;
- 1.55 “**Key Managerial Personnel**” has the meaning assigned to such term in sub-section (51) of section 2 of the 2013 Act;
- 1.56 “**Management**” has the meaning assigned to such term in Article 10.4.1;
- 1.57 “**Material Adverse Effect**” means any event, occurrence, fact, condition, change, development or effect that, individually or in the aggregate, has had or may reasonably be expected to have a material and adverse effect on: (i) the ability of the Company and, or, the Promoters to perform its obligations hereunder; and, or, (ii) the condition (financial or otherwise and including any material increase in provisions), operations, results of operations, prospects, Assets, liabilities or Business of the Company;
- 1.58 “**Non-Subscribing Shareholder**” has the meaning assigned to such term in Article 3.2.4;
- 1.59 “**Observer**” has the meaning assigned to such term in Article 4.3;

- 1.60 “OFAC” has the meaning assigned to such term in Article 10.2.1(vi);
- 1.61 “Offer of Existing Securities” has the meaning assigned to such term in Article 8.1.1 (ii);
- 1.62 “Offer Price” has the meaning assigned to such term in Article **Error! Reference source not found.**(i);
- 1.63 “Ordinary Course” as applied to any Person, means an action taken by or on behalf of such a Person that is consistent with past customs of such a Person and prudent business practices as per best industry standards, including with respect to quantity and frequency;
- 1.64 “Original Director” has the meaning assigned to such term in Article 4.5.1;
- 1.65 “Permitted Investor Transferee” has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.66 “Permitted Recipients” means the following: (i) funds under the management / advised / sub-advised by the respective managers of the Investors and their respective Affiliates and their respective directors, officers, employees, agents and advisors; and, or, (ii) valuation agencies undertaking the valuation of the Investors’ portfolio, etc.;
- 1.67 “Person” means and includes any natural person, limited or unlimited liability company, corporation, limited or unlimited liability partnership firm, proprietorship firm, Hindu undivided family, trust, union, association or any other entity that may be treated as a person under Applicable Laws;
- 1.68 “PMLA” has the meaning assigned to such term in Article 10.2.1(iii);
- 1.69 “Promoter Director” has the meaning assigned to such term in Article 4.2.1;
- 1.70 “Promoter I” shall mean **MR. RAGHUNANDANA TANGIRALA**, aged 56 years, s/o Mr. T.V. Subbiah Sarma, citizen of India having PAN AAPDPT0426C and permanent residence at No.7 D'Silva Road, Mylapore, Chennai- 600 004;
- 1.71 “Promoter II” shall mean **MRS. SHANTHI TANGIRALA**, aged 48 years, d/o Mr. Karunakaran Chathukutty Nair, citizen of India having PAN AAVPS5245C and permanent residence at No.7 D'Silva Road, Mylapore, Chennai- 600 004;
- 1.72 “Promoter III” shall mean **TANGI FACILITY SOLUTIONS PRIVATE LIMITED**, a private limited company with CIN – U74900TN2014PTC097603, established under the laws of India, having its registered office at Old No.42, New No. 2, Luz Avenue Mylapore, Chennai – 600 004
- 1.73 “Promoters” shall mean Promoter I, Promoter II & Promoter III collectively
- 1.74 “Protective Covenants” has the meaning assigned to such term in Article 10.1.7;
- 1.75 “Related Party” has the meaning assigned to such term in sub-section (76) of section 2 of the 2013 Act and, or, as per applicable Accounting Standards;
- 1.76 “Relative(s)” in connection with (i) Promoter I or Promoter II, means the children of Promoter I and Promoter II, and (ii) any other natural person, has the meaning assigned to such a term in the 2013 Act;

- 1.77 **“Restated Articles Effective Date”** means 10 February 2017;
- 1.78 **“ROFO Acceptance Notice”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.79 **“ROFO Eligible Shareholders”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.80 **“ROFO Notice”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.81 **“ROFO Period”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.82 **“ROFO Response Period”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.83 **“ROFO Transfer Period”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.84 **“Role”** means any investment / arrangement whereby the Promoters, either directly or indirectly, have or attain: (i) any shareholding /economic interest / investment in any business or any Person, (ii) a right to nominate management positions, (iii) a right to appoint / select persons on the board / governing body of such business or Person, or (iv) a role as an employee, director, lender, observer, consultant or advisor;
- 1.85 **“Sanctionable Practice”** means any Corrupt Practice, Fraudulent Practice, Coercive Practice, Collusive Practice, or Obstructive Practice, as those terms are interpreted in accordance with the Anti-Corruption Legislation and Anti-Corruption Guidelines as agreed in writing between the Shareholders and the Company;
- 1.86 **“Securities”**, in regard to the Company, means any form of securities and shares of the Company, including the Equity Shares and Dilution Instruments;
- 1.87 **“Share Capital”**, in regard to the Company, means the total issued, subscribed and paid up share capital of such the Company determined on a Fully Diluted Basis;
- 1.88 **“Shareholder(s)”** means the shareholder(s) of the Company from time to time;
- 1.89 **“Shareholders Meeting”** has the meaning assigned to such term in Article 5.1.1;
- 1.90 **“Shareholding Percentage”** means the respective percentage proportions in which the Share Capital is held by the Shareholders from time to time on Fully Diluted Basis. It is clarified that for the purposes of Article 3, any calculation of the Shareholding Percentage for determining the entitlement of a Shareholder in any proposed issuance shall be undertaken based on the Share Capital held by such a Shareholder immediately prior to such proposed issuance on Fully Diluted Basis;
- 1.91 **“Significant Influence”** means the possession of power to cause or prevent any actions pertaining to the management or policies of a Person, through the ownership or control or benefit of at least 20% (twenty percent) of total share capital or voting interest or economic interest of such a Person or the ability to nominate or have elected 1 (one) or more members of a governing body of such person or the ability to direct, restrict or otherwise influence any

management decision of such Person, whether through debt arrangements, contract, voting interest, membership to governing bodies such as a board of director, or otherwise;

- 1.92 **"Statutory Auditor"** means the statutory auditor of the Company from time to time;
- 1.93 **"Strategic Sale Closing Date"** has the meaning assigned to such term in Article 8.3.3;
- 1.94 **"Strategic Sale Exercise Notice"** has the meaning assigned to such term in Article 8.3.2;
- 1.95 **"Strategic Sale Right"** has the meaning assigned to such term in Article 8.3.1;
- 1.96 **"Strategic Sale Securities"** has the meaning assigned to such term in Article 8.3.2;
- 1.97 **"Strategic Transferee"** has the meaning assigned to such term in Article 8.3.1;
- 1.98 **"Subscribing Shareholder(s)"** has the meaning assigned to such term in Article 3.2.4;
- 1.99 **"Subscription Cut-Off Period"** has the meaning assigned to such term in Article 3.2.2;
- 1.100 **"Subsidiary"** has the meaning assigned to such term in sub-section (87) of section 2 of the 2013 Act;
- 1.101 **"Tag Exercise Notice"** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.102 **"Tag Request Notice"** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.103 **"Tag Response Period"** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.104 **"Tag Right"** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.105 **"Tag Securities"** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.106 **"Taxes"** means any and all forms of taxation, imposts, duties, and levies, whether direct or indirect, deductible at source or otherwise, together with any interest, penalties, surcharges or fines relating thereto, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction. It is clarified that the term "Taxes" shall include any interest, surcharges, penalties or additional taxes payable in connection therewith; Correlative terms such as "tax" and "taxation" shall be construed in accordance with this definition;
- 1.107 **"Third Party"** means any Person other than the Shareholders and the Company;
- 1.108 **"Transfer Securities"** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.109 **"Transfer"** means, whether directly or indirectly, any transfer, including any sale, assignment, pledge, hypothecation, creation of security interest in or lien or Encumbrance on, placing in trust (voting or otherwise), exchange, gift or transfer by operation of law or in any other way, whether or not voluntarily. Correlative terms such as "transferred", "transferring" and "transferability" shall be construed in accordance with this definition.



1.110 “**Transferring Promoter**” has the meaning assigned to such term in Article **Error!**  
**Reference source not found.**;

1.111 “**Transferring Shareholder**” has the meaning assigned to such term in Article **Error!**  
**Reference source not found.**;

## **2. UTILISATION OF PROCEEDS**

2.1 The Company shall, and the Promoters shall procure the Company to, utilise the Investment Amount solely and exclusively, for the purposes agreed in writing between the Shareholders and the Company.

2.2 Till such time as the Investment Amount has been utilized in accordance with Article 2.1, the Company shall, at each meeting of the Board, table a statement setting out the extent of utilization of Investment Amount.

## **3. FURTHER FUNDING REQUIREMENTS**

### **3.1 Furnishing of guarantees and securities to meet Additional Funding Requirements.**

3.1.1 Upon occurrence of an Additional Funding Requirement, additional funds shall be raised on terms approved, and from sources identified, by the Board. For the avoidance of doubt, it is clarified that the Investors shall not be obligated to provide any such guarantees or securities, whether directly or indirectly, to any banks or other financial institutions for any reason whatsoever.

3.1.2 The Investors do not have any obligation to provide additional funding in terms of this Article to the Company and they shall be entitled to provide such additional funding at their sole discretion.

### **3.2 Fresh issue of Securities.**

3.2.1 If the Business Plan contemplates the issuance of fresh Securities to Shareholders or if the Board determines, subject to the provisions of Article 6, that an Additional Funding Requirement is to be met through issuance of fresh Securities to the Shareholders of the Company, then the Company shall issue fresh Securities to the Shareholders (“**Additional Securities**”), proportionate to their respective Shareholding Percentage in the Company. Such Additional Securities to be issued to the Shareholders shall be fully paid-up by the respective Shareholder in cash. Notwithstanding anything to the contrary contained in these Articles, any issuance of Additional Securities shall be on such terms and conditions as the Board may, subject to the provisions of Article 6, determine at its sole discretion.

3.2.2 Not less than 30 (thirty) days before the date of proposed issuance of the Additional Securities, the Company shall deliver to each Shareholder notice / letter of offer for the proposed issuance setting forth: (i) the aggregate number of Additional Securities proposed to be issued and the Shareholding Percentage of the relevant Shareholder; (ii) the price at which such Additional Securities are proposed to be issued and other terms of issuance, if any; and (iii) such other relevant details as the Board may deem fit or as may be required as per Applicable Laws. Within 15 (fifteen) days following delivery of the notice referred to in this Article (“**Subscription Cut-Off Period**”), each Shareholder electing to exercise its rights to subscribe to its Shareholding Percentage entitlement in the Additional Securities shall give a notice to the Company specifying the number of Additional Securities basis its Shareholding Percentage that it is willing to subscribe to and if such a subscription is being undertaken, in case of the Investors through any other Person (except a Person engaged in a

Conflicting Business) and in case of the Promoters through an Affiliate, then all documents that are required to be furnished in terms of Article **Error! Reference source not found.** or Article **Error! Reference source not found.** as the case may be, such as a duly executed Deed of Adherence and copies of all Approvals and consents required to be obtained under Applicable Laws, shall be furnished to the Board by the Investors and, or, the Promoters, as the case may be.

- 3.2.3 The Investors may indicate their willingness to subscribe to any unsubscribed portion of the Additional Securities offered, either directly or through any Person (except a Person engaged in a Conflicting Business) including their Affiliates. The Shareholders electing to exercise their rights shall, within a period of 15 (fifteen) days from the Subscription Cut-Off Period, remit the requisite funds towards the Additional Securities, which they have agreed to subscribe to, and the Company shall allot such Additional Securities to the Shareholders on the issuance date specified in the notice / letter of offer in regard to such Additional Securities. Failure by any Shareholder to give such a notice within the Subscription Cut-Off Period or remit the fund in the manner set forth above shall be deemed to be a waiver by such Shareholder of its rights under this Article with respect to the proposed issuance in question. The Promoters will be entitled to renounce the right to subscribe to Additional Securities in the Company in favour of any Affiliate, which comply with the provisions of these Articles, including by executing a Deed of Adherence. Provided that the Shareholding Percentage of Promoter I shall not fall below 25% (twenty five per cent.) of the Share Capital for any reason whatsoever.
- 3.2.4 In the event that a Shareholder ("**Non-Subscribing Shareholder**") does not subscribe or is not desirous of subscribing to its Shareholding Percentage of the Additional Securities entirely, then within a period of 3 (three) Business Days from the date of expiry of the Subscription Cut-Off Period; the Board shall send a written intimation to the other Shareholder(s) (for the purposes of this Article 3.2.4 and 3.2.5 "**Subscribing Shareholder(s)**"), which term specifically excludes every Non-Subscribing Shareholder, giving them an opportunity to subscribe to the unsubscribed portion of the Additional Securities offered to such Non-Subscribing Shareholder, either by themselves or, in case the Subscribing Shareholders are Investors, then through their Affiliates.
- 3.2.5 In the event that the Subscribing Shareholder(s) sends a notice to the Company, within a period of 7 (seven) days from the date of intimation by the Board as aforesaid, agreeing to subscribe to any or all of the unsubscribed Additional Securities and remits the requisite funds towards subscription to such unsubscribed Additional Securities within a period of 15 (fifteen) days from the Subscription Cut-Off Period, then the Board shall allot such unsubscribed Additional Securities to such willing Subscribing Shareholder(s). It is clarified that if more than 1 (one) Subscribing Shareholder notifies the Board of its intention to subscribe to unsubscribed Additional Securities as above, and the unsubscribed Additional Securities are less than the aggregate number of unsubscribed Additional Securities, then the unsubscribed Additional Securities shall be issued to such Subscribing Shareholders proportionate to their respective Shareholding Percentage in the Company.
- 3.3 **Anti-dilution.**
- 3.3.1 The Investors shall have a right, whether exercisable through itself or any other Person nominated in this regard (except a Person engaged in a Conflicting Business), to subscribe to any issuance by the Company of any Equity Shares or Dilution Instruments to any Third Party in proportion to their respective Shareholding Percentage in the Company.
- 3.3.2 Upon each issuance by the Company of any Equity Shares or Dilution Instruments at a price per Equity Share less than the price ("**Dilution Price**") at which the Investors subscribed to the Investor Shares ("**Dilutive Issuance**"), the Investors shall be entitled to, and the

Company shall provide and the Promoters shall procure the Company to provide to the Investors, dilution protection on weighted average basis.

- 3.3.3 The anti-dilution mechanism set forth in this Article shall be accomplished by issuance by the Company or transfer by the Promoters of such number of Equity Shares to the Investors and, or, any other Person nominated by the Investors for this purpose (except a Person engaged in a Conflicting Business) at the lowest price possible under Applicable Laws, so as to give full effect to the weighted average anti-dilution right of the Investors.
- 3.3.4 Upon each Dilutive Issuance, the Company and the Promoters shall take all necessary acts to put Investor I and Investor II in the position that they would have if the adjustment to the Dilution Price had been made, by issuance by the Company or transfer by the Promoters to Investor I and Investor II or any Person nominated by the Investors in this regard (except a Person engaged in a Conflicting Business) of such number of Equity Shares, whereby Investor I and Investor II or any Person nominated by the Investors in this regard (except a Person engaged in a Conflicting Business) are not required to pay any additional amounts for the issuance of such new Equity Shares or the transfer of Equity Shares. The above arrangement shall be implemented in accordance with Applicable Laws.
- 3.3.5 It is clarified that nothing in this Article shall apply to any issuance by the Company of any Equity Shares or Dilution Instruments as Additional Securities to the Shareholders pursuant to Article 3.2 of these Articles or an ESOP plan, in each case as approved by the Board in accordance with Article 4.7.5 of these Articles, or a Bonus Issue.

#### **4. BOARD AND BOARD MEETINGS**

##### **4.1 Management of the Company.**

The property, business and affairs of the Company shall be managed by and under the direction of the Board, and the Board shall be responsible for the overall management, supervision, direction and control of the Company. Subject to the provisions of these Articles, the Board may exercise all such powers of the Company and do all such lawful acts and things as are permitted under these Articles and Applicable Laws. The Board shall manage the Company in the overall, general, and strategic sense and shall ensure proper organization of the business of the Company and shall appoint / dismiss the members of the Management. The Board shall be entitled to delegate its powers to such persons and such Committees that the Board may create to assist it in developing and meeting its business strategy and objectives. The approval of the Shareholders shall be obtained on such matters as may be required under these Articles, and, or, Applicable Laws.

##### **4.2 Composition of the Board. @@**

- 4.2.1 The Board shall not exceed 8 (Eight) Directors that will be appointed in terms of Article 4.2.2, or such other number of Directors as may be mutually agreed between the Shareholders and the Company in writing, from time to time. The Investors shall be entitled to nominate Directors in proportion to their respective Shareholding subject to a minimum of 2 (two) Directors (collectively, the "**Investor Directors**" and each, an "**Investor Director**") and the Promoters shall be entitled to nominate Directors in proportion to their respective Shareholding subject to a minimum of 3 (three) Directors (collectively, the "**Promoter Directors**", and each, a "**Promoter Director**") in accordance with the terms and conditions set out in this Article. Provided that Promoter I shall at all times during the subsistence of these Articles be a Promoter Director.
- 4.2.2 Unless otherwise agreed between the Shareholders and the Company in writing and subject to Article 6 of these Articles, the Board shall be constituted in the following manner:

- (i) on and from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors and 3 (three) Promoter Directors;
- (ii) on and from 6 (six) months from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors, 3 (three) Promoter Directors and 1 (one) Independent Director identified by Investor I and Investor II and acceptable to the Promoters on the Board; and
- (iii) on and from 12 (twelve) months from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors, 3 (three) Promoter Directors and 2 (two) Independent Directors, out of such 2 (two) Independent Directors, 1 (one) will be identified by the Promoters and acceptable to Investor I and Investor II on the Board.

@@ Articles 4.2.1 and 4.2.2 substituted vide special resolution passed at the Extra-ordinary general meeting of the Company held on 22.02.2022

Provided that subject to the proviso to Article 4.2.2, 4.2.3 and Articles 10.16 and the right of the Investors to assign their rights, the number of Investor Directors on the Board shall not, at any time fall below 2 (two) Directors.

In the event of any increase in the number of Directors in terms of Article 4.2.1, the Board shall be constituted in a manner as may be mutually agreed between the Shareholders and the Company in writing.

- 4.2.3 The Investors may at any time remove from office any Investor Director(s) and, if desired, appoint another in his / her place. The Promoters may at any time remove from office any Promoter Director(s) and, if desired, appoint another in his / her place.
- 4.2.4 Subject to Article 4.2.2, the Board shall appoint such number of Independent Directors on the Board, as per the requirements of Applicable Laws. All such Independent Directors shall be acceptable to the Investors and Promoter I.
- 4.2.5 The Promoters and the Investors shall exercise all powers and rights available to them so as to fix the number of Directors in accordance with this Article and to ensure that the persons nominated by the Investors and the Promoters are expeditiously appointed or removed (as the Investors and the Promoters may specify in accordance with this Article) as a Director and the appointments and removals referred to in this Article result in the persons nominated / appointed or removed becoming or ceasing to be Directors, as applicable.

#### **4.3 Observer.**

On and from the Restated Articles Effective Date, the Investors shall be entitled to appoint 1 (one) person as an observer to attend all Board Meetings in a non-voting capacity ("Observer"). The Observer shall have the right to receive all notices, documents and information provided to the Directors and be entitled to attend all meetings of the Board or Committees thereof, subject to the Observer being bound to confidentiality obligations as applicable to Directors. The Observer shall not be considered for quorum, and the Observer shall not be entitled to vote with respect to any resolution proposed to be passed at a Board meeting. The Company shall reimburse all out of pocket expenses incurred by the Observer in attending Board Meetings or otherwise perform its duties and functions as Observer.

#### **4.4 Appointment, removal and retirement of Directors.**

- 4.4.1 Any appointment or removal of Directors shall be implemented in the following manner:

- (i) Appointment of Directors: Subject to the provisions of Article 4.2, each Shareholder shall have the right to, from time to time, issue a notice specifying their intention to nominate a Person as a Director on the Board. Such a notice shall be addressed to the Board and delivered to the Managing Director at the registered office of the Company or presented directly before the Board during a Board Meeting. The aforementioned notice should be accompanied by consent letter and such other documents which are required in terms of Applicable Laws from the prospective nominee. If any such notice along with the accompanying documents is delivered at a Board Meeting, the Board shall at the same meeting pass necessary resolutions in respect of appointment of such person as an additional director. If such a notice along with the accompanying documents is delivered to the Company, then the relevant officers of the Company shall, immediately and in any case within a period of 7 (seven) days from the date of receipt of such notice, either convene a meeting of the Board to pass necessary resolutions in respect of appointment of such Director(s) as additional director(s), or if it is not practicable to convene such Board Meeting, initiate, subject to Applicable Laws, the process for appointment of such Director(s) through a circular resolution in terms of Applicable Laws. Notwithstanding anything to the contrary contained in these Articles, any such nominee shall only be appointed as a Director if such a Person fulfils all criteria prescribed under Applicable Laws.
- (ii) Removal / replacement of Directors: Each Shareholder shall have the right to, from time to time, issue a notice specifying that they wish to remove all or any of the Directors appointed by them on the Board. Such a notice shall be addressed to the Board and delivered at the registered office of the Company or presented directly before the Board during a Board Meeting. The aforementioned notice should be accompanied by a resignation letter to this effect from the relevant Director(s) in the form prescribed by the 2013 Act, and if no such form is prescribed then as per standard secretarial practice. If any such notice along with the accompanying resignation letter is delivered at a meeting of the Board, the Board shall at the same meeting pass necessary resolutions in respect of such removal. If such a notice along with the accompanying resignation letter is delivered to the Company, then the relevant officers of the Company shall, immediately and in any case within a period of 7 (seven) days from the date of receipt of such notice, either convene a meeting of the Board to pass necessary resolutions in respect of removal of such Director(s), or if it is not practicable to convene such Board Meeting, initiate, subject to Applicable Laws, the process for removal of such Director(s) through a circular resolution in terms of Applicable Laws. If the relevant Shareholder wishes to replace a Director nominated by it in on the Board with another Person and provides consent letter and such other documents which are required in terms of Applicable Laws from the prospective nominee, then the Company shall, subject to such a nominee fulfilling all criteria prescribed under Applicable Laws, appoint the relevant Person as an additional director on the Board in the same Board Meeting where the other nominee Director of such a Shareholder is being removed. If the removal is being carried out through a circular resolution then another circular resolution shall be passed concurrently for appointment of the new nominee Director of such a Shareholder.
- (iii) Approval by Shareholders: If any appointment or removal of a Director, as the case may be, has to be approved by the Shareholders in a Shareholders Meeting as per Applicable Laws, then the Board shall convene an extraordinary general meeting of the Company promptly to approve the appointment or removal of such Director(s). All relevant actions in regard to appointment or removal of such Director(s) by the Shareholders shall be completed within a period of 30 (thirty) days from the date of receipt of notice mentioned in Article 4.4.1(i) or (ii), as the case may be.

- (iv) Retirement of Directors: It is clarified that the Investor Directors shall not be liable to retire by rotation.

4.4.2 The Shareholders and Company shall co-operate with each other in convening a meeting of the Board and, or, Shareholders to effect: (i) appointment of Director(s) so nominated; or (ii) removal of Director so requested, and to exercise its voting rights in any meeting of the Company, and shall cause any Director nominated by it exercise his voting rights in any Board Meetings, so as to give effect to the such appointment/removal.

4.4.3 Subject to the provisions of Applicable Laws and these Articles, no Director shall be removed during the term for which such Director was elected without the consent of the Shareholder, if any, who nominated such Director on the Board. Notwithstanding the foregoing, a Shareholder may ask for removal, substitution or recall for any reason, of any of the Directors nominated by such Shareholder by serving a notice in terms of Article 4.4.1.

4.4.4 The Directors shall not be required to hold qualification shares.

4.4.5 At any point in time, in the event the number of Directors nominated and appointed by the Investors or Promoters, as the case may be, is less than their entitlement under Article 4.2.2 (including for reason such as death, disqualification, inability to act or removal), then the Investors or Promoters, as the case may be, shall be entitled to nominate such Directors at their sole discretion at any time thereafter. No other Shareholder shall have the right to fill-in such vacancy.

#### 4.5 **Alternate Director.**

4.5.1 Any Director nominated by any Shareholder and appointed to the Board ("**Original Director**") shall be entitled, in accordance with Applicable Laws, to nominate an alternate (and such nominee shall be appointed by the Board as an "**Alternate Director**") to attend and vote at Board Meetings in his / her absence. Prior to the Original Director exercising any such rights, such Alternate Director appointee shall be required to be approved in writing by the Shareholder who nominated the Original Director. An Alternate Director shall be entitled to receive notice of all meetings of the Board, to attend and vote at any such meeting at which the Original Director appointing him is not personally present and at the meeting to exercise and discharge all the functions, powers and duties of his appointee or as a Director. An Alternate Director shall automatically vacate his office as an Alternate Director if the Original Director who appointed such an alternate is personally present or if such Original Director ceases to be a Director, in terms of these Articles and, or, Applicable Laws. Notwithstanding anything to the contrary contained in these Articles, Promoter I shall not be entitled to appoint an Alternate Director, except in case of his incapacitation due to ill health or if otherwise agreed in writing between the Shareholders and the Company.

4.5.2 All references to 'Directors' in these Articles shall be deemed to include a reference to their respective 'Alternate Director'. For the avoidance of doubt, it is clarified that all provisions applicable to an Investor Director shall equally apply to the Alternate Director appointed / proposed to be appointed in accordance with this Article and all actions taken by such Alternate Director shall be deemed to be actions taken by the relevant Original Director.

#### 4.6 **Chairman.**

At every Board Meeting, the chairman of the Board for such a Board Meeting ("**Chairman**") shall be Promoter I. The Chairman shall not have a casting vote or extra vote.

#### 4.7 Board Meetings.

- 4.7.1 Frequency and Location: The Board Meetings shall be held as often as circumstances require, including upon the written request of at least 1 (one) Director, and all such meetings should be held as soon as reasonably possible and in any event not later than 7 (seven) days from the date that such a request for convening a Board Meeting is received by the Chairman. Not less than 4 (four) Board Meetings shall be held in each year in a manner such that not more than 120 (one hundred and twenty) days elapse between 2 (two) consecutive Board Meetings. All Board Meetings shall be conducted in English.
- 4.7.2 Notice: A Board Meeting may be called by the Chairman or a Director by giving notice in writing to the company secretary, or any other Person nominated in this regard by the Board, specifying the date, time and agenda for such meeting; provided, however, any agenda for a Board Meeting shall be provided to each Investor at least 2 (two) days prior to the notice of the Board Meeting being issued to the Directors unless such right is waived by each Investor in writing. The company secretary (or such nominated person) shall upon receipt of such notice, give a copy of such notice to all Directors at their respective address registered with the Company and such notice shall be sent by hand delivery or by post or by email, accompanied by a written agenda specifying the business of such meeting and copies of papers relevant for such meeting. The Company shall ensure that sufficient information is included within such notice to the Directors to enable each Director to make a decision on the issue in question at such meeting. Every notice convening a meeting of the Board shall set forth in full and sufficient detail each item of the business to be transacted thereat, and no item or business shall be transacted at such meeting, unless the same has been stated in full and in sufficient detail in the notice convening the meeting, except as otherwise consented to by all the Directors or their respective Alternate Directors. Not less than a minimum 7 (seven) days' prior written notice shall be given to each Director for any Board Meeting, accompanied by the agenda for the Board Meeting; provided, however, a Board Meeting may, subject to the Applicable Laws, be called at shorter notice to transact urgent business subject to the condition that at least 1 (one) Investor Director and least 1 (one) Promoter Director shall have consented to the shorter notice and be present at/throughout such Board Meeting and, or, waived their presence. All documents presented or circulated to the Directors in regard to a Board Meeting shall be in English.
- 4.7.3 \*\*\*Quorum: The quorum for a meeting of the Board shall be 1/3<sup>rd</sup> of total strength or 2 (two) Directors, whichever is higher, provided however the quorum shall not be valid without the presence, in person or otherwise, of at least 1 (one) Investor Director, or his/her duly appointed Alternate Director throughout the relevant Board Meeting and Promoter I, unless waived by the Investors and, or, Promoter I, as the case may be. If the quorum is not present within 30 (thirty) minutes from the time when the meeting should have begun, or if during the meeting there is no longer a quorum, the meeting shall be adjourned for 1 (one) Business Day and shall be reconvened at the same place and time, or at such other date, place and, or, time as may be agreed to by the majority of the Directors (including at least 1 (one) Investor Director), with the same agenda. If at 2 (two) consecutively adjourned Board Meetings, the quorum is not present within 30 (thirty) minutes of the time appointed for the meeting, then, subject to the 2013 Act, the Directors present, in person or through Alternate Directors, at such meeting shall constitute the quorum and the Board Meeting shall proceed with respect to the business stated in the agenda for the Board Meeting; provided, however, even in such a reconvened/adjourned Board Meeting no Affirmative Vote Matter shall be discussed and, or, no resolution pertaining to an Affirmative Vote Matter shall be passed unless 1 (one) Investor Director is present during such a Board Meeting.

*\*\*\*- Altered vide resolution passed in the Extra Ordinary General Meeting held on 3<sup>rd</sup> December, 2022*

4.7.4 Voting: Each Director is entitled to cast 1 (one) vote at any Board Meeting.

4.7.5 Decisions of the Board: A decision shall be validly made and, or, a resolution validly passed at a Board Meeting only if passed at a validly constituted Board Meeting and, subject to the provisions of these Articles in regard to Affirmative Vote Matters, by a simple majority of the Directors present and voting at the relevant Board Meeting. A resolution in writing of the Board shall be as valid and effective as if it had been a resolution passed at a meeting of the Board duly convened and held, if the resolution is signed in support thereof by a majority of the Directors for the time being.

Without affecting the generality of the foregoing, where the resolution is with respect to, or includes, an Affirmative Vote Matter, then it shall require the written consent of the Investors for only such matter. Any such resolution bearing the signature of any Director and dispatched by email shall constitute a valid document for the purpose of this clause. It is clarified that where a resolution of the Board has been approved by a Promoter Director and, or, the Investor Director in respect of a specific matter, the Promoters and, or, the Investors, as the case may be, shall vote in accordance with such resolution in case that particular matter is taken up at a Shareholders' meeting of the Company.

4.7.6 Electronic Participation: The Board has the power to allow electronic or remote participation and voting in Board Meetings, subject to compliance with the relevant requirements under the 2013 Act. A Director may make a request for electronic or remote participation to the Board and the Board shall consider such a request favourably and provide such facility in accordance with the requirements of the 2013 Act. Accordingly, a reference to the presence of any Director for a meeting of the Board, shall include either physical presence or through video conferencing or electronic or remote means.

4.7.7 Maintenance of minutes: The Board shall record the minutes of its meetings as prescribed under the 2013 Act, provided that such minutes shall be subject to the written approval of the Investors.

#### **4.8 Resolution by Circulation.**

Except for resolutions which the 2013 Act requires to be passed at a physical meeting of the Board, a resolution of the Board may be passed by the Directors by circulation (provided that it has been circulated in draft form by hand delivery or by post or by email, together with the relevant papers, if any, to all the Directors in accordance with the requirement of these Articles, and 2013 Act), which resolution shall be valid and effective if, subject to the provisions of these Articles in regard to Affirmative Vote Matters, it is approved by a majority of Directors.



#### **4.9 Committees of the Board.**

Subject to the provisions of these Articles, and Applicable Laws, the Board shall have the power and right to constitute and disband, if necessary, committees or sub-committees and delegate such of the Board's powers to the aforesaid committees as the Board may deem fit ("Committees"). Only the Board can appoint a committee of Directors or delegate its powers to any Persons. Unless agreed in writing by the Investors, the Board shall, while forming such Committees, ensure that 1 (one) Investor Director and Promoter I is a member of each such Committee. The provisions relating to Board and Board Meetings contained herein (including relating to notice, quorum, quorum at adjourned meetings and Affirmative Vote Matters) shall apply *mutatis mutandis* to all the Committees and their respective meetings. All resolutions passed by the Committees shall have to be necessarily ratified by the Board.

#### **4.10 Record keeping.**

The Company shall keep a book of all resolutions and the minutes of all meetings of the Board in which there shall be recorded the time and place of such meeting, whether regular or special, and if special, however called, the notice thereof given, the names of those present and the processing thereof.

#### **4.11 Directors' Access.**

Any Director shall be entitled to examine the books, accounts and records of the Company and shall have, during normal business hours of the Company and with prior reasonable written notice, the right to reasonably inspect the properties and facilities of the Company. The Company shall provide such information relating to its business affairs and financial position as the relevant Director may require. Subject to the Applicable Laws, any Director may provide such information to the Shareholder who has nominated such a Director. The relevant Director and Shareholder would be bound by the confidentiality obligations as agreed in writing between the Shareholders, and the Company, in relation to such information received.

#### **4.12 Fees and Expenses of Directors.**

Subject to Applicable Laws, all expenses and costs incurred in connection with the convening and conduct of the Board Meetings shall be borne by the Company. The Company shall reimburse all out of pocket expenses incurred by the Investor Directors and the Promoter Directors (subject to any cap prescribed for whole-time directors in terms of Applicable Laws if applicable) in attending Board Meetings or business review meetings or otherwise perform their duties and functions as Directors. However, no sitting fees shall be paid to the Investor Directors and the Promoter Directors by the Company. Any reimbursements and sitting fees payable to Independent Directors shall be governed by the specific agreement between the Company and the Independent Director in this regard.

#### **4.13 Indemnification of Directors.**

4.13.2 The Company shall, subject to Applicable Laws, indemnify and keep indemnified the Directors against any:

- (i) act, omission or conduct of or by the Company or its employees or agents as a result of which any Director is made, in whole or in part, a party to, or otherwise incurs any loss or damage pursuant to, any proceedings arising out of or relating to any such conduct;

- (ii) action or omission by any Director at the request of or with the consent of the Company; and
- (iii) contravention of any of the Applicable Laws including, without limiting the generality of the foregoing, laws relating to provident fund, gratuity, labour, environment, pollution, the anti-bribery laws, and any action or proceedings taken against such Director in connection with any such contravention or alleged contravention.

#### **4.14 No Liability of Investor Director**

- 4.14.2 The Company recognizes that the Investor Directors shall not have any day-to-day managerial powers and that they will not be whole time, managing or executive directors of the Company and will not, subject to applicable Law, be held responsible for any default or failure of the Company in complying with the provisions of any applicable Law. 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 Investors and/or the Investor Directors.
- 4.14.3 Notwithstanding anything to the contrary contained in these Articles, no Investor Director shall be deemed to be an 'occupier' or 'officer in charge' or 'officer in default' for the purposes of the 2013 Act or any other Applicable Laws, as the Investor Directors are non-executive directors and do not have the power to and are not responsible for overall management, supervision, direction and control of the Company. Further, the Promoters and the Company shall ensure that the Investor Directors are not nominated as compliance officers, occupiers and/or employers and/or persons-in-charge, as the case may be, in order to ensure that, to the maximum extent permitted by Applicable Law, the Investor Directors do not incur any liability for any default or failure of the Company in complying with the provisions of any Applicable Laws.
- 4.14.4 In the event that any notice or proceedings have been filed against the Investor Directors by virtue of being Directors of the Company, the Company and the Promoters shall take all necessary steps to ensure that name of such Investor Directors is excluded/ deleted and the charges/proceedings against such Investor Directors are withdrawn and shall also take all steps to defend such Investor Directors against such proceedings and the Company shall pay all costs, damages, fines, levies etc. that may be levied against such Investor Director in such proceedings. The Investor Directors shall also be entitled to appoint any counsel at his/her own discretion, to defend any proceedings instituted against the Investor Directors by virtue of being Directors of the Company. All reasonable expenses borne by the Investor Directors in this regard shall be borne by the Company.

### **5. SHAREHOLDERS AND SHAREHOLDERS MEETINGS**

#### **5.1 Shareholders Meetings.**

- 5.1.1 Frequency of Shareholders Meeting: An annual general meeting of the Shareholders shall be held as per the provisions of the 2013 Act. Subject to the foregoing, the Board, on its own or at the request of either of the Investors, may convene an extraordinary general meeting of the Shareholders, whenever it may deem appropriate (each such meeting, a "**Shareholders Meeting**"). All such Shareholders Meetings shall be held at such place as the Board may determine from time to time. Shareholders Meetings shall be called at such times as may be required to procure any consent of the Shareholders in terms of the provisions of these Articles, and, or, the 2013 Act, and in any event at least once in each financial year. Subject to the provisions of the 2013 Act, the Shareholders shall be entitled to participate in Shareholders Meetings through their respective duly authorized representative(s), duly

constituted proxies or attorneys, as the case may be. English shall be the language used at all Shareholder meetings.

5.1.2 Notice: In accordance with provisions of the 2013 Act a minimum 21 (twenty one) days' prior written notice shall be given to all the Shareholders of any Shareholders Meeting, accompanied by the agenda for such meeting; provided, however, any agenda for a Shareholders Meeting shall be provided to each Investor at least (two) days prior to the notice of the Shareholder Meeting being issued to the Shareholders unless such right is waived by each Investor in writing. The aforesaid notice may be waived or a Shareholders Meeting may be called by giving a shorter notice with at least 95% (ninety five per cent.) of all the Shareholders entitled to vote at such meeting providing their written consent for such shorter notice. Subject to the 2013 Act, the notice of each general meeting shall include an agenda approved by the Board setting out the business proposed to be transacted at the meeting, together with copies of all relevant papers connected therewith and, or, proposed to be placed before or tabled at the Shareholders Meeting, and no item or business other than as set out in the agenda shall be transacted or discussed at any Shareholders Meeting unless agreed to / approved by the Investors and the Promoters in advance. The notice shall specify the place, date and time of the meeting. All documents presented or circulated to the Shareholders in regard to a Shareholders Meeting shall be in English.

5.1.3 \*\*\*Quorum: The quorum for any Shareholders Meeting shall be at least 5 (five) Shareholders present in person or through their respective duly authorized representative(s), duly constituted proxy(s) or attorney(s), as the case may be, 1 (one) of which shall be one of the Investors and the other Promoter I, at the beginning of the meeting and throughout the meeting (unless waived by the Investors and, or, the Promoter 1, as the case may be). If the quorum is not present within 30 (thirty) minutes from the time when the meeting is scheduled to begin or if during the meeting there is no longer a quorum, the meeting shall be adjourned for 2 (two) Business Days and shall be reconvened at the same place and time, or at such other day, date, place and, or, time as the Board may determine, with the same agenda.

*\*\*\*- Altered vide resolution passed in the Extra Ordinary General Meeting held on 3<sup>rd</sup> December, 2022*

5.1.4 Proxies and Authorised Representatives: Any Shareholder of the Company may appoint another Person as his proxy (and in case of a corporate Shareholder, its authorized representative) to attend a meeting and vote thereat on such Shareholder's behalf, provided that the power given to such proxy or representative must be in writing. Any Person possessing a proxy or other such written authorization with respect to any Securities shall be able to vote on such Securities, as the case may be, and participate in meetings as if such Person were a Shareholder, subject to Applicable Laws.

5.1.5 Chairman for Shareholders Meeting: The Chairman of Board shall be the chairman for the Shareholders Meeting. The chairman of the Shareholders Meetings shall not have any second or casting vote.

5.1.6 Voting: Subject to the Applicable Laws, voting on all matters to be considered at a Shareholders Meeting shall be by way of show of hands unless a poll is demanded in accordance with provisions of the 2013 Act.

5.1.7 Decisions of the Shareholders: Subject to the provisions of these Articles in regard to Affirmative Vote Matters, a decision shall be validly made and, or, a resolution validly passed at a Shareholders Meeting only if the requisite majority approves the relevant decision / resolution in compliance with the provisions of the 2013 Act.

- 5.1.8 Electronic Participation: The Shareholders may participate and vote in the Shareholders Meeting through electronic or remote participation and voting in the manner permitted under the 2013 Act, from time to time. A Shareholder may make a request for electronic or remote participation to the Board and the Board shall consider such a request favourably and provide such facility in accordance with the requirements of the 2013 Act. Accordingly, subject to Applicable Laws, a reference to the presence of any Shareholder for a meeting of the Shareholders, shall include either physical presence or through video conferencing or electronic or remote means, and the process that is to be followed in regard to Board Meetings for presence and voting through video conferencing or electronic or remote means under the 2013 Act shall be followed in regard to such Shareholders Meeting.

## 6. AFFIRMATIVE VOTE MATTERS

- 6.1 Notwithstanding any other provision of these Articles or any power conferred upon the Board by these Articles, and, or, the 2013 Act, with effect from the Restated Articles Effective Date, neither the Company nor any Shareholder, Director, Committee member, or any of their respective delegates or representatives shall take any decisions or actions in relation to any of the matters set forth in Article 6.5 ("**Affirmative Vote Matters**") with respect to the Company, in any meeting, forum, circular resolution or in any other manner whatsoever, without the affirmative prior written consent or approval of the Investors. It is agreed that any discussions pertaining to Affirmative Vote Matters shall necessarily be included in the agenda papers in relation to the relevant meeting in advance and shall not be taken up in a Board Meeting, meeting of any Committee or Shareholders Meeting, unless specifically agreed to, in writing, by the Investor.
- 6.2 The principle set out in this Article 6 is fundamental to the governance of the Company and each Party undertakes not to commit any act or omission that would violate this Article.
- 6.3 It is clarified that any consent by the Investors in relation to any of the Affirmative Vote Matters shall apply only in relation to the particular Affirmative Vote Matters and only in the context specified in the relevant notice and shall not constitute, or be deemed to constitute in any manner, a general consent for any other Affirmative Vote Matters, or a consent for the same Affirmative Vote Matters in any other context.
- 6.4 If any other provision of these Articles conflicts with the provisions of this Article, the provisions of this Article shall prevail and be given effect.
- 6.5 The following matters shall be considered Affirmative Vote Matters:
- i. Any amendment to these Articles, and, or the Memorandum of Association of the Company;
  - ii. Any decision in relation to winding up, liquidation, bankruptcy or dissolution of the Company or any Exit Trade Sale;

- iii. Any change in the composition (including structure and strength and, or, manner of election and, or, term of office) of the Board;
- iv. Any forming of a committee of the Board;
- v. Any decision in relation to Additional Funding Requirement;
- vi. Any capital expenditure in excess of INR 1,00,00,000 (Indian Rupees one crore) beyond the approved Business Plan;
- vii. Finalisation, approval and adoption of Business Plan and any changes or deviation of more than 10% (ten per cent.) from such Business Plan and, or, expansion plan;
- viii. Incurring of any Indebtedness or creation of any Encumbrance on the Assets, including any contingent liabilities beyond the amounts specified in the Business Plan and extension of any loans already borrowed;
- ix. Entering into any arrangements not included in the Business Plan in excess of INR 1,00,00,000 (Indian Rupees one crore);
- x. Any transaction involving the acquisition of substantially all the assets, shares, voting power or controlling interest in any other company, business, partnership firm, or body corporate by the Company, or investment in any other business / the same business as the Company;
- xi. Any transaction involving purchase, sale, lease, license or Transfer of Assets of the Company (including any vehicles and, or cars but excluding Intellectual Property Rights of the Company) in excess of INR 1,00,00,000 (Indian Rupees one crore) of the written down value of such Asset at the commencement of the relevant Financial Year or if not contemplated in the Business Plan;
- xii. Guarantees and credit enhancement (other than in the Ordinary Course) and entering into derivative contracts which are not contemplated in the Business Plan;
- xiii. Any transaction involving sale, license or Transfer of the Intellectual Property Rights of the Company involving an amount in excess of INR 10,00,000 (Indian Rupees ten lakhs);
- xiv. Any bonus or profit sharing scheme for Key Managerial Personnel, Management or the Promoters or Shareholders, and, or, any distribution of profits and, or, commission and, or remuneration to any Promoters, Key Managerial Personnel, Management or Director other than in the Ordinary Course;
- xv. Any payment, directly or indirectly, of salaries, bonuses, consulting fees or other compensation, payments, or fees to any Promoters or Shareholders of the Company or members of the Management except as contemplated by the Business Plan;
- xvi. Any appointment or removal, determination of the terms of employment and any significant changes in the terms of the employment agreement or arrangement of Directors, Management and, or, Key Managerial Personnel;
- xvii. Any merger, amalgamation, acquisition, recapitalization, reorganisation, business combination, consolidation, settlements with creditors and other business combinations or financial alliances or any change in Control of the Company and any decisions related to the terms and conditions of any restructuring of the

Company including (i) timing of such restructuring; (ii) share swap / consideration payable for such restructuring and (iii) appointment of independent advisors who shall advise the Company on matters related to such restructuring;

- xviii. Any decision to undertake an IPO or list the shares in any stock exchange and any decisions related to (i) pricing and other terms and conditions of the IPO, or (ii) timing of the IPO, or (iii) the stock exchanges on which the Equity Shares of the Company are to be listed, (iv) appointment of independent merchant banker(s), manager(s), arranger(s), or (v) any other matters in regard to the IPO;
- xix. Any authorization of or setting aside for payment of, or payment of dividends, or buyback/redemption of any Securities of the Company, or distribution of any kind, in cash or in property;
- xx. Granting to any holder of Securities any rights which have a priority greater than those granted to the Investors pursuant to these Articles;
- xxi. Any alteration in any manner whatsoever of the rights of the Investors under these Articles;
- xxii. Any action which adversely changes the rights of the Investors under these Articles or prevents the Investors from exercising their rights under these Articles;
- xxiii. Appointment, re-appointment, removal or change in terms of the statutory and internal auditors of the Company, including the scope of work, terms of reference, or any modifications and changes thereto;
- xxiv. Approval of Financial Statements and any change to such Financial Statements of the Company or the Subsidiaries;
- xxv. Any addition and, or, deletion of any off-balance sheet liability structure of the Company including, without limitation, leasing and drawing on bank guarantees, encumbrances, Transfer, pledge or creation of lien not in the Ordinary Course;
- xxvi. Any changes in the tax and accounting policies and, or practices and, or, the Financial Year of the Company.
- xxvii. Any transaction between the Company and a Related Party or modification of an existing related party transaction which is not in the Ordinary Course and, or, on an arm's-length basis;
- xxviii. Defence of any Litigation initiated by any Person (other than the indemnified parties in terms of the agreements between the Shareholders and the Company) where the amount involved is in excess of INR 10,00,000 (Indian Rupees ten lakh) in any Financial Year;
- xxix. Commencement of any Litigation where the amount involved is in excess of INR 25,00,000 (Indian Rupees twenty five lakh) or settlement and, or, withdrawal of any Litigation where the amount involved is in excess of INR 10,00,000 (Indian Rupees ten lakh);
- xxx. Any change in the Share Capital of the Company and, or, reduction of Share Capital;
- xxxi. Any variation of the rights and preferences attached to any Securities;

- xxxii. Any offer, sale of any Securities, issuance, listing of any Securities and creation of or taking on record any Encumbrance on the Securities;
- xxxiii. Any change in the nature of the business carried on by the Company or entering into any new business line or activity or in any way undertaking any new business initiative exceeding INR 3,00,00,000 (Indian Rupees three crores) that is not contemplated in the Business Plan whether in India or abroad or any change in the name or registered office of the Company;
- xxxiv. Creation of any new Subsidiary or joint venture by the Company;
- xxxv. Entering into, modification or termination of any material contract in existence or proposed to be entered into by the Company, including any decision in relation thereto, including waiver of any material default under or in relation to the breach of any material contract other than in the Ordinary Course;
- xxxvi. Entering into any arrangement or settlement with the debtors or the creditors of the Company other than in the Ordinary Course;
- xxxvii. Any decision in regard to creation of any stock option plan (by whatever name called), restricted stock plan or similar incentive or equity plan or effecting any ESOP / ESOS / Phantom Stock Plan / incentive pool plans, any grant of options or allotment of shares under such plans;
- xxxviii. Issuance or redemption of any debt securities / equity linked debt securities issued by the Company;
- xxxix. The Company entering into any contract to undertake any obligations (in relation to the Business) in relation to a transaction or arrangement where the Company is not a party;
- xl. The Company furnishing any performance / financial guarantee to any Person for any reason whatsoever;
- xli. Any agreement or commitment to give effect to any of the foregoing; and, or
- xlii. Any of the foregoing actions, if undertaken or agreed to be undertaken in respect of the Subsidiaries of the Company.

## **7. TRANSFER OF SECURITIES**

### **7.1 Affiliate Transfers by Investors**

Each of the Investors may Transfer Securities held by it to its Affiliates (each a "Permitted Investor Transferee") provided such Permitted Investor Transferee executes the Deed of Adherence prior to such Transfer. At least 30 (thirty) days prior to the permitted Transfer under this Article, the Investors shall send a notice to the other Shareholders and the Company stating the date on which the intended Transfer is to occur, the name and other relevant details of the Permitted Investor Transferee, the number and class of Securities involved and attaching: (i) a completed and duly executed Deed of Adherence and (ii) copies of all Approvals, consents and filings required to be obtained / filed under these Articles or Applicable Laws, if any. The Company shall after the expiry of the aforesaid 30 (thirty) day period and upon being presented with relevant documents required as per Applicable Laws, register / take on record such a Transfer of Securities to a Permitted Investor Transferee.

*\*\*\*- Altered vide resolution passed in the Extra Ordinary General Meeting held on 3<sup>rd</sup> December, 2022*

## 8. EXIT RIGHTS

### 8.1 IPO.

- 8.1.1 The Company shall, and the Promoters shall ensure that the Company shall, consummate an IPO involving all of the Securities held by the Investors in the Company at any time after 36 (thirty six months) but in any event before 48 (forty eight) months from the Restated Articles Effective Date. For the purposes of these Articles, an “IPO” means a firm underwritten initial

public offering of the Equity Shares or such other Securities (including depository receipts) as may be agreed to by the Investors in writing, either domestic or overseas, of the Company and consequent listing of the Securities of the Company on domestic or internationally recognised stock exchanges, either:

- (i) through a public issue of fresh Securities, or
- (ii) an offer of existing Securities by some or all the Shareholders (an “Offer of Existing Securities”); or
- (iii) a combination of (i) and (ii).

Provided that the Shareholders and the Company may mutually agree in good faith to extend the aforementioned time periods on account of any delays attributable to regulatory requirements under Applicable Laws.

- 8.1.2 The Board shall decide on the following matters:

- (i) the price, and other terms and conditions of the IPO;
- (ii) the timing of the IPO;
- (iii) the stock exchanges on which the Securities are to be listed;
- (iv) the firm of independent merchant banker(s), manager(s), arranger(s) of the IPO, who shall advise the Company on matters relating to such IPO, including but not limited to matters set out under (i) and (ii) above; and
- (v) any other matters related to the IPO,

with the consent of the Investors in the manner stated under Article 6 in respect of each of the aforementioned matters, and subject to such statutory guidelines as may be in force.



- 8.1.3 In the event of the IPO which entails an Offer of Existing Securities, each Investor shall have the right (but not the obligation) to offer any or all of its Securities for sale in the IPO, in priority to any other Shareholders of the Company, including the Promoters. In the event that further Securities are required to be offered by way of such Offer of Existing Securities under Applicable Laws, or if the Investors do not offer sufficient Securities as are required to be offered in terms of Applicable Laws, the Investors and Promoters shall offer such number of Securities that are in proportion to their Shareholding Percentage.
- 8.1.4 The Promoters shall vote in favour of and to do all acts and deeds necessary for effecting the IPO. In the event of an IPO, the Promoters shall offer such number of their Securities for a lock-in as may be required to meet the minimum promoter contribution or similar lock-in requirements under Applicable Laws. The Investors shall not be required to call themselves, and the Company shall not refer to any of the Investors as “founder” or “promoter” in the offer documents, nor shall be required to offer any of the Securities held by the Investors for such lock-in.
- 8.1.5 All fees and expenses (including payment of all costs relating to the listing and sponsorship, underwriting fees, listing fees, merchant bankers fees, bankers fees, brokerage, commission, reasonable legal fees of the Investors and any other costs that may be incurred due to the changes to Applicable Laws for the time being in force) required to be paid in respect of the IPO, shall be borne and paid by the Company and all intermediaries, agents and managers shall be appointed by the Company in consultation with the Investors.
- 8.1.6 The Company shall indemnify the Investors to the maximum extent permitted under Applicable Laws, against any loss, claim, damage, liability (including reasonable attorneys’ fees), cost or expense arising out of or relating to any misstatements and omissions of the Company in any registration statement, offering document or preliminary offering document, and like violations of Applicable Laws by the Company or any other error or omission of the Company in connection with a public offering hereunder, other than with respect to information provided by the Investors, in writing, expressly for inclusion therein.

## **8.2 Exit Trade Sale.**

- 8.2.1 The Company shall, and the Promoters shall ensure that the Company shall, consummate an Exit Trade Sale involving all of the Securities held by the Investors in the Company at any time after the date that is 48 (forty eight) months from the Restated Articles Effective Date in the event that the IPO is not consummated by such date.

Provided that the Shareholders and the Company may mutually agree in good faith to extend the aforementioned time periods on account of any delays attributable to regulatory requirements under Applicable Laws.

- 8.2.2 The Board shall, with the consent of the Investors in the manner stated under Article 6, and subject to such statutory guidelines as may be in force, decide on:
- (i) the nature of the Exit Trade Sale;
  - (ii) the identity of the purchaser (as applicable);
  - (iii) the price or valuation; and
  - (iv) all other matters related to the Exit Trade Sale.
- 8.2.3 Any such Exit Trade Sale shall be subject to the approval of the Investors.

- 8.2.4 The Promoters and the Investors shall vote in favour of and to do all acts and deeds necessary for effecting the Exit Trade Sale.
- 8.2.5 All fees and expenses (including *inter alia* payment of all costs relating to merchant bankers fees, bankers fees, brokerage, commission, reasonable legal fees of the Investors and any other costs that may be incurred due to the changes to Applicable Law for the time being in force) required to be paid in respect of the Exit Trade Sale, shall be borne and paid by the Company and all intermediaries, agents and managers shall be appointed by the Company in consultation with the Investors.

### 8.3 Strategic Sale Right of the Investor.

- 8.3.1 In case the Company does not successfully consummate an IPO in the manner contemplated in Article 8.1 before the expiry of 48 (forty eight) months from the Restated Articles Effective Date and, or if the Exit Trade Sale is not consummated within 54 (fifty four) months from the Restated Articles Effective Date, in each case for any reason whatsoever including due to the Investors not approving the IPO and, or, the Exit Trade Sale in terms of Article 6(**"Exit Trigger Event"**), then the Investors shall have the right, but not an obligation, exercisable jointly in accordance with this Article to sell the Securities held by such Investors in the Company to any Person (**"Strategic Transferee"**) and to require all or any of the Promoters to immediately sell all or any part of their respective Securities to the Strategic Transferee on terms and conditions, no less favourable to the Promoters than those offered to the Investors by the Strategic Transferee (**"Strategic Sale Right"**). The Promoters irrevocably grant the Investors an option to exercise the aforesaid Strategic Sale Right and to negotiate the terms and conditions for sale of the Strategic Sale Securities to the Strategic Transferee, including the price at which the Strategic Sale Securities shall be purchased by such a Strategic Transferee. Provided that pursuant to exercise of such Strategic Sale Right, the Investors should have divested all the Securities held by them in the Company.
- 8.3.2 In the event the Investors elect to exercise their Strategic Sale Right, they shall deliver a written notice of such election to the Promoters (a **"Strategic Sale Exercise Notice"**). The Strategic Sale Exercise Notice shall specify: (i) the name and address and identity of the Strategic Transferee, (ii) the number of Securities that the Promoters shall be required to sell to the Strategic Transferee (**"Strategic Sale Securities"**), and (iii) the amount in cash of the proposed consideration for such sale. The Strategic Sale Exercise Notice shall be irrevocable and shall constitute a binding agreement by the Promoters to sell and Transfer the Strategic Sale Securities to the Strategic Transferee without the requirement of any further acceptance or acknowledgement of the Strategic Sale Exercise Notice by the Promoters.
- 8.3.3 Within 30 (thirty) days of the receipt of the Strategic Sale Exercise Notice or such other date as may be specified in the Strategic Sale Exercise Notice (**"Strategic Sale Closing Date"**), the Promoters shall take all steps necessary to give effect to the provisions of this Article and to the Strategic Sale Right of the Investors. The Company and the Promoters shall take all necessary and desirable actions in connection with the consummation of the transactions contemplated in this Article, including passing of all necessary resolutions and obtaining all necessary consents to give effect to the Strategic Sale Right, the timely execution and delivery of such agreements and instruments and other actions reasonably necessary to cooperate with the Strategic Transferee, to provide such access and information as may be requested by the Strategic Transferee, participate in meetings with the Strategic Transferee, permit the Strategic Transferee to conduct a due diligence on the Company, and to provide the representations, warranties, indemnities, covenants, and other provisions and agreements customary to such sale. The Shareholders and the Company agree and acknowledge that the Investors shall not be required to make any representations and, or, provide indemnities in

connection with the Securities that are transferred by the Promoters to the Strategic Transferee.

- 8.3.4 The closing of any purchase of the Strategic Sale Securities by the Strategic Transferee from the Promoters shall take place on the Strategic Sale Closing Date and simultaneous with the closing of the purchase of Securities by the Strategic Transferee from the Investors. On the Strategic Sale Closing Date, the Promoters shall deliver all documents and instruments as may be required in accordance with the Applicable Laws to effect a Transfer of the Strategic Sale Securities free from and clear of any or all Encumbrances, including duly executed transfer instructions to the relevant depository participant, as applicable. The Strategic Sale Securities that are to be sold pursuant to the Strategic Sale Right shall be free and clear of any Encumbrance.
- 8.3.5 The Strategic Transferee purchasing the Strategic Sale Securities shall make payment in full for the Strategic Sale Securities to the relevant bank accounts of the Promoters, the details of which shall be intimated in writing by the Promoters to the Investors. On the Strategic Sale Closing Date, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale and transfer of the Securities held by the Investors and the Strategic Sale Securities to the Strategic Sale Transferee.
- 8.3.6 If the Promoters do not, on the Strategic Sale Closing Date provide duly executed transfer instructions in accordance with the requirements of Applicable Laws to the relevant depository participant, in regard to all the Strategic Sale Securities, the Promoters shall be deemed to have irrevocably authorized any Person nominated by the Investors to be the Promoters' agent and attorney to execute all necessary sale and Transfer(s) documents on their behalf and against receipt by the Company (on trust for the Promoters) and in accordance with the requirements of this Article and deliver such documents to the Strategic Transferee and the Directors shall forthwith register the Strategic Transferee as the holder thereof. After the Strategic Transferee has been registered as the holder, the validity of such proceedings shall not be questioned by the Promoters or any Person.
- 8.3.7 On the Strategic Sale Closing Date, the Investors shall cause each of the Directors nominated by them to resign from the Board, and the Promoters shall cause such number of Directors nominated by them to resign from the Board, such that the Strategic Sale Transferee gets the right to nominate a majority of Directors on the Board with immediate effect. Provided that, if required by the Strategic Transferee, the Promoters shall ensure that Promoter I is retained in his present position in the management of the Company for a reasonable transition period as determined by such Strategic Transferee pursuant to such Strategic Sale.
- 8.3.8 If the Strategic Transferee refuses to consummate the transaction contemplated by this Article, then the Investors and the Promoters shall not have any liability whatsoever in regard to such a Strategic Transferee, and such failure shall not preclude the right of the Investors to exercise their Strategic Sale Right at a future date.
- 8.3.9 Upon occurrence of an Exit Trigger Event, without prejudice to the right of the Investors to explore options to exercise their Strategic Sale Right, the Promoters shall have the obligation to identify prospective Strategic Transferee(s) and procure non-binding offers from such Persons and present it to the Investors to facilitate the Strategic Sale Right of the Investors. The Investors shall have the sole discretion to accept or reject such offers procured by the Promoters and if the Investors reject any of the offers procured by the Promoters then the obligation of the Promoters to continue to explore and identify other Strategic Transferee(s) shall continue and shall not fall away or stand diluted in any manner.
- 8.4 Notwithstanding anything to the contrary contained herein, any exit provided to the Investor pursuant to this Article 8 that entails sale of the Securities held by the Investor should

necessarily require payment of consideration for such Securities in cash, unless otherwise agreed by the Investors in writing.

## **9. INFORMATION RIGHTS AND INSPECTION**

### **9.1 Information Rights.**

9.1.1 So long as the Investors, along with their Affiliates, holds any Securities in the Company, the Company shall provide to the Investors and Permitted Recipients:

- (i) monthly information statements in a format prescribed by the Investors pursuant to discussions with the Promoters, containing such information as is required to understand the business (including details of significant events impacting or expected to impact the Company), by not later than 20 (twenty) days following the end of the month to which they relate;
- (ii) un-audited quarterly financial statements, within 30 (thirty) days from the end of the period to which they relate, duly certified by the managing director and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (iii) un-audited half-yearly financial statements, within 45 (forty five) days from the end of the period to which they relate, duly certified by the managing director and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (iv) annual audited financial statements, within 90 (ninety) days from the end of the period to which they relate, duly certified by the Promoters and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (v) a copy of the auditors' report, within 120 (one hundred and twenty) days from the end of the period to which it relates;
- (vi) minutes of all Board Meetings, Shareholders Meetings and any meetings of the Committees, as soon as practicable, and in any case within 15 (fifteen) days of the date of the relevant meeting; and
- (vii) projection of any debt and equity requirements for each of the next (two) financial quarters, as soon as practicable.

9.1.2 The Financial Statements delivered under this Article 9.1 shall at least include a balance sheet, a statement of profit or loss, and a statement of cash flows for the relevant period and shall be prepared in English in accordance with Accounting Standards consistently applied with past practice for prior periods.

9.1.3 All information and documents to be provided by the Company under this Article 9.1 shall be prepared and provided in English.

### **9.2 Right of Inspection.**

9.2.1 So long as the Investors, along with their Affiliates, holds any Securities in the Company, the Investors shall, by giving a notice of at least 7 (seven) days, be entitled to carry out inspection of site, stores, accounts, documents, records, premises, and equipment and all other Assets of the Company during normal working hours through its authorized representatives and, or, agents at its own cost, and the Company shall use reasonable efforts

to provide such information, data, documents, evidence as may be required for the purpose of and in the course of such inspection in connection therewith. The Investors shall have the right to make copies of, all books of account, records, including the corporate and the financial records, audited accounts and management accounts. The Company shall provide all possible assistance to the Investors or their respective authorised representatives (including legal advisors, accountants and other professional advisors) in this regard. In the event that any concerns are raised pursuant to such inspection and audit, the Company shall address and resolve such concerns promptly to the satisfaction of the relevant Party. The Investors shall also be entitled to consult and discuss matters concerning the Company or its business with the Directors, Key Managerial Personnel, employees, statutory auditors, accounting advisors and legal advisers of the Company. It shall be the responsibility of the Promoters to ensure that the obligations under this Article 9.2 are given full effect. The reasonable costs of any such inspection including appointment of any auditors for this purpose shall be borne by the Company.

9.2.2 The Investors shall be entitled to standard information, inspection and visitation rights, in compliance with the requirements of Applicable Laws.

All inspection, auditing or other activities conducted by a Shareholder, pursuant to this Article 9.2 shall be conducted in a manner so as not to interfere unreasonably with the conduct of the business of the Company.

## 10. OTHER COVENANTS

### 10.1 Protective Covenant.

10.1.1 The Promoters agree that they shall not, and shall ensure that their Affiliates and Associates do not (except, where relevant, through the Company and its Subsidiaries), directly or indirectly,:

- (i) set up, solicit business on behalf of, render any services to, engage in, guarantee any obligations of, extend credit to or have any ownership interests, in any Conflicting Business. For the purposes of these Articles, “**Conflicting Business**” means the business of providing facilities management services, production support services, staffing solutions and other business support services that, directly competes with the business of the Company as carried on from time to time;
- (ii) assume any Role in any Person engaged in, or proposed to be engaged in, any Conflicting Business;
- (iii) solicit and render services to or for, or accept from, anyone who is a client or customer of the Company (whether present or future), any Conflicting Business, or persuade or attempt in any manner to persuade any client or customer of the Company to cease to do business or to reduce the amount of business which any such client or customer has customarily done or is reasonably expected to do with the Company;
- (iv) interfere or seek to interfere or take such steps as may interfere with the continuance of supplies to the Company (or the terms relating to such supplies) from any suppliers who have been supplying goods or services to the Company; and
- (v) employ as an employee or retain as a consultant any Person (including an individual, firm, corporation or other form of entity) who is then, or at any time during the 6 (six) month period prior to the date of the purported solicitation, was an employee

of, or exclusive consultant to the Company, or persuade or attempt to persuade any employee of, or exclusive consultant to, the Company, to leave the employment of the Company or to become employed as an employee or retained as a consultant by any other Person.

10.1.2 Notwithstanding anything to the contrary agreed in writing between the Shareholders and the Company, and without prejudice to restrictions contained in Article 10.1.1, the Promoters shall not, individually or together, at any time, have any Role or have any interest, directly or indirectly, in any Persons / businesses, irrespective of the nature of the business / operations ("Interested Entities") which is not in compliance with this Article 10.1. The Interested Entities are set forth in Article 10.1.3. As and when a Promoter acquires / assumes any Role / interest in any new Person / business, the relevant Promoter shall issue a written intimation to the Investors and upon a Promoter acquiring / assuming such a Role / interest in the manner aforesaid, the relevant Person / Business shall be treated as an Interested Entity for the purposes of these Articles. Further, each Promoter shall, as and when it ceases to have any Role / interest in any Interested Entity issue a written intimation to the Investors as soon as practicable. As and when a Promoter acquires / assumes any additional Role / interest or enhancing its shareholding or interest in any Interested Entity, the relevant Promoter shall issue a written intimation to the Investors.

10.1.3 The details of Interested Entities are as follows:

<i>S.No.</i>	<i>Name of Interested Entity</i>	<i>Nature and Extent of Interest</i>
1.	Tangirala Infrastructure Development Private Limited	(i) director;  (ii) shareholder – legally and beneficially holding 50% (fifty per cent.) of the share capital
2.	Best Security Services Limited	(i) director;  (ii) shareholder – legally and beneficially holding 50% (fifty per cent.) of the share capital
3.	Tangi Facility Solutions Private Limited	(i) director;  (ii) shareholder – legally and beneficially holding 99% (ninety nine per cent.) of the share capital

10.1.4 Notwithstanding anything to the contrary contained herein, the restrictions contained in this Article 10 shall not be circumvented by the Promoters indirectly including through its Affiliates, Associates or any other Person.

10.1.5 The restrictions contained in Article 10.1.1 shall not apply to any financial / passive investments made by the Promoters subject to the Promoters having sought the prior written consent of the Investor for any investment exceeding INR 25,00,00,000 (Indian Rupees twenty five crores). Provided that for any financial / passive investment made by the Promoters not exceeding INR 25,00,00,000 (Indian Rupees twenty five crores), the Promoters shall intimate the Investors immediately after having made such investment.

- 10.1.6 The Shareholders and the Company acknowledge that (i) the type and periods of restriction imposed in the provisions of this Article 10.1 are fair and reasonable and are reasonably required in order to protect and maintain the legitimate business interests and the goodwill associated with the business carried on by the Company; and (ii) the time, scope and other provisions of this Article 10.1 have been specifically negotiated by parties and have been agreed to, in light of the investments made by the Investors in the Company, either directly or indirectly.
- 10.1.7 If any of the restraints contained in this Article 10.1 or any part thereof, is held to be unenforceable in a jurisdiction by reason of it extending for too great a period of time, or by reason of it being too extensive in any other respect, the Shareholders and the Company agree for only that particular jurisdiction that (i) such restraint shall be interpreted to extend only over the maximum period of time, geographic area or extent to which it may be enforceable, as determined by the court or arbitration panel making such determination, and (ii) in its reduced form, such restraint shall then be enforceable. Each of the restraints and agreements contained in this Article 10.1 (collectively, the "Protective Covenants") is separate, distinct, and severable.
- 10.1.8 The unenforceability of any portion of the Protective Covenant shall not affect the validity or enforceability of any other portion of the Protective Covenant or any other provision or provisions of these Articles.
- 10.1.9 The Promoters undertake that:
- (i) Promoter I shall devote all of his time, energy and efforts to the activities of Company and the promotion of the Business.
  - (ii) except with the prior written consent of the Investors, all new projects and businesses relating to the Conflicting Business, shall only be undertaken by the Company, and not through any other Affiliates or Associates of any of the Promoters or the Company or through the Relatives of Promoter I and Promoter II. Provided that the security business that is currently being carried on through Best Security Services Limited can be carried on by such an entity subject to the preceding portion of this Article 10.1.9(ii).
  - (iii) all opportunities for new projects and businesses relating to the Conflicting Business that are developed or sourced by, or offered to, the Promoters shall be referred exclusively to the Company.

## **10.2 Conduct of Business.**

- 10.2.1 The Company and the Promoters shall cause the Company, Promoters and their respective Affiliates (present or future) to agree and undertake, that:
- (i) the Company and its Subsidiaries shall devise and implement appropriate mechanisms and reporting systems to ensure:
    - (a) compliance with all Applicable Laws and Accounting Standards, including requisite corporate governance practices; and
    - (b) that all agreements, dealings and arrangements with any of the Shareholders, their Affiliates or other Related Parties and other transactions with a Related Party are on an arm's length basis with full disclosures to the Board;

- (ii) the Company and its Subsidiaries shall conduct its business in accordance with all Applicable Laws, terms and conditions of the agreed in writing between the Shareholders and the Company, these Articles and the Business Plan;
- (iii) they and, or, their Affiliates shall not engage, by themselves directly or by authorizing any Person to do so, in any offering, giving, receiving, or soliciting, any money, gifts, gratifications or any other thing of value to any Government Official or any other Person, that will amount to a violation of the U.S. Foreign Corrupt Practices Act; 15 U.S.C. §78dd-1, et seq. as amended (the "FCPA"), and the Prevention of Money Laundering Act, 2002 ("PMLA") and other equivalent laws applicable to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, notwithstanding the applicability or non-applicability of the FCPA and, or, the PMLA to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, in relation to such conduct;
- (iv) they shall not and further undertake to ensure that their respective directors, officers, representatives, employees, advisors and agents do not, make any offer, payment, promise to pay or authorise the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any government official (including without limitation, any tax or customs official, any employee of a government owned or controlled company, or of a public international organization, or any person acting in an official capacity on behalf of a government, government owned or controlled company, or public international organization), or to any arbitration tribunal, or to any political party or an employee of any political party, domestic or foreign (or official thereof) ("**Government Official**") or to any other Person who was or is in a position to help or hinder the business of the Company, the Promoter and, or, their respective Affiliates: (a) with the intent or purpose of influencing such Government Official or other Person in his official capacity, inducing such Government Official to do or omit to do any act in violation of the lawful duty of such official, or securing any improper advantage; (b) inducing such Government Official to use his influence with a government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality; (c) that would cause the Company, the Promoters and, or, their respective Affiliates and their respective directors, and employees to violate or be in violation of any applicable laws (including without limitation the FCPA, as amended from time to time, notwithstanding the applicability of the FCPA and, or, the PMLA to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, in relation to such conduct) or subject it or them to damages or penalties in a civil or criminal proceeding; or (d) that could reasonably be expected to have a Material Adverse Effect, if not discontinued;
- (v) the Company, the Promoters and their respective Affiliates shall comply with the FCPA policy, as adopted by the Board, effective from the Restated Articles Effective Date;
- (vi) each of the Company, the Promoters and their respective Affiliates are: (a) not currently identified on the Specially Designated Nationals and Blocked Persons List maintained by the U.S. Office of Foreign Assets Control, Department of the Treasury ("**OFAC**") and, or, on any other similar list maintained by OFAC or any other U.S. governmental agency pursuant to any authorising statute, Order or regulation, and (b) not a person or entity with whom a citizen of the United States of America is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States law, regulation, or order of the President of the United States of America;



- (vii) they and their Affiliates and their respective directors, officers, representatives, employees, advisors and agents have not provided or collected funds with the intention that they be used, or in the knowledge that they are to be used, in order to carry out terrorist acts or support any terrorist organization;
- (viii) the Company, the Promoters and their respective Affiliates (as applicable) shall issue to the Investors, a certificate on an annual basis, in a form and substance satisfactory to Investor II, certifying compliance with the provisions of this Article 10.2; and
- (ix) the Company, its Subsidiaries and Promoter III shall adopt at the meetings of their respective Board of Directors and implement all compliance related policies and procedures in relation to matters set out in this Article, as the Investors may deem necessary from time to time.

#### 10.2.2 The Company and the Promoters shall:

- (i) cause the Company, the Promoters and their respective Affiliates and each of their respective officers, directors and employees (individually and collectively, a **"Company Representative"**) to: (a) engage only in lawful practices in commercial operations and in relation to Governmental Authorities or Government Official; (b) not make any bribe, rebate, payoff, influence payment, or any other payment that would be unlawful under any applicable Anti-Corruption Legislation and Anti-Corruption Guidelines as agreed in writing between the Shareholders and the Company;
- (ii) not engage in (or authorize or permit any of their Affiliates or any other Person acting on its behalf to engage in), any Sanctionable Practice with respect to any transaction as agreed in writing between the Shareholders and the Company or otherwise;
- (iii) not make or hold any investments in any entity that (a) is sanctioned pursuant to United Nations Security Council resolutions issued under Chapter VII of the United Nations Charter; (b) is on the World Bank Listing of Ineligible Firms and Individuals or (c) has been convicted, indicted or subjected to any similar criminal sanction, by any court or governmental body of competent jurisdiction, for engaging in money laundering or financing of terrorism or any Sanctionable Practice;
- (iv) upon being notified by the Investors of their concern that there has been a violation of the Articles 10.2.2(i) to (iii), the United Nations Security Council Resolutions, and, or, any Sanctionable Practices in relation to the foregoing, the Company shall cooperate in good faith with the Investors and its representatives in determining whether such a violation has occurred, and shall respond promptly and in reasonable detail to any notice from the Investors, and shall furnish documentary support for such response upon such request;
- (v) (the Promoters) not Transfer, and the Company shall not permit the Transfer of, any of their interests in the Company to any person or entities (a) named on lists promulgated from time to time by the United Nations Security Council or its committees pursuant to any resolution issued under Chapter VII of the United Nations Charter; (b) named on the World Bank Listing of Ineligible Firms and Individuals (see [www.worldbank.org/debarr](http://www.worldbank.org/debarr) or any successor website or location); and, or, (c) convicted, or subjected to any similar criminal sanction, by any court or governmental body of competent jurisdiction, for engaging in money laundering or financing of terrorism or any Sanctionable Practice, or in each case, to any successor in interest or ultimate beneficial owner thereof; and

- (vi) on becoming aware of any violation of the Integrity Requirements, they shall promptly notify the Investors.

### **10.3 Distribution of Profits.**

The Board shall determine the amount and the time of distribution of dividends in accordance with the Dividend Policy. The Shareholders and the Company agree that the profits of the Company, as and when distributed, shall be distributed to the Shareholders as per their Shareholding Percentage.

### **10.4 Key Managerial Personnel.**

10.4.1 Key Managerial Personnel shall be appointed by the Board from time to time in accordance with the requirements of Applicable Laws and the Company shall ensure that the position of chief executive officer, chief financial officer/ vice-president (finance) and business development head of the Company is not vacant for longer than a period of 60 (sixty) days at any point in time. The Persons including the Key Managerial Personnel so appointed by the Board from time to time including Mr. Raghunandana Tangirala, along with the executive directors of the Company, if any, shall hereinafter be referred to as the “Management”.

10.4.2 The Management shall be responsible for the day-to-day management of the Company and shall directly report to the Board. The Management shall operate within the authority specifically approved and granted by the Board and shall exercise such powers as may be delegated to them by the Board subject to its overall control, direction and supervision. The Management shall report to the Board in such manner as may be determined by the Board from time to time.

10.4.3 Any decision in regard to the appointment or termination, or change in the terms of appointment of any Key Managerial Personnel and, or member of the Management shall be subject to Article 6 .

### **10.5 Auditors and Accounting.**

10.5.1 The Company shall keep true and accurate accounting records of all operations in accordance with Applicable Laws and Accounting Standards, and such records shall be open for inspection by each Party or by its duly authorised representatives at all times during normal business hours and with sufficient notice so as not to disrupt the Company’s operations.

10.5.2 The Financial Statements of the Company shall be audited at the Company’s expense by the Statutory Auditor.

10.5.3 The accounting records shall be kept at the registered office of the Company or at such other place, in accordance with Applicable Laws, as the Board may deem fit and proper.

### **10.6 Indebtedness.**

In the event the Company proposes to incur any Indebtedness, including by borrowing funds from banks and financial institutions, the Investors shall not be asked, or be required to give any warranties, letter of comfort and, or, guarantees, of any nature whatsoever for any loans or with regard to any aspect of the business or functioning of the Company. In relation to any Indebtedness of the Company, the Investors shall not be required to pledge their Securities or provide any support to any Third Party, including but not limited to lenders of the Company.

#### **10.7 Promoter Status.**

- 10.7.1 The Investors and, or, their Affiliates shall not be named or deemed as 'promoters' or 'sponsors' of the Company nor shall any declaration or statement be made to this effect, either directly or indirectly, in filings with regulatory or Governmental Authorities, offer documents or otherwise without the prior written consent of the Investors in writing.
- 10.7.2 The Investors, their officials, employees, nominee directors, managers, representatives or agents shall not be named or deemed as an 'occupier' or 'officer in charge' or 'officer in default' under any Applicable Laws. In the event any Governmental Authority takes a view or draws an inference that the Investors or their Affiliates or their officials, employees, nominee directors, managers, representatives or agents, is a 'sponsor', 'occupier' or 'officer in charge' or 'officer in default', then the Company and the Promoters shall co-operate with the Investors to make such representations and make full disclosures to the Investors or such body or authority as may be required by the Investors to dispel or correct such inference or view under the Applicable Laws.

#### **10.8 Status of the Company.**

The Company is and shall be maintained as a 'private limited company' (as defined under the 2013 Act) and any conversion or action that would result in conversion of the Company to a public limited company (either directly, by converting Promoter III into a public limited company or otherwise) shall be subject to the prior written consent of the Investor and the terms of these Articles.

#### **10.9 Tax Covenants.**

The Company and the Promoters shall act in good faith and shall pay all Taxes (direct and indirect), duties, cess, fees or any other amount payable (whether by way of Tax or otherwise), under the Applicable Laws. Further, the Company, and the Promoters shall take all steps to make the necessary Tax filings under the Applicable Laws (including but not limited to the return of income for the relevant Financial Years, withholding Tax returns etc.).

#### **10.10 Business Plan.**

The Business Plan for each Financial Year shall be discussed and approved by the Board, which approval will require an affirmative vote by the Investors in accordance with Article 6, no later than 30 (thirty) days before the beginning of the relevant Financial Year. The Promoters and the Company shall take all steps necessary, including the exercise of their rights at Shareholders Meetings and causing their nominee Directors to exercise their rights at Board Meetings, to ensure that the Company carries on its business in accordance with the terms of the Business Plan agreed from time to time.

#### **10.11 Related Party Transactions.**

Any transactions with Related Parties (including investments in, or loans to Related Parties, the formation of Affiliate entities or Subsidiaries) shall be conducted (i) on an arm's-length basis; and (ii) with the consent of the majority disinterested directors and at least one Investor Director. Provided that any Related Party transactions which are in the Ordinary Course and are on an arm's-length basis may be approved by the Board through provision of an omnibus approval subject to consent of the Investor in terms of Article 6.

#### **10.12 Subsidiaries.**

10.12.1 Unless stated otherwise, any and all rights available to the Investors in or with respect to the Company as agreed in writing between the Shareholders and the Company, including, without limitation, the right under Article 6, shall be also available to the Investors in the wholly owned Subsidiaries of the Company, whether such Subsidiaries exist on the Restated Articles Effective Date or not. All obligations of the Promoters hereunder with respect to the Company also apply to the Promoters in respect of such wholly owned Subsidiaries. The Company shall ensure that all of the rights, preferences and privileges of the Investors which are contained in these Articles, including all management principles set out in these Articles, shall be continuously made applicable to each of the present or future wholly owned Subsidiaries of the Company and shall form part of the memorandum and articles of association or other charter documents of such Subsidiaries. The Investors shall have the right to appoint such number of directors on the board of directors of wholly owned Subsidiaries as they are entitled to appoint on the Board and the Promoters and Company shall ensure that the persons nominated by the Investors are appointed as additional directors on the board of directors of the Subsidiaries of the Company within 15 (fifteen) days of written notice by the Investor in this regard.

10.12.2 With respect to Subsidiaries other than wholly owned Subsidiaries of the Company, all rights available to the Investors in or with respect to the Company as agreed in writing between the Shareholders and the Company, including, without limitation, the right under Article 6, shall be exercised by the Board and by seeking specific consent of the Investor Directors, and, or, by the Company and, or, the Promoters voting appropriately at the meetings of the board of directors or shareholders of such Subsidiaries and, or, Associate Companies.

#### **10.13 Most Favoured Right**

The Company shall not, and the Promoters shall procure that the Company and its Subsidiaries shall not, directly or indirectly, or in any manner whatsoever, grant to any Persons (whether in regard to an issue of Securities or otherwise) rights that are superior or more favourable than the rights that have been granted to the Investors under these Articles. Without prejudice to the generality of the above, any rights that are more favourable and, or, superior than the right available to the Investors under these Articles, shall only be granted to any Person in regard to the Company with the prior written consent of the Investors, and such rights shall automatically, without there being any requirement to undertake any further act and, or, omission, be available to the Investors.

#### **10.14 Business Review Meetings**

The Company shall, and the Promoters shall procure that the Company shall, organize, at the Company's cost, business review meetings between the Shareholders and the Company at such regular intervals as may be mutually agreed in writing between the Company, the Promoter and the Investors.

#### **10.15 Fall away of Rights**

In the event the Investors (together with their Affiliates who hold Securities in the Company) hold less than 5% (five per cent.) of the Share Capital on a Fully Diluted Basis due to Transfer of the Securities held by the Investors or dilution of the Shareholding Percentage of the Investors, the rights conferred on the Investors pursuant to Articles 3.2 (*Fresh Issue of Securities*), 3.3 (*Anti-Dilution*), 4 (*Board and Board Meeting*), 5.1.2 (*Notice*), 5.1.3 (*Quorum*) 6 (*Affirmative Vote Matters*), 0 (*Restriction on Transfer of Promoter Securities*), 8 (*Exit Rights*) of these Articles shall cease (save and except as otherwise agreed in writing by the Shareholders and the Company). Notwithstanding the above, all other rights available to the Investors under these Articles, and the rights generally available to a shareholder

holding less than 5% (five per cent.) of the share capital of a company under Applicable Law, shall continue to be applicable to the Investors until the Investors ceases to hold any Securities in the Company.

#### **10.16 Day-to-day management of the Company**

The Promoters shall ensure that Promoter I remains in charge of day-to-day management and operations of the Company and is responsible for the conduct of Business of the Company.

### **11. EVENTS OF DEFAULT**

#### **11.1 Consequences of Default.**

On the occurrence of an event of default as defined and agreed in writing between the Shareholders and the Company, the Investors shall, without prejudice to any other rights or remedies they may have under Applicable Laws or any other contract, have the right (exercisable in its absolute discretion, but not the obligation) by delivery of a written notice to terminate irrevocably all the rights (but not obligations) of the Promoters and the Company under these Articles as well as the agreements between the Shareholders and the Company and require the Promoters to buy all of the Securities held by the Investors, at 175% (one hundred and seventy five percent.) of the fair market value determined in accordance with Applicable Laws assuming that such event of default as defined and agreed in writing between the Shareholders and the Company has not occurred, or the Investment Amount, whichever is higher.

### **12. GENERAL**

12.1 Any reference to “as agreed in writing between the Shareholders and the Company” shall mean the Investment Agreement dated 19 January, 2017, as amended from time to time and other documents executed by the Investors, Promoters, and Company.

12.2 Capitalised terms used but not defined herein shall have the meanings assigned to them as agreed in writing between the Shareholders and the Company.

S/No.	Signature, Name, Father/ Husband name, Address description, occupation and PAN No. (If any) of each of the subscribers	Signature, Name, Father/ Husband name Address & of Witness
1.	Sd/-  Mr. T. RAGHUNANDANA S/o. Late T.V.S. SHARMA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AADPT0426C	Sd/-  M.DAMODARAN S/o. K. Munuswamy Old No: 1A, New No.28 Bazaar Road, 2 <sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.NO.5081
2.	Sd/-  Ms. T. SHANTHI W/o. T.RAGHUNANDANA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AAVPS5245C	
3	Sd/-  Mr.T. KESAVAN S/o. P. THATHAPPAN No. F-4, Jumbo vinayak, 21, Leelavathi Ammal Street, Madippakkam Chennai-600 091 Service PAN: AIHPK5560E	
4.	Sd/-  Mr.D.W.LYONS S/o. Late V.T.LYONS No.63, Foxen Street, Perambur Chennai-600 011 Service PAN: APPLIED FOR	
5	Sd/-  Mr.JOSEPH FULBERT EDWARD S/o Late A. J. EDWARD No.17, 7 <sup>th</sup> Street, Thiruvalluvar Nagar Errukkencherry	

	Chennai-600 118 Service PAN: ADUPJ5877D	Sd/-
6	Sd/-  Mr. C. ROY SURESH KUMAR S/o. Late S.L. COLUMBUS No.33, N.G.O Colony Sriperumbudur-602 105 Service PAN: APPLIED FOR	M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2 <sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.No. 5081
7	Sd/-  Mr. S. MARIAPPAN S/o. S. SANKARA NARAYANAN No.146, Pandian Street Alwarthiru Nagar Chennai-600 087 Service PAN: AIRPM 9968L	

Place : Chennai

Date : 06.11.2003

**THE COMPANIES ACT, 2013  
(OR ANY REENACTMENT THEREOF)  
COMPANY LIMITED BY SHARES**

**AMENDED AND RESTATED ARTICLES OF ASSOCIATION**

**OF**

**\*\*\*UPDATER SERVICES LIMITED**

(Previously known as Updater Services Private Limited)

---

The Articles consist of two parts, Part 'A' and Part 'B'. The provisions of Part 'A' 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 special provisions of Part 'B'. As long as Part 'B' remains a part of the Articles, in the event of any conflict or inconsistency, the provisions of Part 'B' shall prevail over the provisions of Part 'A'.

---

**PART - A**

**PRELIMINARY**

The regulations contained in Table "F" in Schedule I to the Companies Act, 2013, so far as the same, may be applicable to a Public Company as defined in the Act, shall except, otherwise and to extent provided in these Articles, apply to this Company, in the same manner as if all such regulations of Table F are specifically contained in these Articles.

**INTERPRETATION**

1. In these regulations:
  - (a) "The Act" means the Companies Act, 2013
  - (b) "The Company" or "this Company" means UPDATER SERVICES LIMITED

(\*\*\* The word "PRIVATE" has been deleted vide special resolution passed at the Extraordinary general meeting of the Company held on 22.02.2022 for conversion of the Company from Private Limited to Public Limited)



- (c) "Directors" means the Directors for the time being of the Company or as the case maybe Directors assembled at a Board.
  - (d) "Board of Directors Meeting" or "Board Meeting" means a meeting of the Directors duly called and constituted or as the case may be, Directors assembled at a Board.
  - (e) "Person" includes Corporation.
  - (f) "The Office" means the registered office for the time being of the company.
  - (g) "Month" shall mean calendar month.
  - (h) "Proxy" includes attorney duly constituted under a Power of Attorney
  - (i) "The seal" means the Common Seal of the Company.
  - (j) "Executed" includes any mode of execution.
  - (k) "holder' in relation to shares means the member whose name is entered in the register of members as the holder of the shares.
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.

3. \*\*\*

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

4. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
5. (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,—

(\*\*\*3 The Restrictions related to Private Company has been deleted vide special resolution passed at the Extra-ordinary general meeting of the Company held on 22.02.2022 for conversion of the Company from Private Limited to Public Limited)

- (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 be under the seal and 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.
- 6. (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.
- 7. Except as required by law, no person shall be recognized 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 recognize (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.
- 8. (i) The company may exercise the powers of paying commissions conferred by subsection(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 rules made there under.
- (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.
- 9. (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 to 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.

10. 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 shares ranking paripassu therewith.
11. 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.
- \*\*\*12. *Subject to the provisions of Section 62 read with 42 to the extent applicable, Shares may, with the sanction of a Special resolution be issued to any persons whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer, subject to the compliance with the applicable provisions of Chapter III and any other conditions as may be prescribed.*

#### TRANSFER OF SHARES

13. (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.
14. The Board may, subject to the right of appeal conferred by section 58 declines 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.

\*\*\**Altered vide resolution passed in the Extra Ordinary General Meeting held on 06.03.2023*



15. The Board may decline to recognize any instrument of transfer unless-
- (a) the instrument of transfer is in the form as prescribed in rules made under subsection(1) of section 56;
  - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) the instrument of transfer is in respect of only one class of shares.
16. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, 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**

17. (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 sole holder, 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.
18. (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.
- (ii) 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.
19. (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.

20. 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 been complied with.

#### **ALTERATION OF CAPITAL**

21. 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 there solution.
22. 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.
23. 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.

24. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law, -
- (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.

### **BUYBACK OF SHARES**

25. 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**

26. All general meetings other than annual general meeting shall be called extra-ordinary general meeting.
27. (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**

28. (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.
29. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
30. 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.
31. 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**

32. (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.

### **BOARD OF DIRECTORS**

33. The first directors of the Company shall be the following  
**Mr. T. RAGHUNANDANA**  
**Mrs. T. SHANTHI**
34. (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.
35. The Board may pay all expenses incurred in getting up and registering the company.

36. 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.
37. 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.
38. 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.
39. (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.

**CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY  
OR CHIEF FINANCIAL OFFICER**

40. 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.
41. 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.

**DEMATERIALISATION OF SECURITIES**

42. (i) Dematerialisation of securities:



Notwithstanding anything contained in these Articles, the company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996.

(ii) Options for Investors:

Every person subscribing to securities offered by the company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of the securities in respect of his holding.

(iii) Securities in depositories to be in fungible form.

All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sec.153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of securities held by it on behalf of the beneficial owners.

(iv) Rights of depositories and beneficial owners:

- (a) Notwithstanding anything contained in these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (c) The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository.

(v) Transfer of Securities:

Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of securities effected by a transferor both of whom are entered as beneficial owners in the records of a depository.

(vi) Allotment of securities dealt within a depository:

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the company shall intimate the details thereof to the depository immediately on allotment of such securities.

vii) Register and Index of Beneficial Owners:

The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of the Members and security holders for the purpose of these Articles and the provision relating to

distinctive numbering shall not apply to the shares of the company which have been dematerialised.

### **THE SEAL**

43. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

### **Dividends and Reserve**

44. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
45. 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.
46. (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.
47. (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.

48. 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.

49. (i) Any dividend, interest or other monies payable in cash in respect of shares maybe 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.

50. 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.

51. 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.

52. No dividend shall bear interest against the company.

## **ACCOUNTS**

53. (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 authorized by the Board or by the company in general meeting.

## **WINDING UP**

54. Subject to the provisions of Chapter XX of the Act and rules made there under –
- (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**

55. 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.

## **CAPITALISATION OF RESERVES**

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

- (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to amongst such members in the proportions aforesaid; or
    - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
  - (c) A share premium account and a capital redemption reserve account may, for the purpose 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.
  - (d) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
57. (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall
- (i) Make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue of fully paid shares, if any, and
  - (ii) authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively credited as fully paid up of any further shares to which they may be titled upon such capitalization or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.
- (b) Any agreement made under such authority shall be effective and binding on all such members.

**ISSUE OF SECURITIES UNDER EMPLOYEES STOCK OPTION SCHEME OR ANY OTHER SCHEME\*\***

- \*\*58.** Subject to the provisions of these Articles and in accordance with the provisions of Section 54 of the Companies Act, 2013 and of various other laws governing the issue, the Board may issue and allot Securities under Employees Stock Option Schemes or any other scheme to Employees including its Directors other than independent directors and such other persons as the rule may allow from time to time.

*\*\*Clause 57 adopted by Special resolution passed by the members of the Company at the Extra-ordinary general meeting held on 17 April 2019*

**PART – B**

**1. Additional Definition**

- 1.1 “**1956 Act**” means the Companies Act, 1956 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto;
- 1.2 “**2013 Act**” means the Companies Act, 2013 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto and, or, any re-enactment thereof;
- 1.3 “**Accounting Standards**” means the applicable accounting standards in force in India from time to time, consistently applied during the relevant period, including the generally accepted accounting principles and standards, Indian Accounting Standard (Ind AS), and all pronouncements including the guidance notes and other authoritative statements of the Institute of Chartered Accountants of India;
- 1.4 “**Additional Funding Requirement**” means: (i) additional funding requirements as per the Business Plan; and, or, (ii) the Board determining that such additional funding is required from time to time in terms of these Articles, in compliance with Article 6;
- 1.5 “**Additional Securities**” has the meaning assigned to such term in Article 3.2.1;
- 1.6 “**Affiliate(s)**”, with respect to a Person, means (i) in the case of a Person other than a natural person, any other Person that either directly or indirectly through one or more Persons, Controls, is controlled by or is under common Control with such Person and any investment funds managed or advised by such specified Person, and (ii) in relation to a natural person, any Relative of such a natural person and any other Person, either directly or indirectly, controlled by such a natural person. In case of the Investors, the term ‘Affiliate’ shall be deemed to include any pooled investment fund(s) and, or, juristic entity managed by the same manager, managing member, limited partner / investor of pooled investment fund(s) of Investor I and, or, Investor II, general partner or management company or by an entity Controlling, Controlled by, or under common Control with such manager, managing member, general partner or management company, or any other pooled investment fund(s);
- 1.7 “**Affirmative Vote Matters**” has the meaning assigned to it in Article 6.1;
- 1.8 “**Alternate Director**” has the meaning assigned to such term in Article 4.5.1;
- 1.9 “**Applicable Laws**” means relevant and applicable central, state and local laws of India, including all statutes, enactments, acts of legislature, laws, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, administration, directions, directives, decisions, orders, executive orders, decrees, judicial decisions, orders of any Governmental Authority or other similar directives made pursuant to such laws, whether in effect on the date of these Articles or at any time thereafter;
- 1.10 “**Approvals**” means approvals, permissions, consents, validations, confirmations, waivers, permits, notices, filings, grants, concessions, certificates, registrations, exemption orders, licenses and, or, other authorisations required to be obtained from any Person, including Governmental Authorities, under Applicable Laws, contracts or equity;
- 1.11 “**Articles**” or “**Articles of Association**” means the articles of association of the Company, as amended from time to time; It is clarified that on and from the Restated Articles Effective Date, the “Articles” or “Articles of Association” means the Restated Articles;
- 1.12 “**Assets**”, in regard to the Company, means all properties and assets of such the Company, including movable, immovable, tangible or intangible assets belonging to the Company or used or held for use in connection with, necessary for the conduct of, or otherwise material

to the business and, or, operations of the Company, including the Intellectual Property Rights;

- 1.13 “**Associate**”, in regard to a Person, means another Person in which such a Person and, or, its Affiliates have Significant Influence and includes partnerships and private trusts where such Person and its Affiliates is a partner, beneficiary and, or, trustee;
- 1.14 “**Best Security Services Limited**” shall mean Best Security Services Limited a private limited company existing under the Act and having its registered office at 42, Luz Avenue, Mylapore, Chennai – 600 004.
- 1.15 “**Board Meeting**” means a meeting of the Board duly convened in accordance with the 2013 Act, and these Articles;
- 1.16 “**Board**” means the board of directors of the Company as constituted from time to time in accordance with the provisions of these Articles and Applicable Laws;
- 1.17 “**Business Day(s)**” means any day other than Saturday, Sunday or any day on which banks in Chennai (India) or Mumbai (India) or Ebene (Mauritius) are closed for regular banking business;
- 1.18 “**Business Plan**” means, in relation to any Financial Year, the annual business plan of the Company as approved by the Board, including the budget for the relevant Financial Year in relation to the sales budget, revenue and operating expenditure, cash flow, capital expenditure and key financial ratios;
- 1.19 “**Business**” means the business of providing facilities management, production support services, staffing services, staffing solutions and other business support services, as carried on by the Company and as supplemented / expanded from time to time;
- 1.20 “**Chairman**” has the meaning assigned to such term in Article 4.6;
- 1.21 “**Committees**” has the meaning assigned to such terms in Article 4.9;
- 1.22 “**Company Representative**” has the meaning assigned to such term in Article 10.2.2(i);
- 1.23 “**Conflicting Business**” has the meaning assigned to such term in Article 10.1.1(i);
- 1.24 “**Control**”, in relation to any Person, means (i) the beneficial ownership, directly or indirectly, of more than 50% (fifty per cent.) of the voting rights or paid-up share capital of such a Person, (ii) the right to nominate a majority of the directors or members on the board of directors or other such governing body of that Person, and, or, (iii) the possession of power to cause direction of the management or policies of such a Person; Correlative terms such as “controlling” and “controlled” shall be construed in accordance with this definition;
- 1.25 “**Deed of Adherence**” means a deed in the form agreed in writing between the Shareholders and the Company;
- 1.26 “**Dilution Instruments**”, in regard to a company, means and includes preference shares, debentures, bonds, warrants, options or other securities or instruments which are convertible into or exercisable or exchangeable for or which carry a right to subscribe to or purchase equity shares or equity capital of such a company or any instrument or certificate or right representing a legal or beneficial ownership interest in equity shares or equity capital of such a company;

- 1.27 **“Dilution Price”** has the meaning assigned to such term in Article 3.3.2;
- 1.28 **“Dilutive Issuance”** has the meaning assigned to such term in Article 3.3.2;
- 1.29 **“Director(s)”** means a director on the Board, as constituted from time to time;
- 1.30 **“Dividend Policy”** means a policy formulated determining the distribution of dividends of the Company to the Shareholders in accordance with Applicable Law which is acceptable to the Investors;
- 1.31 **“Encumbrance(s)”** means all kinds of charges and encumbrances, including mortgage, pledge, lien, hypothecation, title defect, attachment in the decree of any court, court injunction, assignment by way of security, restriction or limitation of any nature whatsoever, including restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, or any other agreement or arrangement which has the effect of conferring security of any kind whatsoever; For the avoidance of doubt, it is clarified that, insofar as any shares or securities are concerned, the term “encumbrances” includes any voting agreement, interest, option, right of pre-emption or transfer restriction in favour of any Person;
- 1.32 **“Equity Shares”**, means the equity shares of the Company having a face value of INR 10 (Indian Rupees ten) each per share;
- 1.33 **“ESOP”** means the Employee Stock Option Plan;
- 1.34 **“Event of Default”** has the meaning assigned to such term as agreed in writing between the Shareholders and the Company;
- 1.35 **“Exit Trade Sale”** means any transaction apart from an IPO that provides each of the Investors a complete exit from the Company and includes the following: (i) a strategic sale to any Person (including a Person engaged in a Conflicting Business) through either a sale of more than 51% (fifty one per cent.) of the Share Capital of the Company or less than 51% (fifty one per cent.) of the Share Capital of the Company that results in a change in Control; or (ii) a secondary sale of the Investor Shares to any Person;
- 1.36 **“Exit Trigger Event”** has the meaning assigned to such term in Article 8.3.1;
- 1.37 **“FCPA”** has the meaning assigned to such term in Article 10.2.1(iii);
- 1.38 **“Financial Statements”**, in regard to the Company, means the audited financial statements comprising an audited balance sheet as of the end of the relevant Financial Year and the related audited statement of income and statement of cash flows for such a Financial Year, together with the auditor’s report thereon and notes thereto prepared in accordance with Applicable Laws and Accounting Standards;
- 1.39 **“Financial Year”** means the period commencing from the 1<sup>st</sup> day of April of every calendar year and ending on the 31<sup>st</sup> day of March of the next calendar year;
- 1.40 **“Fully Diluted Basis”**, in regard to the Company, means that the calculation is to be made assuming that all outstanding Dilution Instruments (whether or not by their terms currently convertible, exercisable or exchangeable), options, warrants, outstanding commitments to issue Equity Shares or Dilution Instruments at a future date, whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged in accordance with their respective terms;



- 1.41 **“Government Official”** has the meaning assigned to such term in Article 10.2.1(iv);
- 1.42 **“Governmental Authority”** means any competent governmental, regulatory, statutory or administrative authority, agency, department, commission or instrumentality (whether local, municipal, national or otherwise), court, board or tribunal of competent jurisdiction or other law, rule or regulation making entity having jurisdiction on any of the Parties or the transactions contemplated by these Articles;
- 1.43 **“Indebtedness”** as applied to any Person, means any indebtedness of any kind (other than current trade accounts incurred or payable in the Ordinary Course), whether secured or unsecured, including any liability or financial obligation pertaining to borrowed money, any liability or financial obligation evidenced by a note, bond, debenture, letter of credit, draft or similar instrument, any obligation owed for all or any part of the deferred purchase price of property or services, any guarantee, warranty or indemnity extended by such Person to any other Person;
- 1.44 **“Independent Director”** has the meaning assigned to such term in the 2013 Act;
- 1.45 **“Indication of Interest”** has the meaning assigned to such term in Article **Error! Reference source not found.**(i);
- 1.46 **“Indication of Non Acceptance”** has the meaning assigned to such term in Article **Error! Reference source not found.**(ii);
- 1.47 **“Integrity Requirements”** means the integrity-related obligations including but not limited to obligations related to anti money laundering/countering of financing of terrorism, “know-your-customer” and fraud, corruption and Sanctionable Practices of the Company under (i) Applicable Laws and relevant codes of conduct and similar requirements, rules and codes conduct issued by industry self-regulatory organizations and similar trade associations, (ii) Article 10.2, and (iii) as agreed in writing between the Shareholders and the Company;
- 1.48 **“Interested Entities”** has the meaning assigned to such term in Article 10.1.2;
- 1.49 **“Investment Amount”** means the total amount invested by the Investors in the Company whether through subscription of Securities or through purchase of securities;
- 1.50 **“Investor Directors”** has the meaning assigned to such term in Article 4.2.1;
- 1.51 **“Investor I”** shall mean **INDIA BUSINESS EXCELLENCE FUND – II**, a unit scheme of Business Excellence Trust II, a trust created under the Indian Trust Act, 1882, whose trustee is **Vistra ITCL (India) Limited** (formerly known as **IL&FS TRUST COMPANY LIMITED**), a public company incorporated under the provisions of the 1956 Act and having its registered office at the IL&FS Financial Centre, C-22, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, India, acting through its investment manager, **MOPE INVESTMENT ADVISORS PRIVATE LIMITED**, a company registered in India under the 1956 Act having its registered office at Motilal Oswal Tower, Junction of Gokhale & Sayani Road, Prabhadevi, Mumbai – 400 025;
- 1.52 **“Investor II”** shall mean **INDIA BUSINESS EXCELLENCE FUND – IIA**, a public limited company incorporated under the laws of Mauritius and having its office at Suite 304, Third Floor, NG Tower, Cyber City, Ebene, Mauritius;
- 1.53 **“Investors”** shall mean Investor I & Investor II collectively
- 1.54 **“IPO”** has the meaning assigned to such term in Article 8.1.1;

- 1.55 **“Key Managerial Personnel”** has the meaning assigned to such term in sub-section (51) of section 2 of the 2013 Act;
- 1.56 **“Management”** has the meaning assigned to such term in Article 10.4.1;
- 1.57 **“Material Adverse Effect”** means any event, occurrence, fact, condition, change, development or effect that, individually or in the aggregate, has had or may reasonably be expected to have a material and adverse effect on: (i) the ability of the Company and, or, the Promoters to perform its obligations hereunder; and, or, (ii) the condition (financial or otherwise and including any material increase in provisions), operations, results of operations, prospects, Assets, liabilities or Business of the Company;
- 1.58 **“Non-Subscribing Shareholder”** has the meaning assigned to such term in Article 3.2.4;
- 1.59 **“Observer”** has the meaning assigned to such term in Article 4.3;
- 1.60 **“OFAC”** has the meaning assigned to such term in Article 10.2.1(vi);
- 1.61 **“Offer of Existing Securities”** has the meaning assigned to such term in Article 8.1.1 (ii);
- 1.62 **“Offer Price”** has the meaning assigned to such term in Article **Error! Reference source not found.**(i);
- 1.63 **“Ordinary Course”** as applied to any Person, means an action taken by or on behalf of such a Person that is consistent with past customs of such a Person and prudent business practices as per best industry standards, including with respect to quantity and frequency;
- 1.64 **“Original Director”** has the meaning assigned to such term in Article 4.5.1;
- 1.65 **“Permitted Investor Transferee”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.66 **“Permitted Recipients”** means the following: (i) funds under the management / advised / sub-advised by the respective managers of the Investors and their respective Affiliates and their respective directors, officers, employees, agents and advisors; and, or, (ii) valuation agencies undertaking the valuation of the Investors’ portfolio, etc.;
- 1.67 **“Person”** means and includes any natural person, limited or unlimited liability company, corporation, limited or unlimited liability partnership firm, proprietorship firm, Hindu undivided family, trust, union, association or any other entity that may be treated as a person under Applicable Laws;
- 1.68 **“PMLA”** has the meaning assigned to such term in Article 10.2.1(iii);
- 1.69 **“Promoter Director”** has the meaning assigned to such term in Article 4.2.1;
- 1.70 **“Promoter I”** shall mean **MR. RAGHUNANDANA TANGIRALA**, aged 56 years, s/o Mr. T.V. Subbiah Sarma, citizen of India having PAN AAPDPT0426C and permanent residence at No.7 D'Silva Road, Mylapore, Chennai- 600 004;
- 1.71 **“Promoter II”** shall mean **MRS. SHANTHI TANGIRALA**, aged 48 years, d/o Mr. Karunakaran Chathukutty Nair, citizen of India having PAN AAVPS5245C and permanent residence at No.7 D'Silva Road, Mylapore, Chennai- 600 004;

- 1.72 **“Promoter III”** shall mean TANGI FACILITY SOLUTIONS PRIVATE LIMITED, a private limited company with CIN – U74900TN2014PTC097603, established under the laws of India, having its registered office at Old No.42, New No. 2, Luz Avenue Mylapore, Chennai – 600 004
- 1.73 **“Promoters”** shall mean Promoter I, Promoter II & Promoter III collectively
- 1.74 **“Protective Covenants”** has the meaning assigned to such term in Article 10.1.7;
- 1.75 **“Related Party”** has the meaning assigned to such term in sub-section (76) of section 2 of the 2013 Act and, or, as per applicable Accounting Standards;
- 1.76 **“Relative(s)”** in connection with (i) Promoter I or Promoter II, means the children of Promoter I and Promoter II, and (ii) any other natural person, has the meaning assigned to such a term in the 2013 Act;
- 1.77 **“Restated Articles Effective Date”** means 10 February 2017;
- 1.78 **“ROFO Acceptance Notice”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.79 **“ROFO Eligible Shareholders”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.80 **“ROFO Notice”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.81 **“ROFO Period”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.82 **“ROFO Response Period”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.83 **“ROFO Transfer Period”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.84 **“Role”** means any investment / arrangement whereby the Promoters, either directly or indirectly, have or attain: (i) any shareholding /economic interest / investment in any business or any Person, (ii) a right to nominate management positions, (iii) a right to appoint / select persons on the board / governing body of such business or Person, or (iv) a role as an employee, director, lender, observer, consultant or advisor;
- 1.85 **“Sanctionable Practice”** means any Corrupt Practice, Fraudulent Practice, Coercive Practice, Collusive Practice, or Obstructive Practice, as those terms are interpreted in accordance with the Anti-Corruption Legislation and Anti-Corruption Guidelines as agreed in writing between the Shareholders and the Company;
- 1.86 **“Securities”**, in regard to the Company, means any form of securities and shares of the Company, including the Equity Shares and Dilution Instruments;
- 1.87 **“Share Capital”**, in regard to the Company, means the total issued, subscribed and paid up share capital of such the Company determined on a Fully Diluted Basis;
- 1.88 **“Shareholder(s)”** means the shareholder(s) of the Company from time to time;

- 1.89 “**Shareholders Meeting**” has the meaning assigned to such term in Article 5.1.1;
- 1.90 “**Shareholding Percentage**” means the respective percentage proportions in which the Share Capital is held by the Shareholders from time to time on Fully Diluted Basis. It is clarified that for the purposes of Article 3, any calculation of the Shareholding Percentage for determining the entitlement of a Shareholder in any proposed issuance shall be undertaken based on the Share Capital held by such a Shareholder immediately prior to such proposed issuance on Fully Diluted Basis;
- 1.91 “**Significant Influence**” means the possession of power to cause or prevent any actions pertaining to the management or policies of a Person, through the ownership or control or benefit of at least 20% (twenty percent) of total share capital or voting interest or economic interest of such a Person or the ability to nominate or have elected 1 (one) or more members of a governing body of such person or the ability to direct, restrict or otherwise influence any management decision of such Person, whether through debt arrangements, contract, voting interest, membership to governing bodies such as a board of director, or otherwise;
- 1.92 “**Statutory Auditor**” means the statutory auditor of the Company from time to time;
- 1.93 “**Strategic Sale Closing Date**” has the meaning assigned to such term in Article 8.3.3;
- 1.94 “**Strategic Sale Exercise Notice**” has the meaning assigned to such term in Article 8.3.2;
- 1.95 “**Strategic Sale Right**” has the meaning assigned to such term in Article 8.3.1;
- 1.96 “**Strategic Sale Securities**” has the meaning assigned to such term in Article 8.3.2;
- 1.97 “**Strategic Transferee**” has the meaning assigned to such term in Article 8.3.1;
- 1.98 “**Subscribing Shareholder(s)**” has the meaning assigned to such term in Article 3.2.4;
- 1.99 “**Subscription Cut-Off Period**” has the meaning assigned to such term in Article 3.2.2;
- 1.100 “**Subsidiary**” has the meaning assigned to such term in sub-section (87) of section 2 of the 2013 Act;
- 1.101 “**Tag Exercise Notice**” has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.102 “**Tag Request Notice**” has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.103 “**Tag Response Period**” has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.104 “**Tag Right**” has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.105 “**Tag Securities**” has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.106 “**Taxes**” means any and all forms of taxation, imposts, duties, and levies, whether direct or indirect, deductible at source or otherwise, together with any interest, penalties, surcharges or fines relating thereto, due, payable, levied, imposed upon or claimed to be owed in any

relevant jurisdiction. It is clarified that the term “Taxes” shall include any interest, surcharges, penalties or additional taxes payable in connection therewith; Correlative terms such as “tax” and “taxation” shall be construed in accordance with this definition;

- 1.107 **“Third Party”** means any Person other than the Shareholders and the Company;
- 1.108 **“Transfer Securities”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.109 **“Transfer”** means, whether directly or indirectly, any transfer, including any sale, assignment, pledge, hypothecation, creation of security interest in or lien or Encumbrance on, placing in trust (voting or otherwise), exchange, gift or transfer by operation of law or in any other way, whether or not voluntarily. Correlative terms such as “transferred”, “transferring” and “transferability” shall be construed in accordance with this definition.
- 1.110 **“Transferring Promoter”** has the meaning assigned to such term in Article **Error! Reference source not found.**;
- 1.111 **“Transferring Shareholder”** has the meaning assigned to such term in Article **Error! Reference source not found.**;

## **2. UTILISATION OF PROCEEDS**

- 2.1 The Company shall, and the Promoters shall procure the Company to, utilise the Investment Amount solely and exclusively, for the purposes agreed in writing between the Shareholders and the Company.
- 2.2 Till such time as the Investment Amount has been utilized in accordance with Article 2.1, the Company shall, at each meeting of the Board, table a statement setting out the extent of utilization of Investment Amount.

## **3. FURTHER FUNDING REQUIREMENTS**

### **3.1 Furnishing of guarantees and securities to meet Additional Funding Requirements.**

- 3.1.1 Upon occurrence of an Additional Funding Requirement, additional funds shall be raised on terms approved, and from sources identified, by the Board. For the avoidance of doubt, it is clarified that the Investors shall not be obligated to provide any such guarantees or securities, whether directly or indirectly, to any banks or other financial institutions for any reason whatsoever.
- 3.1.2 The Investors do not have any obligation to provide additional funding in terms of this Article to the Company and they shall be entitled to provide such additional funding at their sole discretion.

### **3.2 Fresh issue of Securities.**

- 3.2.1 If the Business Plan contemplates the issuance of fresh Securities to Shareholders or if the Board determines, subject to the provisions of Article 6, that an Additional Funding Requirement is to be met through issuance of fresh Securities to the Shareholders of the Company, then the Company shall issue fresh Securities to the Shareholders (**“Additional Securities”**), proportionate to their respective Shareholding Percentage in the Company. Such Additional Securities to be issued to the Shareholders shall be fully paid-up by the respective Shareholder in cash. Notwithstanding anything to the contrary contained in these

Articles, any issuance of Additional Securities shall be on such terms and conditions as the Board may, subject to the provisions of Article 6, determine at its sole discretion.

- 3.2.2 Not less than 30 (thirty) days before the date of proposed issuance of the Additional Securities, the Company shall deliver to each Shareholder notice / letter of offer for the proposed issuance setting forth: (i) the aggregate number of Additional Securities proposed to be issued and the Shareholding Percentage of the relevant Shareholder; (ii) the price at which such Additional Securities are proposed to be issued and other terms of issuance, if any; and (iii) such other relevant details as the Board may deem fit or as may be required as per Applicable Laws. Within 15 (fifteen) days following delivery of the notice referred to in this Article ("**Subscription Cut-Off Period**"), each Shareholder electing to exercise its rights to subscribe to its Shareholding Percentage entitlement in the Additional Securities shall give a notice to the Company specifying the number of Additional Securities basis its Shareholding Percentage that it is willing to subscribe to and if such a subscription is being undertaken, in case of the Investors through any other Person (except a Person engaged in a Conflicting Business) and in case of the Promoters through an Affiliate, then all documents that are required to be furnished in terms of Article **Error! Reference source not found.** or Article **Error! Reference source not found.** as the case may be, such as a duly executed Deed of Adherence and copies of all Approvals and consents required to be obtained under Applicable Laws, shall be furnished to the Board by the Investors and, or, the Promoters, as the case may be.
- 3.2.3 The Investors may indicate their willingness to subscribe to any unsubscribed portion of the Additional Securities offered, either directly or through any Person (except a Person engaged in a Conflicting Business) including their Affiliates. The Shareholders electing to exercise their rights shall, within a period of 15 (fifteen) days from the Subscription Cut-Off Period, remit the requisite funds towards the Additional Securities, which they have agreed to subscribe to, and the Company shall allot such Additional Securities to the Shareholders on the issuance date specified in the notice / letter of offer in regard to such Additional Securities. Failure by any Shareholder to give such a notice within the Subscription Cut-Off Period or remit the fund in the manner set forth above shall be deemed to be a waiver by such Shareholder of its rights under this Article with respect to the proposed issuance in question. The Promoters will be entitled to renounce the right to subscribe to Additional Securities in the Company in favour of any Affiliate, which comply with the provisions of these Articles, including by executing a Deed of Adherence. Provided that the Shareholding Percentage of Promoter I shall not fall below 25% (twenty five per cent.) of the Share Capital for any reason whatsoever.
- 3.2.4 In the event that a Shareholder ("**Non-Subscribing Shareholder**") does not subscribe or is not desirous of subscribing to its Shareholding Percentage of the Additional Securities entirely, then within a period of 3 (three) Business Days from the date of expiry of the Subscription Cut-Off Period; the Board shall send a written intimation to the other Shareholder(s) (for the purposes of this Article 3.2.4 and 3.2.5 "**Subscribing Shareholder(s)**"), which term specifically excludes every Non-Subscribing Shareholder), giving them an opportunity to subscribe to the unsubscribed portion of the Additional Securities offered to such Non-Subscribing Shareholder, either by themselves or, in case the Subscribing Shareholders are Investors, then through their Affiliates.
- 3.2.5 In the event that the Subscribing Shareholder(s) sends a notice to the Company, within a period of 7 (seven) days from the date of intimation by the Board as aforesaid, agreeing to subscribe to any or all of the unsubscribed Additional Securities and remits the requisite funds towards subscription to such unsubscribed Additional Securities within a period of 15 (fifteen) days from the Subscription Cut-Off Period, then the Board shall allot such unsubscribed Additional Securities to such willing Subscribing Shareholder(s). It is clarified that if more than 1 (one) Subscribing Shareholder notifies the Board of its intention to

subscribe to unsubscribed Additional Securities as above, and the unsubscribed Additional Securities are less than the aggregate number of unsubscribed Additional Securities, then the unsubscribed Additional Securities shall be issued to such Subscribing Shareholders proportionate to their respective Shareholding Percentage in the Company.

### **3.3 Anti-dilution.**

- 3.3.1 The Investors shall have a right, whether exercisable through itself or any other Person nominated in this regard (except a Person engaged in a Conflicting Business), to subscribe to any issuance by the Company of any Equity Shares or Dilution Instruments to any Third Party in proportion to their respective Shareholding Percentage in the Company.
- 3.3.2 Upon each issuance by the Company of any Equity Shares or Dilution Instruments at a price per Equity Share less than the price (“**Dilution Price**”) at which the Investors subscribed to the Investor Shares (“**Dilutive Issuance**”), the Investors shall be entitled to, and the Company shall provide and the Promoters shall procure the Company to provide to the Investors, dilution protection on weighted average basis.
- 3.3.3 The anti-dilution mechanism set forth in this Article shall be accomplished by issuance by the Company or transfer by the Promoters of such number of Equity Shares to the Investors and, or, any other Person nominated by the Investors for this purpose (except a Person engaged in a Conflicting Business) at the lowest price possible under Applicable Laws, so as to give full effect to the weighted average anti-dilution right of the Investors.
- 3.3.4 Upon each Dilutive Issuance, the Company and the Promoters shall take all necessary acts to put Investor I and Investor II in the position that they would have if the adjustment to the Dilution Price had been made, by issuance by the Company or transfer by the Promoters to Investor I and Investor II or any Person nominated by the Investors in this regard (except a Person engaged in a Conflicting Business) of such number of Equity Shares, whereby Investor I and Investor II or any Person nominated by the Investors in this regard (except a Person engaged in a Conflicting Business) are not required to pay any additional amounts for the issuance of such new Equity Shares or the transfer of Equity Shares. The above arrangement shall be implemented in accordance with Applicable Laws.
- 3.3.5 It is clarified that nothing in this Article shall apply to any issuance by the Company of any Equity Shares or Dilution Instruments as Additional Securities to the Shareholders pursuant to Article 3.2 of these Articles or an ESOP plan, in each case as approved by the Board in accordance with Article 0 of these Articles, or a Bonus Issue.

## **4. BOARD AND BOARD MEETINGS**

### **4.1 Management of the Company.**

The property, business and affairs of the Company shall be managed by and under the direction of the Board, and the Board shall be responsible for the overall management, supervision, direction and control of the Company. Subject to the provisions of these Articles, the Board may exercise all such powers of the Company and do all such lawful acts and things as are permitted under these Articles and Applicable Laws. The Board shall manage the Company in the overall, general, and strategic sense and shall ensure proper organization of the business of the Company and shall appoint / dismiss the members of the Management. The Board shall be entitled to delegate its powers to such persons and such Committees that the Board may create to assist it in developing and meeting its business strategy and objectives. The approval of the Shareholders shall be obtained on such matters as may be required under these Articles, and, or, Applicable Laws.

## 4.2 **Composition of the Board. @@**

4.2.1 The Board shall not exceed 8 (Eight) Directors that will be appointed in terms of Article 4.2.2, or such other number of Directors as may be mutually agreed between the Shareholders and the Company in writing, from time to time. The Investors shall be entitled to nominate Directors in proportion to their respective Shareholding subject to a minimum of 2 (two) Directors (collectively, the “**Investor Directors**” and each, an “**Investor Director**”) and the Promoters shall be entitled to nominate Directors in proportion to their respective Shareholding subject to a minimum of 3 (three) Directors (collectively, the “**Promoter Directors**”, and each, a “**Promoter Director**”) in accordance with the terms and conditions set out in this Article. Provided that Promoter I shall at all times during the subsistence of these Articles be a Promoter Director.

4.2.2 Unless otherwise agreed between the Shareholders and the Company in writing and subject to Article 6 of these Articles, the Board shall be constituted in the following manner:

- (i) on and from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors and 3 (three) Promoter Directors;
- (ii) on and from 6 (six) months from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors, 3 (three) Promoter Directors and 1 (one) Independent Director identified by Investor I and Investor II and acceptable to the Promoters on the Board; and
- (iii) on and from 12 (twelve) months from the Restated Articles Effective Date, the Board shall be composed of 2 (two) Investor Directors, 3 (three) Promoter Directors and 2 (two) Independent Directors, out of such 2 (two) Independent Directors, 1 (one) will be identified by the Promoters and acceptable to Investor I and Investor II on the Board.

@@ Articles 4.2.1 and 4.2.2 substituted vide special resolution passed at the Extra-ordinary general meeting of the Company held on 22.02.2022

Provided that subject to the proviso to Article 4.2.2, 4.2.3 and Articles 10.16 and the right of the Investors to assign their rights, the number of Investor Directors on the Board shall not, at any time fall below 2 (two) Directors.

In the event of any increase in the number of Directors in terms of Article 4.2.1, the Board shall be constituted in a manner as may be mutually agreed between the Shareholders and the Company in writing.

4.2.3 The Investors may at any time remove from office any Investor Director(s) and, if desired, appoint another in his / her place. The Promoters may at any time remove from office any Promoter Director(s) and, if desired, appoint another in his / her place.

4.2.4 Subject to Article 4.2.2, the Board shall appoint such number of Independent Directors on the Board, as per the requirements of Applicable Laws. All such Independent Directors shall be acceptable to the Investors and Promoter I.

4.2.5 The Promoters and the Investors shall exercise all powers and rights available to them so as to fix the number of Directors in accordance with this Article and to ensure that the persons nominated by the Investors and the Promoters are expeditiously appointed or removed (as the Investors and the Promoters may specify in accordance with this Article) as a Director and the appointments and removals referred to in this Article result in the persons nominated / appointed or removed becoming or ceasing to be Directors, as applicable.



#### 4.3 **Observer.**

On and from the Restated Articles Effective Date, the Investors shall be entitled to appoint 1 (one) person as an observer to attend all Board Meetings in a non-voting capacity (“**Observer**”). The Observer shall have the right to receive all notices, documents and information provided to the Directors and be entitled to attend all meetings of the Board or Committees thereof, subject to the Observer being bound to confidentiality obligations as applicable to Directors. The Observer shall not be considered for quorum, and the Observer shall not be entitled to vote with respect to any resolution proposed to be passed at a Board meeting. The Company shall reimburse all out of pocket expenses incurred by the Observer in attending Board Meetings or otherwise perform its duties and functions as Observer.

#### 4.4 **Appointment, removal and retirement of Directors.**

##### 4.4.1 Any appointment or removal of Directors shall be implemented in the following manner:

- (i) Appointment of Directors: Subject to the provisions of Article 4.2, each Shareholder shall have the right to, from time to time, issue a notice specifying their intention to nominate a Person as a Director on the Board. Such a notice shall be addressed to the Board and delivered to the Managing Director at the registered office of the Company or presented directly before the Board during a Board Meeting. The aforementioned notice should be accompanied by consent letter and such other documents which are required in terms of Applicable Laws from the prospective nominee. If any such notice along with the accompanying documents is delivered at a Board Meeting, the Board shall at the same meeting pass necessary resolutions in respect of appointment of such person as an additional director. If such a notice along with the accompanying documents is delivered to the Company, then the relevant officers of the Company shall, immediately and in any case within a period of 7 (seven) days from the date of receipt of such notice, either convene a meeting of the Board to pass necessary resolutions in respect of appointment of such Director(s) as additional director(s), or if it is not practicable to convene such Board Meeting, initiate, subject to Applicable Laws, the process for appointment of such Director(s) through a circular resolution in terms of Applicable Laws. Notwithstanding anything to the contrary contained in these Articles, any such nominee shall only be appointed as a Director if such a Person fulfils all criteria prescribed under Applicable Laws.
- (ii) Removal / replacement of Directors: Each Shareholder shall have the right to, from time to time, issue a notice specifying that they wish to remove all or any of the Directors appointed by them on the Board. Such a notice shall be addressed to the Board and delivered at the registered office of the Company or presented directly before the Board during a Board Meeting. The aforementioned notice should be accompanied by a resignation letter to this effect from the relevant Director(s) in the form prescribed by the 2013 Act, and if no such form is prescribed then as per standard secretarial practice. If any such notice along with the accompanying resignation letter is delivered at a meeting of the Board, the Board shall at the same meeting pass necessary resolutions in respect of such removal. If such a notice along with the accompanying resignation letter is delivered to the Company, then the relevant officers of the Company shall, immediately and in any case within a period of 7 (seven) days from the date of receipt of such notice, either convene a meeting of the Board to pass necessary resolutions in respect of removal of such Director(s), or if it is not practicable to convene such Board Meeting, initiate, subject to Applicable Laws, the process for removal of such Director(s) through a circular resolution in terms of Applicable Laws. If the relevant Shareholder wishes to replace a Director nominated by it in on the Board with another Person and provides consent letter and such other documents which are required in terms of Applicable Laws

from the prospective nominee, then the Company shall, subject to such a nominee fulfilling all criteria prescribed under Applicable Laws, appoint the relevant Person as an additional director on the Board in the same Board Meeting where the other nominee Director of such a Shareholder is being removed. If the removal is being carried out through a circular resolution then another circular resolution shall be passed concurrently for appointment of the new nominee Director of such a Shareholder.

- (iii) Approval by Shareholders: If any appointment or removal of a Director, as the case may be, has to be approved by the Shareholders in a Shareholders Meeting as per Applicable Laws, then the Board shall convene an extraordinary general meeting of the Company promptly to approve the appointment or removal of such Director(s). All relevant actions in regard to appointment or removal of such Director(s) by the Shareholders shall be completed within a period of 30 (thirty) days from the date of receipt of notice mentioned in Article 4.4.1(i) or (ii), as the case may be.
- (iv) Retirement of Directors: It is clarified that the Investor Directors shall not be liable to retire by rotation.

4.4.2 The Shareholders and Company shall co-operate with each other in convening a meeting of the Board and, or, Shareholders to effect: (i) appointment of Director(s) so nominated; or (ii) removal of Director so requested, and to exercise its voting rights in any meeting of the Company, and shall cause any Director nominated by it exercise his voting rights in any Board Meetings, so as to give effect to the such appointment/removal.

4.4.3 Subject to the provisions of Applicable Laws and these Articles, no Director shall be removed during the term for which such Director was elected without the consent of the Shareholder, if any, who nominated such Director on the Board. Notwithstanding the foregoing, a Shareholder may ask for removal, substitution or recall for any reason, of any of the Directors nominated by such Shareholder by serving a notice in terms of Article 4.4.1.

4.4.4 The Directors shall not be required to hold qualification shares.

4.4.5 At any point in time, in the event the number of Directors nominated and appointed by the Investors or Promoters, as the case may be, is less than their entitlement under Article 4.2.2 (including for reason such as death, disqualification, inability to act or removal), then the Investors or Promoters, as the case may be, shall be entitled to nominate such Directors at their sole discretion at any time thereafter. No other Shareholder shall have the right to fill-in such vacancy.

#### 4.5 **Alternate Director.**

4.5.1 Any Director nominated by any Shareholder and appointed to the Board (“**Original Director**”) shall be entitled, in accordance with Applicable Laws, to nominate an alternate (and such nominee shall be appointed by the Board as an “**Alternate Director**”) to attend and vote at Board Meetings in his / her absence. Prior to the Original Director exercising any such rights, such Alternate Director appointee shall be required to be approved in writing by the Shareholder who nominated the Original Director. An Alternate Director shall be entitled to receive notice of all meetings of the Board, to attend and vote at any such meeting at which the Original Director appointing him is not personally present and at the meeting to exercise and discharge all the functions, powers and duties of his appointee or as a Director. An Alternate Director shall automatically vacate his office as an Alternate Director if the Original Director who appointed such an alternate is personally present or if such Original Director ceases to be a Director, in terms of these Articles and, or, Applicable Laws. Notwithstanding anything to the contrary contained in these Articles, Promoter I shall not be

entitled to appoint an Alternate Director, except in case of his incapacitation due to ill health or if otherwise agreed in writing between the Shareholders and the Company.

- 4.5.2 All references to ‘Directors’ in these Articles shall be deemed to include a reference to their respective ‘Alternate Director’. For the avoidance of doubt, it is clarified that all provisions applicable to an Investor Director shall equally apply to the Alternate Director appointed / proposed to be appointed in accordance with this Article and all actions taken by such Alternate Director shall be deemed to be actions taken by the relevant Original Director.

4.6 **Chairman.**

At every Board Meeting, the chairman of the Board for such a Board Meeting (“**Chairman**”) shall be Promoter I. The Chairman shall not have a casting vote or extra vote.

4.7 **Board Meetings.**

- 4.7.1 Frequency and Location: The Board Meetings shall be held as often as circumstances require, including upon the written request of at least 1 (one) Director, and all such meetings should be held as soon as reasonably possible and in any event not later than 7 (seven) days from the date that such a request for convening a Board Meeting is received by the Chairman. Not less than 4 (four) Board Meetings shall be held in each year in a manner such that not more than 120 (one hundred and twenty) days elapse between 2 (two) consecutive Board Meetings. All Board Meetings shall be conducted in English.

- 4.7.2 Notice: A Board Meeting may be called by the Chairman or a Director by giving notice in writing to the company secretary, or any other Person nominated in this regard by the Board, specifying the date, time and agenda for such meeting; provided, however, any agenda for a Board Meeting shall be provided to each Investor at least 2 (two) days prior to the notice of the Board Meeting being issued to the Directors unless such right is waived by each Investor in writing. The company secretary (or such nominated person) shall upon receipt of such notice, give a copy of such notice to all Directors at their respective address registered with the Company and such notice shall be sent by hand delivery or by post or by email, accompanied by a written agenda specifying the business of such meeting and copies of papers relevant for such meeting. The Company shall ensure that sufficient information is included within such notice to the Directors to enable each Director to make a decision on the issue in question at such meeting. Every notice convening a meeting of the Board shall set forth in full and sufficient detail each item of the business to be transacted thereat, and no item or business shall be transacted at such meeting, unless the same has been stated in full and in sufficient detail in the notice convening the meeting, except as otherwise consented to by all the Directors or their respective Alternate Directors. Not less than a minimum 7 (seven) days’ prior written notice shall be given to each Director for any Board Meeting, accompanied by the agenda for the Board Meeting; provided, however, a Board Meeting may, subject to the Applicable Laws, be called at shorter notice to transact urgent business subject to the condition that at least 1 (one) Investor Director and least 1 (one) Promoter Director shall have consented to the shorter notice and be present at/throughout such Board Meeting and, or, waived their presence. All documents presented or circulated to the Directors in regard to a Board Meeting shall be in English.

- 4.7.3 \*\*\*Quorum: The quorum for a meeting of the Board shall be 1/3<sup>rd</sup> of total strength or 2 (two) Directors, whichever is higher, provided however the quorum shall not be valid without the presence, in person or otherwise, of atleast 1 (one) Investor Director, or his/her duly appointed Alternate Director throughout the relevant Board Meeting and Promoter I, unless waived by the Investors and, or, Promoter I, as the case may be. If the quorum is not present within 30 (thirty) minutes from the time

when the meeting should have begun, or if during the meeting there is no longer a quorum, the meeting shall be adjourned for 1 (one) Business Day and shall be reconvened at the same place and time, or at such other date, place and, or, time as may be agreed to by the majority of the Directors (including at least 1 (one) Investor Director), with the same agenda. If at 2 (two) consecutively adjourned Board Meetings, the quorum is not present within 30 (thirty) minutes of the time appointed for the meeting, then, subject to the 2013 Act, the Directors present, in person or through Alternate Directors, at such meeting shall constitute the quorum and the Board Meeting shall proceed with respect to the business stated in the agenda for the Board Meeting; provided, however, even in such a reconvened/adjourned Board Meeting no Affirmative Vote Matter shall be discussed and, or, no resolution pertaining to an Affirmative Vote Matter shall be passed unless 1 (one) Investor Director is present during such a Board Meeting.

***\*\*\*- Altered vide resolution passed in the Extra Ordinary General Meeting held on 3<sup>rd</sup> December, 2022***

- 4.7.4 Voting: Each Director is entitled to cast 1 (one) vote at any Board Meeting.

Decisions of the Board: A decision shall be validly made and, or, a resolution validly passed at a Board Meeting only if passed at a validly constituted Board Meeting and, subject to the provisions of these Articles in regard to Affirmative Vote Matters, by a simple majority of the Directors present and voting at the relevant Board Meeting. A resolution in writing of the Board shall be as valid and effective as if it had been a resolution passed at a meeting of the Board duly convened and held, if the resolution is signed in support thereof by a majority of the Directors for the time being.

Without affecting the generality of the foregoing, where the resolution is with respect to, or includes, an Affirmative Vote Matter, then it shall require the written consent of the Investors for only such matter. Any such resolution bearing the signature of any Director and dispatched by email shall constitute a valid document for the purpose of this clause. It is clarified that where a resolution of the Board has been approved by a Promoter Director and, or, the Investor Director in respect of a specific matter, the Promoters and, or, the Investors, as the case may be, shall vote in accordance with such resolution in case that particular matter is taken up at a Shareholders' meeting of the Company.

- 4.7.5 Electronic Participation: The Board has the power to allow electronic or remote participation and voting in Board Meetings, subject to compliance with the relevant requirements under the 2013 Act. A Director may make a request for electronic or remote participation to the Board and the Board shall consider such a request favourably and provide such facility in accordance with the requirements of the 2013 Act. Accordingly, a reference to the presence of any Director for a meeting of the Board, shall include either physical presence or through video conferencing or electronic or remote means.
- 4.7.6 Maintenance of minutes: The Board shall record the minutes of its meetings as prescribed under the 2013 Act, provided that such minutes shall be subject to the written approval of the Investors.

#### **4.8 Resolution by Circulation.**

Except for resolutions which the 2013 Act requires to be passed at a physical meeting of the Board, a resolution of the Board may be passed by the Directors by circulation (provided that it has been circulated in draft form by hand delivery or by post or by email, together with the relevant papers, if any, to all the Directors in accordance with the requirement of

these Articles, and 2013 Act), which resolution shall be valid and effective if, subject to the provisions of these Articles in regard to Affirmative Vote Matters, it is approved by a majority of Directors.

#### **4.9 Committees of the Board.**

Subject to the provisions of these Articles, and Applicable Laws, the Board shall have the power and right to constitute and disband, if necessary, committees or sub-committees and delegate such of the Board's powers to the aforesaid committees as the Board may deem fit ("**Committees**"). Only the Board can appoint a committee of Directors or delegate its powers to any Persons. Unless agreed in writing by the Investors, the Board shall, while forming such Committees, ensure that 1 (one) Investor Director and Promoter I is a member of each such Committee. The provisions relating to Board and Board Meetings contained herein (including relating to notice, quorum, quorum at adjourned meetings and Affirmative Vote Matters) shall apply *mutatis mutandis* to all the Committees and their respective meetings. All resolutions passed by the Committees shall have to be necessarily ratified by the Board.

#### **4.10 Record keeping.**

The Company shall keep a book of all resolutions and the minutes of all meetings of the Board in which there shall be recorded the time and place of such meeting, whether regular or special, and if special, however called, the notice thereof given, the names of those present and the processing thereof.

#### **4.11 Directors' Access.**

Any Director shall be entitled to examine the books, accounts and records of the Company and shall have, during normal business hours of the Company and with prior reasonable written notice, the right to reasonably inspect the properties and facilities of the Company. The Company shall provide such information relating to its business affairs and financial position as the relevant Director may require. Subject to the Applicable Laws, any Director may provide such information to the Shareholder who has nominated such a Director. The relevant Director and Shareholder would be bound by the confidentiality obligations as agreed in writing between the Shareholders, and the Company, in relation to such information received.

#### **4.12 Fees and Expenses of Directors.**

Subject to Applicable Laws, all expenses and costs incurred in connection with the convening and conduct of the Board Meetings shall be borne by the Company. The Company shall reimburse all out of pocket expenses incurred by the Investor Directors and the Promoter Directors (subject to any cap prescribed for whole-time directors in terms of Applicable Laws if applicable) in attending Board Meetings or business review meetings or otherwise perform their duties and functions as Directors. However, no sitting fees shall be paid to the Investor Directors and the Promoter Directors by the Company. Any reimbursements and sitting fees payable to Independent Directors shall be governed by the specific agreement between the Company and the Independent Director in this regard.

#### **4.13 Indemnification of Directors.**

4.13.2 The Company shall, subject to Applicable Laws, indemnify and keep indemnified the Directors against any:

- (i) act, omission or conduct of or by the Company or its employees or agents as a result of which any Director is made, in whole or in part, a party to, or otherwise incurs

any loss or damage pursuant to, any proceedings arising out of or relating to any such conduct;

- (ii) action or omission by any Director at the request of or with the consent of the Company; and
- (iii) contravention of any of the Applicable Laws including, without limiting the generality of the foregoing, laws relating to provident fund, gratuity, labour, environment, pollution, the anti-bribery laws, and any action or proceedings taken against such Director in connection with any such contravention or alleged contravention.

#### **4.14 No Liability of Investor Director**

4.14.2 The Company recognizes that the Investor Directors shall not have any day-to-day managerial powers and that they will not be whole time, managing or executive directors of the Company and will not, subject to applicable Law, be held responsible for any default or failure of the Company in complying with the provisions of any applicable Law. 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 Investors and/or the Investor Directors.

4.14.3 Notwithstanding anything to the contrary contained in these Articles, no Investor Director shall be deemed to be an ‘occupier’ or ‘officer in charge’ or ‘officer in default’ for the purposes of the 2013 Act or any other Applicable Laws, as the Investor Directors are non-executive directors and do not have the power to and are not responsible for overall management, supervision, direction and control of the Company. Further, the Promoters and the Company shall ensure that the Investor Directors are not nominated as compliance officers, occupiers and/or employers and/or persons-in-charge, as the case may be, in order to ensure that, to the maximum extent permitted by Applicable Law, the Investor Directors do not incur any liability for any default or failure of the Company in complying with the provisions of any Applicable Laws.

4.14.4 In the event that any notice or proceedings have been filed against the Investor Directors by virtue of being Directors of the Company, the Company and the Promoters shall take all necessary steps to ensure that name of such Investor Directors is excluded/ deleted and the charges/proceedings against such Investor Directors are withdrawn and shall also take all steps to defend such Investor Directors against such proceedings and the Company shall pay all costs, damages, fines, levies etc. that may be levied against such Investor Director in such proceedings. The Investor Directors shall also be entitled to appoint any counsel at his/her own discretion, to defend any proceedings instituted against the Investor Directors by virtue of being Directors of the Company. All reasonable expenses borne by the Investor Directors in this regard shall be borne by the Company.

### **5. SHAREHOLDERS AND SHAREHOLDERS MEETINGS**

#### **5.1 Shareholders Meetings.**

5.1.1 Frequency of Shareholders Meeting: An annual general meeting of the Shareholders shall be held as per the provisions of the 2013 Act. Subject to the foregoing, the Board, on its own or at the request of either of the Investors, may convene an extraordinary general meeting of the Shareholders, whenever it may deem appropriate (each such meeting, a “**Shareholders Meeting**”). All such Shareholders Meetings shall be held at such place as the Board may determine from time to time. Shareholders Meetings shall be called at such times as may be required to procure any consent of the Shareholders in terms of the provisions of these Articles, and, or, the 2013 Act, and in any event at least once in each financial year. Subject

to the provisions of the 2013 Act, the Shareholders shall be entitled to participate in Shareholders Meetings through their respective duly authorized representative(s), duly constituted proxies or attorneys, as the case may be. English shall be the language used at all Shareholder meetings.

5.1.2 Notice: In accordance with provisions of the 2013 Act a minimum 21 (twenty one) days' prior written notice shall be given to all the Shareholders of any Shareholders Meeting, accompanied by the agenda for such meeting; provided, however, any agenda for a Shareholders Meeting shall be provided to each Investor at least (two) days prior to the notice of the Shareholder Meeting being issued to the Shareholders unless such right is waived by each Investor in writing. The aforesaid notice may be waived or a Shareholders Meeting may be called by giving a shorter notice with at least 95% (ninety five per cent.) of all the Shareholders entitled to vote at such meeting providing their written consent for such shorter notice. Subject to the 2013 Act, the notice of each general meeting shall include an agenda approved by the Board setting out the business proposed to be transacted at the meeting, together with copies of all relevant papers connected therewith and, or, proposed to be placed before or tabled at the Shareholders Meeting, and no item or business other than as set out in the agenda shall be transacted or discussed at any Shareholders Meeting unless agreed to / approved by the Investors and the Promoters in advance. The notice shall specify the place, date and time of the meeting. All documents presented or circulated to the Shareholders in regard to a Shareholders Meeting shall be in English.

5.1.3 \*\*\*Quorum: The quorum for any Shareholders Meeting shall be at least 5 (five) Shareholders present in person or through their respective duly authorized representative(s), duly constituted proxy(s) or attorney(s), as the case may be, 1 (one) of which shall be one of the Investors and the other Promoter I, at the beginning of the meeting and throughout the meeting (unless waived by the Investors and, or, the Promoter 1, as the case may be). If the quorum is not present within 30 (thirty) minutes from the time when the meeting is scheduled to begin or if during the meeting there is no longer a quorum, the meeting shall be adjourned for 2 (two) Business Days and shall be reconvened at the same place and time, or at such other day, date, place and, or, time as the Board may determine, with the same agenda.

\*\*\*- *Altered vide resolution passed in the Extra Ordinary General Meeting held on 3<sup>rd</sup> December, 2022*

5.1.4 Proxies and Authorised Representatives: Any Shareholder of the Company may appoint another Person as his proxy (and in case of a corporate Shareholder, its authorized representative) to attend a meeting and vote thereat on such Shareholder's behalf, provided that the power given to such proxy or representative must be in writing. Any Person possessing a proxy or other such written authorization with respect to any Securities shall be able to vote on such Securities, as the case may be, and participate in meetings as if such Person were a Shareholder, subject to Applicable Laws.

5.1.5 Chairman for Shareholders Meeting: The Chairman of Board shall be the chairman for the Shareholders Meeting. The chairman of the Shareholders Meetings shall not have any second or casting vote.

5.1.6 Voting: Subject to the Applicable Laws, voting on all matters to be considered at a Shareholders Meeting shall be by way of show of hands unless a poll is demanded in accordance with provisions of the 2013 Act.

5.1.7 Decisions of the Shareholders: Subject to the provisions of these Articles in regard to Affirmative Vote Matters, a decision shall be validly made and, or, a resolution validly

passed at a Shareholders Meeting only if the requisite majority approves the relevant decision / resolution in compliance with the provisions of the 2013 Act.

- 5.1.8 Electronic Participation: The Shareholders may participate and vote in the Shareholders Meeting through electronic or remote participation and voting in the manner permitted under the 2013 Act, from time to time. A Shareholder may make a request for electronic or remote participation to the Board and the Board shall consider such a request favourably and provide such facility in accordance with the requirements of the 2013 Act. Accordingly, subject to Applicable Laws, a reference to the presence of any Shareholder for a meeting of the Shareholders, shall include either physical presence or through video conferencing or electronic or remote means, and the process that is to be followed in regard to Board Meetings for presence and voting through video conferencing or electronic or remote means under the 2013 Act shall be followed in regard to such Shareholders Meeting.

## 6. **AFFIRMATIVE VOTE MATTERS**

- 6.1 Notwithstanding any other provision of these Articles or any power conferred upon the Board by these Articles, and, or, the 2013 Act, with effect from the Restated Articles Effective Date, neither the Company nor any Shareholder, Director, Committee member, or any of their respective delegates or representatives shall take any decisions or actions in relation to any of the matters set forth in Article 6.5 (“**Affirmative Vote Matters**”) with respect to the Company, in any meeting, forum, circular resolution or in any other manner whatsoever, without the affirmative prior written consent or approval of the Investors. It is agreed that any discussions pertaining to Affirmative Vote Matters shall necessarily be included in the agenda papers in relation to the relevant meeting in advance and shall not be taken up in a Board Meeting, meeting of any Committee or Shareholders Meeting, unless specifically agreed to, in writing, by the Investor.
- 6.2 The principle set out in this Article 6 is fundamental to the governance of the Company and each Party undertakes not to commit any act or omission that would violate this Article.
- 6.3 It is clarified that any consent by the Investors in relation to any of the Affirmative Vote Matters shall apply only in relation to the particular Affirmative Vote Matters and only in the context specified in the relevant notice and shall not constitute, or be deemed to constitute in any manner, a general consent for any other Affirmative Vote Matters, or a consent for the same Affirmative Vote Matters in any other context.
- 6.4 If any other provision of these Articles conflicts with the provisions of this Article, the provisions of this Article shall prevail and be given effect.
- 6.5 The following matters shall be considered Affirmative Vote Matters:
- i. Any amendment to these Articles, and, or the Memorandum of Association of the Company;
  - ii. Any decision in relation to winding up, liquidation, bankruptcy or dissolution of the Company or any Exit Trade Sale;
  - iii. Any change in the composition (including structure and strength and, or, manner of election and, or, term of office) of the Board;
  - iv. Any forming of a committee of the Board;
  - v. Any decision in relation to Additional Funding Requirement;



- vi. Any capital expenditure in excess of INR 1,00,00,000 (Indian Rupees one crore) beyond the approved Business Plan;
- vii. Finalisation, approval and adoption of Business Plan and any changes or deviation of more than 10% (ten per cent.) from such Business Plan and, or, expansion plan;
- viii. Incurring of any Indebtedness or creation of any Encumbrance on the Assets, including any contingent liabilities beyond the amounts specified in the Business Plan and extension of any loans already borrowed;
- ix. Entering into any arrangements not included in the Business Plan in excess of INR 1,00,00,000 (Indian Rupees one crore);
- x. Any transaction involving the acquisition of substantially all the assets, shares, voting power or controlling interest in any other company, business, partnership firm, or body corporate by the Company, or investment in any other business / the same business as the Company;
- xi. Any transaction involving purchase, sale, lease, license or Transfer of Assets of the Company (including any vehicles an, or cars but excluding Intellectual Property Rights of the Company) in excess of INR 1,00,00,000 (Indian Rupees one crore) of the written down value of such Asset at the commencement of the relevant Financial Year or if not contemplated in the Business Plan;
- xii. Guarantees and credit enhancement (other than in the Ordinary Course) and entering into derivative contracts which are not contemplated in the Business Plan;
- xiii. Any transaction involving sale, license or Transfer of the Intellectual Property Rights of the Company involving an amount in excess of INR 10,00,000 (Indian Rupees ten lakhs);
- xiv. Any bonus or profit sharing scheme for Key Managerial Personnel, Management or the Promoters or Shareholders, and, or, any distribution of profits and, or, commission and, or remuneration to any Promoters, Key Managerial Personnel, Management or Director other than in the Ordinary Course;
- xv. Any payment, directly or indirectly, of salaries, bonuses, consulting fees or other compensation, payments, or fees to any Promoters or Shareholders of the Company or members of the Management except as contemplated by the Business Plan;
- xvi. Any appointment or removal, determination of the terms of employment and any significant changes in the terms of the employment agreement or arrangement of Directors, Management and, or, Key Managerial Personnel;
- xvii. Any merger, amalgamation, acquisition, recapitalization, reorganisation, business combination, consolidation, settlements with creditors and other business combinations or financial alliances or any change in Control of the Company and any decisions related to the terms and conditions of any restructuring of the Company including (i) timing of such restructuring; (ii) share swap / consideration payable for such restructuring and (iii) appointment of independent advisors who shall advise the Company on matters related to such restructuring;
- xviii. Any decision to undertake an IPO or list the shares in any stock exchange and any decisions related to (i) pricing and other terms and conditions of the IPO, or (ii) timing of the IPO, or (iii) the stock exchanges on which the Equity Shares of the

Company are to be listed, (iv) appointment of independent merchant banker(s), manager(s), arranger(s), or (v) any other matters in regard to the IPO;

- xix. Any authorization of or setting aside for payment of, or payment of dividends, or buyback/redemption of any Securities of the Company, or distribution of any kind, in cash or in property;
- xx. Granting to any holder of Securities any rights which have a priority greater than those granted to the Investors pursuant to these Articles;
- xxi. Any alteration in any manner whatsoever of the rights of the Investors under these Articles;
- xxii. Any action which adversely changes the rights of the Investors under these Articles or prevents the Investors from exercising their rights under these Articles;
- xxiii. Appointment, re-appointment, removal or change in terms of the statutory and internal auditors of the Company, including the scope of work, terms of reference, or any modifications and changes thereto;
- xxiv. Approval of Financial Statements and any change to such Financial Statements of the Company or the Subsidiaries;
- xxv. Any addition and, or, deletion of any off-balance sheet liability structure of the Company including, without limitation, leasing and drawing on bank guarantees, encumbrances, Transfer, pledge or creation of lien not in the Ordinary Course;
- xxvi. Any changes in the tax and accounting policies and, or practices and, or, the Financial Year of the Company.
- xxvii. Any transaction between the Company and a Related Party or modification of an existing related party transaction which is not in the Ordinary Course and, or, on an arm's-length basis;
- xxviii. Defence of any Litigation initiated by any Person (other than the indemnified parties in terms of the agreements between the Shareholders and the Company) where the amount involved is in excess of INR 10,00,000 (Indian Rupees ten lakh) in any Financial Year;
- xxix. Commencement of any Litigation where the amount involved is in excess of INR 25,00,000 (Indian Rupees twenty five lakh) or settlement and, or, withdrawal of any Litigation where the amount involved is in excess of INR 10,00,000 (Indian Rupees ten lakh);
- xxx. Any change in the Share Capital of the Company and, or, reduction of Share Capital;
- xxxi. Any variation of the rights and preferences attached to any Securities;
- xxxii. Any offer, sale of any Securities, issuance, listing of any Securities and creation of or taking on record any Encumbrance on the Securities;
- xxxiii. Any change in the nature of the business carried on by the Company or entering into any new business line or activity or in any way undertaking any new business initiative exceeding INR 3,00,00,000 (Indian Rupees three crores) that is not

contemplated in the Business Plan whether in India or abroad or any change in the name or registered office of the Company;

- xxxiv. Creation of any new Subsidiary or joint venture by the Company;
- xxxv. Entering into, modification or termination of any material contract in existence or proposed to be entered into by the Company, including any decision in relation thereto, including waiver of any material default under or in relation to the breach of any material contract other than in the Ordinary Course;
- xxxvi. Entering into any arrangement or settlement with the debtors or the creditors of the Company other than in the Ordinary Course;
- xxxvii. Any decision in regard to creation of any stock option plan (by whatever name called), restricted stock plan or similar incentive or equity plan or effecting any ESOP / ESOS / Phantom Stock Plan / incentive pool plans, any grant of options or allotment of shares under such plans;
- xxxviii. Issuance or redemption of any debt securities / equity linked debt securities issued by the Company;
- xxxix. The Company entering into any contract to undertake any obligations (in relation to the Business) in relation to a transaction or arrangement where the Company is not a party;
- xl. The Company furnishing any performance / financial guarantee to any Person for any reason whatsoever;
- xli. Any agreement or commitment to give effect to any of the foregoing; and, or
- xlii. Any of the foregoing actions, if undertaken or agreed to be undertaken in respect of the Subsidiaries of the Company.

## **7. TRANSFER OF SECURITIES**

### **7.1 Affiliate Transfers by Investors**

Each of the Investors may Transfer Securities held by it to its Affiliates (each a “Permitted Investor Transferee”) provided such Permitted Investor Transferee executes the Deed of Adherence prior to such Transfer. At least 30 (thirty) days prior to the permitted Transfer under this Article, the Investors shall send a notice to the other Shareholders and the Company stating the date on which the intended Transfer is to occur, the name and other relevant details of the Permitted Investor Transferee, the number and class of Securities involved and attaching: (i) a completed and duly executed Deed of Adherence and (ii) copies of all Approvals, consents and filings required to be obtained / filed under these Articles or Applicable Laws, if any. The Company shall after the expiry of the aforesaid 30 (thirty) day period and upon being presented with relevant documents required as per Applicable Laws, register / take on record such a Transfer of Securities to a Permitted Investor Transferee.

***\*\*\*- Altered vide resolution passed in the Extra Ordinary General Meeting held on 3<sup>rd</sup> December, 2022***

## 8. EXIT RIGHTS

### 8.1 IPO.

8.1.1 The Company shall, and the Promoters shall ensure that the Company shall, consummate an IPO involving all of the Securities held by the Investors in the Company at any time after 36 (thirty six months) but in any event before 48 (forty eight) months from the Restated Articles Effective Date. For the purposes of these Articles, an “**IPO**” means a firm underwritten initial public offering of the Equity Shares or such other Securities (including depository receipts) as may be agreed to by the Investors in writing, either domestic or overseas, of the Company and consequent listing of the Securities of the Company on domestic or internationally recognised stock exchanges, either:

- (i) through a public issue of fresh Securities, or
- (ii) an offer of existing Securities by some or all the Shareholders (an “**Offer of Existing Securities**”); or
- (iii) a combination of (i) and (ii).

Provided that the Shareholders and the Company may mutually agree in good faith to extend the aforementioned time periods on account of any delays attributable to regulatory requirements under Applicable Laws.

8.1.2 The Board shall decide on the following matters:

- (i) the price, and other terms and conditions of the IPO;
- (ii) the timing of the IPO;
- (iii) the stock exchanges on which the Securities are to be listed;
- (iv) the firm of independent merchant banker(s), manager(s), arranger(s) of the IPO, who shall advise the Company on matters relating to such IPO, including but not limited to matters set out under (i) and (ii) above; and
- (v) any other matters related to the IPO,

with the consent of the Investors in the manner stated under Article 6 in respect of each of the aforementioned matters, and subject to such statutory guidelines as may be in force.

8.1.3 In the event of the IPO which entails an Offer of Existing Securities, each Investor shall have the right (but not the obligation) to offer any or all of its Securities for sale in the IPO, in priority to any other Shareholders of the Company, including the Promoters. In the event that further Securities are required to be offered by way of such Offer of Existing Securities under Applicable Laws, or if the Investors do not offer sufficient Securities as are required to be offered in terms of Applicable Laws, the Investors and Promoters shall offer such number of Securities that are in proportion to their Shareholding Percentage.

8.1.4 The Promoters shall vote in favour of and to do all acts and deeds necessary for effecting the IPO. In the event of an IPO, the Promoters shall offer such number of their Securities for a lock-in as may be required to meet the minimum promoter contribution or similar lock-in requirements under Applicable Laws. The Investors shall not be required to call themselves, and the Company shall not refer to any of the Investors as “founder” or “promoter” in the

offer documents, nor shall be required to offer any of the Securities held by the Investors for such lock-in.

- 8.1.5 All fees and expenses (including payment of all costs relating to the listing and sponsorship, underwriting fees, listing fees, merchant bankers fees, bankers fees, brokerage, commission, reasonable legal fees of the Investors and any other costs that may be incurred due to the changes to Applicable Laws for the time being in force) required to be paid in respect of the IPO, shall be borne and paid by the Company and all intermediaries, agents and managers shall be appointed by the Company in consultation with the Investors.
- 8.1.6 The Company shall indemnify the Investors to the maximum extent permitted under Applicable Laws, against any loss, claim, damage, liability (including reasonable attorneys' fees), cost or expense arising out of or relating to any misstatements and omissions of the Company in any registration statement, offering document or preliminary offering document, and like violations of Applicable Laws by the Company or any other error or omission of the Company in connection with a public offering hereunder, other than with respect to information provided by the Investors, in writing, expressly for inclusion therein.

## **8.2 Exit Trade Sale.**

- 8.2.1 The Company shall, and the Promoters shall ensure that the Company shall, consummate an Exit Trade Sale involving all of the Securities held by the Investors in the Company at any time after the date that is 48 (forty eight) months from the Restated Articles Effective Date in the event that the IPO is not consummated by such date.

Provided that the Shareholders and the Company may mutually agree in good faith to extend the aforementioned time periods on account of any delays attributable to regulatory requirements under Applicable Laws.

- 8.2.2 The Board shall, with the consent of the Investors in the manner stated under Article 6, and subject to such statutory guidelines as may be in force, decide on:
- (i) the nature of the Exit Trade Sale;
  - (ii) the identity of the purchaser (as applicable);
  - (iii) the price or valuation; and
  - (iv) all other matters related to the Exit Trade Sale.
- 8.2.3 Any such Exit Trade Sale shall be subject to the approval of the Investors.
- 8.2.4 The Promoters and the Investors shall vote in favour of and to do all acts and deeds necessary for effecting the Exit Trade Sale.
- 8.2.5 All fees and expenses (including *inter alia* payment of all costs relating to merchant bankers fees, bankers fees, brokerage, commission, reasonable legal fees of the Investors and any other costs that may be incurred due to the changes to Applicable Law for the time being in force) required to be paid in respect of the Exit Trade Sale, shall be borne and paid by the Company and all intermediaries, agents and managers shall be appointed by the Company in consultation with the Investors.

## **8.3 Strategic Sale Right of the Investor.**

- 8.3.1 In case the Company does not successfully consummate an IPO in the manner contemplated in Article 8.1 before the expiry of 48 (forty eight) months from the Restated Articles Effective Date and, or if the Exit Trade Sale is not consummated within 54 (fifty four) months from the Restated Articles Effective Date, in each case for any reason whatsoever including due to the Investors not approving the IPO and, or, the Exit Trade Sale in terms of Article 6(**“Exit Trigger Event”**), then the Investors shall have the right, but not an obligation, exercisable jointly in accordance with this Article to sell the Securities held by such Investors in the Company to any Person (**“Strategic Transferee”**) and to require all or any of the Promoters to immediately sell all or any part of their respective Securities to the Strategic Transferee on terms and conditions, no less favourable to the Promoters than those offered to the Investors by the Strategic Transferee (**“Strategic Sale Right”**). The Promoters irrevocably grant the Investors an option to exercise the aforesaid Strategic Sale Right and to negotiate the terms and conditions for sale of the Strategic Sale Securities to the Strategic Transferee, including the price at which the Strategic Sale Securities shall be purchased by such a Strategic Transferee. Provided that pursuant to exercise of such Strategic Sale Right, the Investors should have divested all the Securities held by them in the Company.
- 8.3.2 In the event the Investors elect to exercise their Strategic Sale Right, they shall deliver a written notice of such election to the Promoters (a **“Strategic Sale Exercise Notice”**). The Strategic Sale Exercise Notice shall specify: (i) the name and address and identity of the Strategic Transferee, (ii) the number of Securities that the Promoters shall be required to sell to the Strategic Transferee (**“Strategic Sale Securities”**), and (iii) the amount in cash of the proposed consideration for such sale. The Strategic Sale Exercise Notice shall be irrevocable and shall constitute a binding agreement by the Promoters to sell and Transfer the Strategic Sale Securities to the Strategic Transferee without the requirement of any further acceptance or acknowledgement of the Strategic Sale Exercise Notice by the Promoters.
- 8.3.3 Within 30 (thirty) days of the receipt of the Strategic Sale Exercise Notice or such other date as may be specified in the Strategic Sale Exercise Notice (**“Strategic Sale Closing Date”**), the Promoters shall take all steps necessary to give effect to the provisions of this Article and to the Strategic Sale Right of the Investors. The Company and the Promoters shall take all necessary and desirable actions in connection with the consummation of the transactions contemplated in this Article, including passing of all necessary resolutions and obtaining all necessary consents to give effect to the Strategic Sale Right, the timely execution and delivery of such agreements and instruments and other actions reasonably necessary to cooperate with the Strategic Transferee, to provide such access and information as may be requested by the Strategic Transferee, participate in meetings with the Strategic Transferee, permit the Strategic Transferee to conduct a due diligence on the Company, and to provide the representations, warranties, indemnities, covenants, and other provisions and agreements customary to such sale. The Shareholders and the Company agree and acknowledge that the Investors shall not be required to make any representations and, or, provide indemnities in connection with the Securities that are transferred by the Promoters to the Strategic Transferee.
- 8.3.4 The closing of any purchase of the Strategic Sale Securities by the Strategic Transferee from the Promoters shall take place on the Strategic Sale Closing Date and simultaneous with the closing of the purchase of Securities by the Strategic Transferee from the Investors. On the Strategic Sale Closing Date, the Promoters shall deliver all documents and instruments as may be required in accordance with the Applicable Laws to effect a Transfer of the Strategic Sale Securities free from and clear of any or all Encumbrances, including duly executed transfer instructions to the relevant depository participant, as applicable. The Strategic Sale Securities that are to be sold pursuant to the Strategic Sale Right shall be free and clear of any Encumbrance.

- 8.3.5 The Strategic Transferee purchasing the Strategic Sale Securities shall make payment in full for the Strategic Sale Securities to the relevant bank accounts of the Promoters, the details of which shall be intimated in writing by the Promoters to the Investors. On the Strategic Sale Closing Date, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale and transfer of the Securities held by the Investors and the Strategic Sale Securities to the Strategic Sale Transferee.
- 8.3.6 If the Promoters do not, on the Strategic Sale Closing Date provide duly executed transfer instructions in accordance with the requirements of Applicable Laws to the relevant depository participant, in regard to all the Strategic Sale Securities, the Promoters shall be deemed to have irrevocably authorized any Person nominated by the Investors to be the Promoters' agent and attorney to execute all necessary sale and Transfer(s) documents on their behalf and against receipt by the Company (on trust for the Promoters) and in accordance with the requirements of this Article and deliver such documents to the Strategic Transferee and the Directors shall forthwith register the Strategic Transferee as the holder thereof. After the Strategic Transferee has been registered as the holder, the validity of such proceedings shall not be questioned by the Promoters or any Person.
- 8.3.7 On the Strategic Sale Closing Date, the Investors shall cause each of the Directors nominated by them to resign from the Board, and the Promoters shall cause such number of Directors nominated by them to resign from the Board, such that the Strategic Sale Transferee gets the right to nominate a majority of Directors on the Board with immediate effect. Provided that, if required by the Strategic Transferee, the Promoters shall ensure that Promoter I is retained in his present position in the management of the Company for a reasonable transition period as determined by such Strategic Transferee pursuant to such Strategic Sale.
- 8.3.8 If the Strategic Transferee refuses to consummate the transaction contemplated by this Article, then the Investors and the Promoters shall not have any liability whatsoever in regard to such a Strategic Transferee, and such failure shall not preclude the right of the Investors to exercise their Strategic Sale Right at a future date.
- 8.3.9 Upon occurrence of an Exit Trigger Event, without prejudice to the right of the Investors to explore options to exercise their Strategic Sale Right, the Promoters shall have the obligation to identify prospective Strategic Transferee(s) and procure non-binding offers from such Persons and present it to the Investors to facilitate the Strategic Sale Right of the Investors. The Investors shall have the sole discretion to accept or reject such offers procured by the Promoters and if the Investors reject any of the offers procured by the Promoters then the obligation of the Promoters to continue to explore and identify other Strategic Transferee(s) shall continue and shall not fall away or stand diluted in any manner.
- 8.4 Notwithstanding anything to the contrary contained herein, any exit provided to the Investor pursuant to this Article 8 that entails sale of the Securities held by the Investor should necessarily require payment of consideration for such Securities in cash, unless otherwise agreed by the Investors in writing.

## **9. INFORMATION RIGHTS AND INSPECTION**

### **9.1 Information Rights.**

- 9.1.1 So long as the Investors, along with their Affiliates, holds any Securities in the Company, the Company shall provide to the Investors and Permitted Recipients:
- (i) monthly information statements in a format prescribed by the Investors pursuant to discussions with the Promoters, containing such information as is required to understand the business (including details of significant events impacting or

expected to impact the Company), by not later than 20 (twenty) days following the end of the month to which they relate;

- (ii) un-audited quarterly financial statements, within 30 (thirty) days from the end of the period to which they relate, duly certified by the managing director and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (iii) un-audited half-yearly financial statements, within 45 (forty five) days from the end of the period to which they relate, duly certified by the managing director and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (iv) annual audited financial statements, within 90 (ninety) days from the end of the period to which they relate, duly certified by the Promoters and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (v) a copy of the auditors' report, within 120 (one hundred and twenty) days from the end of the period to which it relates;
- (vi) minutes of all Board Meetings, Shareholders Meetings and any meetings of the Committees, as soon as practicable, and in any case within 15 (fifteen) days of the date of the relevant meeting; and
- (vii) projection of any debt and equity requirements for each of the next (two) financial quarters, as soon as practicable.

9.1.2 The Financial Statements delivered under this Article 9.1 shall at least include a balance sheet, a statement of profit or loss, and a statement of cash flows for the relevant period and shall be prepared in English in accordance with Accounting Standards consistently applied with past practice for prior periods.

9.1.3 All information and documents to be provided by the Company under this Article 9.1 shall be prepared and provided in English.

## **9.2 Right of Inspection.**

9.2.1 So long as the Investors, along with their Affiliates, holds any Securities in the Company, the Investors shall, by giving a notice of at least 7 (seven) days, be entitled to carry out inspection of site, stores, accounts, documents, records, premises, and equipment and all other Assets of the Company during normal working hours through its authorized representatives and, or, agents at its own cost, and the Company shall use reasonable efforts to provide such information, data, documents, evidence as may be required for the purpose of and in the course of such inspection in connection therewith. The Investors shall have the right to make copies of, all books of account, records, including the corporate and the financial records, audited accounts and management accounts. The Company shall provide all possible assistance to the Investors or their respective authorised representatives (including legal advisors, accountants and other professional advisors) in this regard. In the event that any concerns are raised pursuant to such inspection and audit, the Company shall address and resolve such concerns promptly to the satisfaction of the relevant Party. The Investors shall also be entitled to consult and discuss matters concerning the Company or its business with the Directors, Key Managerial Personnel, employees, statutory auditors, accounting advisors and legal advisers of the Company. It shall be the responsibility of the Promoters to ensure that the obligations under this Article 9.2 are given full effect. The



reasonable costs of any such inspection including appointment of any auditors for this purpose shall be borne by the Company.

- 9.2.2 The Investors shall be entitled to standard information, inspection and visitation rights, in compliance with the requirements of Applicable Laws.

All inspection, auditing or other activities conducted by a Shareholder, pursuant to this Article 9.2 shall be conducted in a manner so as not to interfere unreasonably with the conduct of the business of the Company.

## 10. OTHER COVENANTS

### 10.1 Protective Covenant.

- 10.1.1 The Promoters agree that they shall not, and shall ensure that their Affiliates and Associates do not (except, where relevant, through the Company and its Subsidiaries), directly or indirectly,:

- (i) set up, solicit business on behalf of, render any services to, engage in, guarantee any obligations of, extend credit to or have any ownership interests, in any Conflicting Business. For the purposes of these Articles, “**Conflicting Business**” means the business of providing facilities management services, production support services, staffing solutions and other business support services that, directly competes with the business of the Company as carried on from time to time;
- (ii) assume any Role in any Person engaged in, or proposed to be engaged in, any Conflicting Business;
- (iii) solicit and render services to or for, or accept from, anyone who is a client or customer of the Company (whether present or future), any Conflicting Business, or persuade or attempt in any manner to persuade any client or customer of the Company to cease to do business or to reduce the amount of business which any such client or customer has customarily done or is reasonably expected to do with the Company;
- (iv) interfere or seek to interfere or take such steps as may interfere with the continuance of supplies to the Company (or the terms relating to such supplies) from any suppliers who have been supplying goods or services to the Company; and
- (v) employ as an employee or retain as a consultant any Person (including an individual, firm, corporation or other form of entity) who is then, or at any time during the 6 (six) month period prior to the date of the purported solicitation, was an employee of, or exclusive consultant to the Company, or persuade or attempt to persuade any employee of, or exclusive consultant to, the Company, to leave the employment of the Company or to become employed as an employee or retained as a consultant by any other Person.

- 10.1.2 Notwithstanding anything to the contrary agreed in writing between the Shareholders and the Company, and without prejudice to restrictions contained in Article 10.1.1, the Promoters shall not, individually or together, at any time, have any Role or have any interest, directly or indirectly, in any Persons / businesses, irrespective of the nature of the business / operations (“Interested Entities”) which is not in compliance with this Article 10.1. The Interested Entities are set forth in Article 10.1.3. As and when a Promoter acquires / assumes any Role / interest in any new Person / business, the relevant Promoter shall issue a written

intimation to the Investors and upon a Promoter acquiring / assuming such a Role / interest in the manner aforesaid, the relevant Person / Business shall be treated as an Interested Entity for the purposes of these Articles. Further, each Promoter shall, as and when it ceases to have any Role / interest in any Interested Entity issue a written intimation to the Investors as soon as practicable. As and when a Promoter acquires / assumes any additional Role / interest or enhancing its shareholding or interest in any Interested Entity, the relevant Promoter shall issue a written intimation to the Investors.

10.1.3 The details of Interested Entities are as follows:

<b><i>S.No.</i></b>	<b><i>Name of Interested Entity</i></b>	<b><i>Nature and Extent of Interest</i></b>
1.	Tangirala Infrastructure Development Private Limited	(i) director;  (ii) shareholder – legally and beneficially holding 50% (fifty per cent.) of the share capital
2.	Best Security Services Limited	(i) director;  (ii) shareholder – legally and beneficially holding 50% (fifty per cent.) of the share capital
3.	Tangi Facility Solutions Private Limited	(i) director;  (ii) shareholder – legally and beneficially holding 99% (ninety nine per cent.) of the share capital

10.1.4 Notwithstanding anything to the contrary contained herein, the restrictions contained in this Article 10 shall not be circumvented by the Promoters indirectly including through its Affiliates, Associates or any other Person.

10.1.5 The restrictions contained in Article 10.1.1 shall not apply to any financial / passive investments made by the Promoters subject to the Promoters having sought the prior written consent of the Investor for any investment exceeding INR 25,00,00,000 (Indian Rupees twenty five crores). Provided that for any financial / passive investment made by the Promoters not exceeding INR 25,00,00,000 (Indian Rupees twenty five crores), the Promoters shall intimate the Investors immediately after having made such investment.

10.1.6 The Shareholders and the Company acknowledge that (i) the type and periods of restriction imposed in the provisions of this Article 10.1 are fair and reasonable and are reasonably required in order to protect and maintain the legitimate business interests and the goodwill associated with the business carried on by the Company; and (ii) the time, scope and other provisions of this Article 10.1 have been specifically negotiated by parties and have been agreed to, in light of the investments made by the Investors in the Company, either directly or indirectly.

10.1.7 If any of the restraints contained in this Article 10.1 or any part thereof, is held to be unenforceable in a jurisdiction by reason of it extending for too great a period of time, or by reason of it being too extensive in any other respect, the Shareholders and the Company

agree for only that particular jurisdiction that (i) such restraint shall be interpreted to extend only over the maximum period of time, geographic area or extent to which it may be enforceable, as determined by the court or arbitration panel making such determination, and (ii) in its reduced form, such restraint shall then be enforceable. Each of the restraints and agreements contained in this Article 10.1 (collectively, the “Protective Covenants”) is separate, distinct, and severable.

10.1.8 The unenforceability of any portion of the Protective Covenant shall not affect the validity or enforceability of any other portion of the Protective Covenant or any other provision or provisions of these Articles.

10.1.9 The Promoters undertake that:

- (i) Promoter I shall devote all of his time, energy and efforts to the activities of Company and the promotion of the Business.
- (ii) except with the prior written consent of the Investors, all new projects and businesses relating to the Conflicting Business, shall only be undertaken by the Company, and not through any other Affiliates or Associates of any of the Promoters or the Company or through the Relatives of Promoter I and Promoter II. Provided that the security business that is currently being carried on through Best Security Services Limited can be carried on by such an entity subject to the preceding portion of this Article 10.1.9(ii).
- (iii) all opportunities for new projects and businesses relating to the Conflicting Business that are developed or sourced by, or offered to, the Promoters shall be referred exclusively to the Company.

## 10.2 **Conduct of Business.**

10.2.1 The Company and the Promoters shall cause the Company, Promoters and their respective Affiliates (present or future) to agree and undertake, that:

- (i) the Company and its Subsidiaries shall devise and implement appropriate mechanisms and reporting systems to ensure:
  - (a) compliance with all Applicable Laws and Accounting Standards, including requisite corporate governance practices; and
  - (b) that all agreements, dealings and arrangements with any of the Shareholders, their Affiliates or other Related Parties and other transactions with a Related Party are on an arm’s length basis with full disclosures to the Board;
- (ii) the Company and its Subsidiaries shall conduct its business in accordance with all Applicable Laws, terms and conditions of the agreed in writing between the Shareholders and the Company, these Articles and the Business Plan;
- (iii) they and, or, their Affiliates shall not engage, by themselves directly or by authorizing any Person to do so, in any offering, giving, receiving, or soliciting, any money, gifts, gratifications or any other thing of value to any Government Official or any other Person, that will amount to a violation of the U.S. Foreign Corrupt Practices Act; 15 U.S.C. §78dd-1, et seq. as amended (the “FCPA”), and the Prevention of Money Laundering Act, 2002 (“PMLA”) and other equivalent laws applicable to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, notwithstanding the applicability or non-applicability

of the FCPA and, or, the PMLA to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, in relation to such conduct;

- (iv) they shall not and further undertake to ensure that their respective directors, officers, representatives, employees, advisors and agents do not, make any offer, payment, promise to pay or authorise the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any government official (including without limitation, any tax or customs official, any employee of a government owned or controlled company, or of a public international organization, or any person acting in an official capacity on behalf of a government, government owned or controlled company, or public international organization), or to any arbitration tribunal, or to any political party or an employee of any political party, domestic or foreign (or official thereof) (“**Government Official**”) or to any other Person who was or is in a position to help or hinder the business of the Company, the Promoter and, or, their respective Affiliates: (a) with the intent or purpose of influencing such Government Official or other Person in his official capacity, inducing such Government Official to do or omit to do any act in violation of the lawful duty of such official, or securing any improper advantage; (b) inducing such Government Official to use his influence with a government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality; (c) that would cause the Company, the Promoters and, or, their respective Affiliates and their respective directors, and employees to violate or be in violation of any applicable laws (including without limitation the FCPA, as amended from time to time, notwithstanding the applicability of the FCPA and, or, the PMLA to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, in relation to such conduct) or subject it or them to damages or penalties in a civil or criminal proceeding; or (d) that could reasonably be expected to have a Material Adverse Effect, if not discontinued;
- (v) the Company, the Promoters and their respective Affiliates shall comply with the FCPA policy, as adopted by the Board, effective from the Restated Articles Effective Date;
- (vi) each of the Company, the Promoters and their respective Affiliates are: (a) not currently identified on the Specially Designated Nationals and Blocked Persons List maintained by the U.S. Office of Foreign Assets Control, Department of the Treasury (“**OFAC**”) and, or, on any other similar list maintained by OFAC or any other U.S. governmental agency pursuant to any authorising statute, Order or regulation, and (b) not a person or entity with whom a citizen of the United States of America is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States law, regulation, or order of the President of the United States of America;
- (vii) they and their Affiliates and their respective directors, officers, representatives, employees, advisors and agents have not provided or collected funds with the intention that they be used, or in the knowledge that they are to be used, in order to carry out terrorist acts or support any terrorist organization;
- (viii) the Company, the Promoters and their respective Affiliates (as applicable) shall issue to the Investors, a certificate on an annual basis, in a form and substance satisfactory to Investor II, certifying compliance with the provisions of this Article 10.2; and
- (ix) the Company, its Subsidiaries and Promoter III shall adopt at the meetings of their respective Board of Directors and implement all compliance related policies and

procedures in relation to matters set out in this Article, as the Investors may deem necessary from time to time.

10.2.2 The Company and the Promoters shall:

- (i) cause the Company, the Promoters and their respective Affiliates and each of their respective officers, directors and employees (individually and collectively, a “**Company Representative**”) to: (a) engage only in lawful practices in commercial operations and in relation to Governmental Authorities or Government Official; (b) not make any bribe, rebate, payoff, influence payment, or any other payment that would be unlawful under any applicable Anti-Corruption Legislation and Anti-Corruption Guidelines as agreed in writing between the Shareholders and the Company;
- (ii) not engage in (or authorize or permit any of their Affiliates or any other Person acting on its behalf to engage in), any Sanctionable Practice with respect to any transaction as agreed in writing between the Shareholders and the Company or otherwise;
- (iii) not make or hold any investments in any entity that (a) is sanctioned pursuant to United Nations Security Council resolutions issued under Chapter VII of the United Nations Charter; (b) is on the World Bank Listing of Ineligible Firms and Individuals or (c) has been convicted, indicted or subjected to any similar criminal sanction, by any court or governmental body of competent jurisdiction, for engaging in money laundering or financing of terrorism or any Sanctionable Practice;
- (iv) upon being notified by the Investors of their concern that there has been a violation of the Articles 10.2.2(i) to (iii), the United Nations Security Council Resolutions, and, or, any Sanctionable Practices in relation to the foregoing, the Company shall cooperate in good faith with the Investors and its representatives in determining whether such a violation has occurred, and shall respond promptly and in reasonable detail to any notice from the Investors, and shall furnish documentary support for such response upon such request;
- (v) (the Promoters) not Transfer, and the Company shall not permit the Transfer of, any of their interests in the Company to any person or entities (a) named on lists promulgated from time to time by the United Nations Security Council or its committees pursuant to any resolution issued under Chapter VII of the United Nations Charter; (b) named on the World Bank Listing of Ineligible Firms and Individuals (see [www.worldbank.org/debarr](http://www.worldbank.org/debarr) or any successor website or location); and, or, (c) convicted, or subjected to any similar criminal sanction, by any court or governmental body of competent jurisdiction, for engaging in money laundering or financing of terrorism or any Sanctionable Practice, or in each case, to any successor in interest or ultimate beneficial owner thereof; and
- (vi) on becoming aware of any violation of the Integrity Requirements, they shall promptly notify the Investors.

10.3 **Distribution of Profits.**

The Board shall determine the amount and the time of distribution of dividends in accordance with the Dividend Policy. The Shareholders and the Company agree that the profits of the Company, as and when distributed, shall be distributed to the Shareholders as per their Shareholding Percentage.

#### **10.4 Key Managerial Personnel.**

- 10.4.1 Key Managerial Personnel shall be appointed by the Board from time to time in accordance with the requirements of Applicable Laws and the Company shall ensure that the position of chief executive officer, chief financial officer/ vice-president (finance) and business development head of the Company is not vacant for longer than a period of 60 (sixty) days at any point in time. The Persons including the Key Managerial Personnel so appointed by the Board from time to time including Mr. Raghunandana Tangirala, along with the executive directors of the Company, if any, shall hereinafter be referred to as the “Management”.
- 10.4.2 The Management shall be responsible for the day-to-day management of the Company and shall directly report to the Board. The Management shall operate within the authority specifically approved and granted by the Board and shall exercise such powers as may be delegated to them by the Board subject to its overall control, direction and supervision. The Management shall report to the Board in such manner as may be determined by the Board from time to time.
- 10.4.3 Any decision in regard to the appointment or termination, or change in the terms of appointment of any Key Managerial Personnel and, or member of the Management shall be subject to Article 6 .

#### **10.5 Auditors and Accounting.**

- 10.5.1 The Company shall keep true and accurate accounting records of all operations in accordance with Applicable Laws and Accounting Standards, and such records shall be open for inspection by each Party or by its duly authorised representatives at all times during normal business hours and with sufficient notice so as not to disrupt the Company’s operations.
- 10.5.2 The Financial Statements of the Company shall be audited at the Company’s expense by the Statutory Auditor.
- 10.5.3 The accounting records shall be kept at the registered office of the Company or at such other place, in accordance with Applicable Laws, as the Board may deem fit and proper.

#### **10.6 Indebtedness.**

In the event the Company proposes to incur any Indebtedness, including by borrowing funds from banks and financial institutions, the Investors shall not be asked, or be required to give any warranties, letter of comfort and, or, guarantees, of any nature whatsoever for any loans or with regard to any aspect of the business or functioning of the Company. In relation to any Indebtedness of the Company, the Investors shall not be required to pledge their Securities or provide any support to any Third Party, including but not limited to lenders of the Company.

#### **10.7 Promoter Status.**

- 10.7.1 The Investors and, or, their Affiliates shall not be named or deemed as ‘promoters’ or ‘sponsors’ of the Company nor shall any declaration or statement be made to this effect, either directly or indirectly, in filings with regulatory or Governmental Authorities, offer documents or otherwise without the prior written consent of the Investors in writing.
- 10.7.2 The Investors, their officials, employees, nominee directors, managers, representatives or agents shall not be named or deemed as an ‘occupier’ or ‘officer in charge’ or ‘officer in

default' under any Applicable Laws. In the event any Governmental Authority takes a view or draws an inference that the Investors or their Affiliates or their officials, employees, nominee directors, managers, representatives or agents, is a 'sponsor', 'occupier' or 'officer in charge' or 'officer in default', then the Company and the Promoters shall co-operate with the Investors to make such representations and make full disclosures to the Investors or such body or authority as may be required by the Investors to dispel or correct such inference or view under the Applicable Laws.

#### **10.8 Status of the Company.**

The Company is and shall be maintained as a 'private limited company' (as defined under the 2013 Act) and any conversion or action that would result in conversion of the Company to a public limited company (either directly, by converting Promoter III into a public limited company or otherwise) shall be subject to the prior written consent of the Investor and the terms of these Articles.

#### **10.9 Tax Covenants.**

The Company and the Promoters shall act in good faith and shall pay all Taxes (direct and indirect), duties, cess, fees or any other amount payable (whether by way of Tax or otherwise), under the Applicable Laws. Further, the Company, and the Promoters shall take all steps to make the necessary Tax filings under the Applicable Laws (including but not limited to the return of income for the relevant Financial Years, withholding Tax returns etc.).

#### **10.10 Business Plan.**

The Business Plan for each Financial Year shall be discussed and approved by the Board, which approval will require an affirmative vote by the Investors in accordance with Article 6, no later than 30 (thirty) days before the beginning of the relevant Financial Year. The Promoters and the Company shall take all steps necessary, including the exercise of their rights at Shareholders Meetings and causing their nominee Directors to exercise their rights at Board Meetings, to ensure that the Company carries on its business in accordance with the terms of the Business Plan agreed from time to time.

#### **10.11 Related Party Transactions.**

Any transactions with Related Parties (including investments in, or loans to Related Parties, the formation of Affiliate entities or Subsidiaries) shall be conducted (i) on an arm's-length basis; and (ii) with the consent of the majority disinterested directors and at least one Investor Director. Provided that any Related Party transactions which are in the Ordinary Course and are on an arm's-length basis may be approved by the Board through provision of an omnibus approval subject to consent of the Investor in terms of Article 6.

#### **10.12 Subsidiaries.**

- 10.12.1 Unless stated otherwise, any and all rights available to the Investors in or with respect to the Company as agreed in writing between the Shareholders and the Company, including, without limitation, the right under Article 6, shall be also available to the Investors in the wholly owned Subsidiaries of the Company, whether such Subsidiaries exist on the Restated Articles Effective Date or not. All obligations of the Promoters hereunder with respect to the Company also apply to the Promoters in respect of such wholly owned Subsidiaries. The Company shall ensure that all of the rights, preferences and privileges of the Investors which are contained in these Articles, including all management principles set out in these Articles, shall be continuously made applicable to each of the present or future wholly owned

Subsidiaries of the Company and shall form part of the memorandum and articles of association or other charter documents of such Subsidiaries. The Investors shall have the right to appoint such number of directors on the board of directors of wholly owned Subsidiaries as they are entitled to appoint on the Board and the Promoters and Company shall ensure that the persons nominated by the Investors are appointed as additional directors on the board of directors of the Subsidiaries of the Company within 15 (fifteen) days of written notice by the Investor in this regard.

- 10.12.2 With respect to Subsidiaries other than wholly owned Subsidiaries of the Company, all rights available to the Investors in or with respect to the Company as agreed in writing between the Shareholders and the Company, including, without limitation, the right under Article 6, shall be exercised by the Board and by seeking specific consent of the Investor Directors, and, or, by the Company and, or, the Promoters voting appropriately at the meetings of the board of directors or shareholders of such Subsidiaries and, or, Associate Companies.

#### **10.13 Most Favoured Right**

The Company shall not, and the Promoters shall procure that the Company and its Subsidiaries shall not, directly or indirectly, or in any manner whatsoever, grant to any Persons (whether in regard to an issue of Securities or otherwise) rights that are superior or more favourable than the rights that have been granted to the Investors under these Articles. Without prejudice to the generality of the above, any rights that are more favourable and, or, superior than the right available to the Investors under these Articles, shall only be granted to any Person in regard to the Company with the prior written consent of the Investors, and such rights shall automatically, without there being any requirement to undertake any further act and, or, omission, be available to the Investors.

#### **10.14 Business Review Meetings**

The Company shall, and the Promoters shall procure that the Company shall, organize, at the Company's cost, business review meetings between the Shareholders and the Company at such regular intervals as may be mutually agreed in writing between the Company, the Promoter and the Investors.

#### **10.15 Fall away of Rights**

In the event the Investors (together with their Affiliates who hold Securities in the Company) hold less than 5% (five per cent.) of the Share Capital on a Fully Diluted Basis due to Transfer of the Securities held by the Investors or dilution of the Shareholding Percentage of the Investors, the rights conferred on the Investors pursuant to Articles 3.2 (*Fresh Issue of Securities*), 3.3 (*Anti-Dilution*), 4 (*Board and Board Meeting*), 5.1.2 (*Notice*), 5.1.3 (*Quorum*) 6 (*Affirmative Vote Matters*), 0 (*Restriction on Transfer of Promoter Securities*), 8 (*Exit Rights*) of these Articles shall cease (save and except as otherwise agreed in writing by the Shareholders and the Company). Notwithstanding the above, all other rights available to the Investors under these Articles, and the rights generally available to a shareholder holding less than 5% (five per cent.) of the share capital of a company under Applicable Law, shall continue to be applicable to the Investors until the Investors ceases to hold any Securities in the Company.

#### **10.16 Day-to-day management of the Company**



The Promoters shall ensure that Promoter I remains in charge of day-to-day management and operations of the Company and is responsible for the conduct of Business of the Company.

## **11. EVENTS OF DEFAULT**

### **11.1 Consequences of Default.**

On the occurrence of an event of default as defined and agreed in writing between the Shareholders and the Company, the Investors shall, without prejudice to any other rights or remedies they may have under Applicable Laws or any other contract, have the right (exercisable in its absolute discretion, but not the obligation) by delivery of a written notice to terminate irrevocably all the rights (but not obligations) of the Promoters and the Company under these Articles as well as the agreements between the Shareholders and the Company and require the Promoters to buy all of the Securities held by the Investors, at 175% (one hundred and seventy five percent.) of the fair market value determined in accordance with Applicable Laws assuming that such event of default as defined and agreed in writing between the Shareholders and the Company has not occurred, or the Investment Amount, whichever is higher.

## **12. GENERAL**

- 12.1 Any reference to “as agreed in writing between the Shareholders and the Company” shall mean the Investment Agreement dated 19 January, 2017, as amended from time to time and other documents executed by the Investors, Promoters, and Company.
- 12.2 Capitalised terms used but not defined herein shall have the meanings assigned to them as agreed in writing between the Shareholders and the Company.

S/No.	Signature, Name, Father/ Husband name, Address description, occupation and PAN No. (If any) of each of the subscribers	Signature, Name, Father/ Husband name Address & of Witness
1.	<p>Sd/-</p> <p>Mr. T. RAGHUNANDANA S/o. Late T.V.S. SHARMA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AADPT0426C</p>	<p>Sd/-</p> <p>M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2<sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.NO.5081</p>
2.	<p>Sd/-</p> <p>Ms. T. SHANTHI W/o. T.RAGHUNANDANA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AAVPS5245C</p>	
3	<p>Sd/-</p> <p>Mr.T. KESAVAN S/o. P. THATHAPPAN No. F-4, Jumbo vinayak, 21, Leelavathi Ammal Street, Madippakkam Chennai-600 091 Service PAN: AIHPK5560E</p>	
4.	<p>Sd/-</p> <p>Mr.D.W.LYONS S/o. Late V.T.LYONS No.63, Foxen Street, Perambur Chennai-600 011 Service PAN: APPLIED FOR</p>	
5	<p>Sd/-</p> <p>Mr.JOSEPH FULBERT EDWARD S/o Late A. J. EDWARD No.17, 7<sup>th</sup> Street, Thiruvalluvar Nagar Errukkencherry</p>	

	Chennai-600 118 Service PAN: ADUPJ5877D	Sd/-
6	Sd/-  Mr. C. ROY SURESH KUMAR S/o. Late S.L. COLUMBUS No.33, N.G.O Colony Sriperumbudur-602 105 Service PAN: APPLIED FOR	M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2 <sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.No. 5081
7	Sd/-  Mr. S. MARIAPPAN S/o. S. SANKARA NARAYANAN No.146, Pandian Street Alwarthiru Nagar Chennai-600 087 Service PAN: AIRPM 9968L	

Place : Chennai

Date : 06.11.2003

**ARTICLES OF ASSOCIATION  
OF  
UPDATER SERVICES LIMITED**

*The Articles of the Company comprises two parts, Part A and Part B, which shall be applicable in the following manner:*

- (a) Till the time of listing and trading of equity shares of the Company on a recognised stock exchange in India, Part A and Part B shall unless the context otherwise requires, co-exist with each other. Notwithstanding anything contained herein, in the event of any conflict between the provisions of Part A and Part B of these Articles, the provisions of Part B of these Articles shall prevail.*
- (b) Part B shall automatically terminate, be deleted and cease to have any force and effect upon the listing of equity shares of the Company proposed to be transferred/ issued pursuant to an initial public offering of the equity shares of the Company on a recognised stock exchange in India, without any further action by the Company, the Board of Directors or by the Shareholders.*

**PART A**

**1. Table F Applicable**

No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto

**INTERPRETATION CLAUSE**

- 2. In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:**

**Act**

- (a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.

**Articles**

- (b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.

**Auditors**

- (c) "Auditors" means and includes those persons appointed as such for the time being of the Company.

**Capital**

- (d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.



A handwritten signature.

- (e) "The Company" shall mean UPDATER SERVICES LIMITED

**Executor or Administrator**

- (f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.

**Legal Representative**

- (g) "Legal Representative" means a person who in law represents the estate of a deceased Member.

**Gender**

- (h) Words importing the masculine gender also include the feminine gender.

**In Writing and Written**

- (i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.

**Marginal notes**

- (j) The marginal notes hereto shall not affect the construction thereof.

**Meeting or General Meeting**

- (k) "Meeting" or "General Meeting" means a meeting of members.

**Month**

- (l) "Month" means a calendar month.

**Annual General Meeting**

- (m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.

**Extra-Ordinary General Meeting**

- (n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.

**Office**

- (o) "Office" means the registered Office for the time being of the Company.

**Ordinary Resolution and Special Resolution**

- (p) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

#### **Person**

- (q) "Person" shall mean any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union, association, Government or any agency or political subdivision thereof or any other entity that may be treated as a person under applicable law.

#### **Proxy**

- (r) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.

#### **Register of Members**

- (s) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act.

#### **Seal**

- (t) "Seal" means the common seal for the time being of the Company.

#### **Singular number**

- (u) Words importing the Singular number include where the context admits or requires the plural number and vice versa.

#### **These presents**

- (v) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.

#### **Variation**

- (w) "Variation" shall include abrogation; and "vary" shall include abrogate.

#### **Year and Financial Year**

- (x) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.

#### **Expressions in the Act to bear the same meaning in Articles**

Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.

### **CAPITAL**

#### **3. Authorized Capital**

The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.

#### **4. Increase of capital by the Company how carried into effect**

The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 61 and Section 64 of the Act.

#### 5. Further Issue of Share Capital

- (a) Where, at any time, it is proposed to increase the subscribed capital of the company by allotment of further shares then such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date by sending a letter of offer, subject to the following conditions, namely:
- (i) The offer shall be made by a notice specifying the number of Shares offered and limiting a time not less than fifteen (15) days and not exceeding thirty (30) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
  - (ii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) hereof shall contain a statement of this right; provided that the Directors may decline, without assigning any reason to allot any Shares to any person in whose favour any member may renounce the Shares offered to him.
  - (iii) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person.
  - (iv) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right.
  - (v) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the company.
- (b) Notwithstanding anything contained in sub-clause (a), the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (i) of sub-clause (a) hereof) in any manner whatsoever.
- (i) If a special resolution to that effect is passed by the company in general meeting, or
  - (ii) Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the company.
- (c) Nothing in sub-clause (iii) of (a) hereof shall be deemed:



A handwritten signature or mark, possibly a stylized "P" or a cursive signature, written in dark ink.

- (i) To extend the time within which the offer should be accepted, or
  - (ii) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (d) Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debentures issued by the company:
- (i) To convert such debentures or loans into shares in the company; or
  - (ii) To subscribe for shares in the company

**PROVIDED THAT** the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and
- (b) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the company in General Meeting before the issue of the loans.

#### **6. New Capital same as existing capital**

Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

#### **7. Non-Voting Shares**

The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.

#### **8. Redeemable Preference Shares**

Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.

#### **9. Voting rights of preference shares**

The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.

#### **10. Provisions to apply on issue of Redeemable Preference Shares**

On the issue of redeemable preference shares under the provisions of Article 8 hereof, the following provisions shall take effect:



*[Handwritten signature]*



- (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;
- (b) No such Shares shall be redeemed unless they are fully paid;
- (c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;
- (d) Where any such Shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and
- (e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital.

#### 11. Reduction of capital

The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce:

- (a) the share capital;
- (b) any capital redemption reserve account; or
- (c) any security premium account

In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.

#### 12. Debentures

Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

#### 13. Issue of Sweat Equity Shares

The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.

#### 14. ESOP

The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.



*[Handwritten signature]*

**15. Buy Back of shares**

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.

**16. Consolidation, Sub-Division and Cancellation**

Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled or the Company in general meeting may also convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.

**17. Issue of Depository Receipts**

Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.

**18. Issue of Securities**

Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.

**19. Register of Members**

The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members Resident in that State or Country.

**MODIFICATION OF CLASS RIGHTS**

**20. Modification of rights.**

(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.

Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.

**New Issue of Shares not to affect rights attached to existing shares of that class.**

(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms



A handwritten signature or mark, possibly a stylized "P" or a similar character, written in dark ink.

of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.

**21. Shares at the disposal of the Directors.**

Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

PROVIDED THAT option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.

**22. Power to issue shares on preferential basis.**

The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.

**23. Shares should be Numbered progressively and no share to be subdivided.**

The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

**24. Acceptance of Shares.**

An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.

**25. Directors may allot shares as full paid-up**

Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.

**26. Deposit and call etc. to be a debt payable immediately.**

The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.

**27. Liability of Members.**



A handwritten signature in dark ink, appearing to be a stylized 'S' or 'J' followed by a flourish.

Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.

**28. Registration of Shares.**

Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.

**RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT**

**29. The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Section 39 of the Act.**

**CERTIFICATES**

**30. Share Certificates.**

- (a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve.

PROVIDED THAT in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holder.

- (b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 46 of the Act.

**31. Issue of new certificates in place of those defaced, lost or destroyed.**

- (a) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate.
- (b) Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding ₹ 2 for each certificate) as the Directors shall prescribe.

PROVIDED THAT no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer, and that fees will also not be charged for registration of transfer, transmission, succession certificate, certificate of death or marriage.



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

PROVIDED THAT notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Companies Act, 2013 or rules made under Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable thereof in this behalf.

(c) The provision of this Article shall mutatis mutandis apply to debentures of the company.

**32. The first named joint holder deemed Sole holder.**

(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereon according to the Company's regulations.

**Maximum number of joint holders.**

(b) The Company shall not be bound to register more than three persons as the joint holders of any share.

**33. Company not bound to recognise any interest in share other than that of registered holders.**

Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

**34. Instalment on shares to be duly paid.**

If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalment, every such instalment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.

**UNDERWRITING AND BROKERAGE.**

**35. Commission**

Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

**36. Brokerage**

The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.

**CALLS**

**37. Directors may make calls**

(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and



A handwritten signature or mark, possibly a stylized "P" or a cursive signature, located to the right of the circular stamp.



subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.

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

(3) A call may be made payable by instalments

**38. Notice of Calls**

Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.

**39. Calls to date from resolution.**

A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.

**40. Calls on uniform basis.**

Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.

**41. Directors may extend time.**

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.

**42. Calls to carry interest.**

If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 10% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.

**43. Sums deemed to be calls.**

If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or instalment accordingly.

**44. Proof on trial of suit for money due on shares.**

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



A handwritten signature or mark, possibly a stylized 'P' or 'B', written in dark ink.

such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

**45. Judgment, decree, partial payment not to proceed for forfeiture.**

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

**46. Payments in Anticipation of calls may carry interest**

- (a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.
- (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.
- (c) The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.

**LIEN**

**47. Company to have Lien on shares.**

The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.

**48. Fully paid shares to be free from all lien**

Fully paid shares of the Company shall be free from all lien. In the case of partly paid shares, the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

**49. As to enforcing lien by sale.**

For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any)



A handwritten signature or mark, possibly a stylized "P" or a cursive name, written in ink.

entitled by transmission to the shares and default shall have been made by him in payment, fulfilment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.

**50. Application of proceeds of sale.**

The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to 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.

**FORFEITURE AND SURRENDER OF SHARES**

**51. If call or instalment not paid, notice may be given.**

If any Member fails to pay the whole or any part of any call or instalment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or instalment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or instalment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or instalment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.

**52. Terms of notice.**

The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or instalment and such interest thereon as the Directors shall determine from the day on which such call or instalment ought to have been paid and expenses as aforesaid are to be paid.

The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

**53. On default of payment, shares to be forfeited.**

If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.

**54. Notice of forfeiture to a Member**

When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.

**55. Forfeited shares to be property of the Company and may be sold etc.**



A handwritten signature.



Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.

**56. Members still liable to pay money owing at time of forfeiture and interest.**

Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.

**57. Effect of forfeiture.**

The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

**58. Evidence of Forfeiture.**

A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.

**59. Title of purchaser and allottee of Forfeited shares.**

The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration; 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, re-allotment or other disposal of the shares.

**60. Cancellation of share certificate in respect of forfeited shares.**

Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.

**61. Forfeiture may be remitted.**

In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.

**62. Validity of sale**

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively

**63. Surrender of shares.**

The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.

**TRANSFER AND TRANSMISSION OF SHARES**

**64. Execution of the instrument of shares.**

- (a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.
- (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.

**65. Transfer Form.**

The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.

The instrument of transfer shall be in a common form approved by the Exchange.

**66. Transfer not to be registered except on production of instrument of transfer.**

The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.

**67. Directors may refuse to register transfer.**

Subject to the provisions of Section 58 and 59 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, these Articles and other applicable provisions of the Act, the Directors may, whether in pursuance of any power of the company under these Articles or otherwise, decline to register the transfer of, or the transmission by operation of law of the right to, any shares, or interest of a Member therein, or debentures of the Company. The Company shall, within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.

PROVIDED THAT registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

**68. Notice of refusal to be given to transferor and transferee.**



A handwritten signature or mark, possibly a stylized "P" or "D", written in ink.

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

**69. No fee on transfer.**

No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration. Certificate of Death or Marriage, Power of Attorney or similar other documents with the Company.

**70. Closure of Register of Members or debenture holder or other security holders**

The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.

**71. Custody of transfer Deeds.**

The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.

**72. Application for transfer of partly paid shares.**

Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

**73. Notice to transferee.**

For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

**74. Recognition of legal representative.**

- (a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.
- (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.

Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate

- (c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in



respect of any share which had been jointly held by him with other persons.

**75. Titles of Shares of deceased Member**

The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.

**76. Notice of application when to be given**

Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.

**77. Registration of persons entitled to share otherwise than by transfer. (transmission clause).**

Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.

**78. Refusal to register nominee.**

Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

**79. Board may require evidence of transmission.**

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

**80. Company not liable for disregard of a notice prohibiting registration of transfer**

The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.



bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

**81. Form of transfer Outside India.**

In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.

**82. No transfer to insolvent etc.**

No transfer shall be made to any minor, insolvent or person of unsound mind.

**NOMINATION**

**83. Nomination**

- i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.
- ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014.
- iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.
- iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.

**84. Transmission of Securities by nominee**

A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-

- (i) to be registered himself as holder of the security, as the case may be; or
- (ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made,
- (iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;
- (iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

PROVIDED FURTHER THAT the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys



payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.

### DEMATERIALISATION OF SHARES

#### 85. Dematerialisation of Securities

- 1) Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its shares, debentures and other securities pursuant to the Depositories Act, 1996.
- 2) Every Person subscribing to the Shares offered by the Company shall have the option to receive Share certificates or to hold the Shares with a depository. Where Person opts to hold any Share with the depository, the Company shall intimate such depository of details of allotment of the Shares to enable the depository to enter in its records the name of such Person as the beneficial owner of such Shares. Such a Person who is the beneficial owner of the Shares can at any time opt out of a depository, if permitted by the Law, in respect of any Shares in the manner provided by the Depositories Act, 1996 and the regulations made thereunder and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of Shares. In the case of transfer of Shares or other marketable securities where the Company has not issued any certificates and where such Shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act shall apply.
- 3) If a Person opts to hold his Shares with a depository, the Company shall intimate such depository the details of allotment of the Shares, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the Shares.
- 4) Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with a depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof.
- 5) All Shares held by a depository shall be dematerialized and shall be in a fungible form.
- 6) Notwithstanding anything to the contrary contained in the Act or the Articles, a depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of Shares on behalf of the beneficial owner.
- 7) Save as otherwise provided in (6) above, the depository as the registered owner of the Shares shall not have any voting rights or any other rights in respect of Shares held by it.
- 8) Every person holding Shares of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be the owner of such Shares and shall also be deemed to be a Shareholder of the Company. The beneficial owner of the Shares shall be entitled to all the liabilities in respect of his Shares which are held by a depository. The Company shall be further entitled to maintain a register of Members with the details of Members holding Shares both in material and dematerialized form in any medium as permitted by Law including any form of electronic medium.
- 9) Notwithstanding anything in the Act or the Articles to the contrary, where Shares are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of disks, drives or any other mode as prescribed by Law from time to time.
- 10) Nothing contained in the Act or the Articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a depository.



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

- 11) The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Act and the Depositories Act, 1996, containing details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by law(s) including any form of electronic media.
- 12) The Company shall have the power to keep in any state or country outside India a branch register resident in that state or country.

#### JOINT HOLDER

##### 86. Joint Holders

Where two or more persons are registered as the holders of any share, they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.

##### 87. Joint and several liabilities for all payments in respect of shares.

- (a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

##### Title of survivors.

- (b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;

##### Receipts of one sufficient.

- (c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and

##### Delivery of certificate and giving of notices to first named holders.

- (d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.

#### SHARE WARRANTS

##### 88. Power to issue share warrants

The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.

##### 89. Deposit of share warrants

- (a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant

- (b) Not more than one person shall be recognized as depositor of the Share warrant.
- (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.

**90. Privileges and disabilities of the holders of share warrant**

- (a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.
- (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.

**91. Issue of new share warrant coupons**

The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

**CONVERSION OF SHARES INTO STOCK**

**92. Conversion of shares into stock or reconversion.**

The Company may, by ordinary resolution in General Meeting,

- a) convert any fully paid-up shares into stock; and
- b) re-convert any stock into fully paid-up shares of any denomination.

**93. Transfer of stock.**

The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation 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.

**94. Rights of stock holders.**

The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they held the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

**95. Regulations.**

Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively

**BORROWING POWERS**



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.



**96. Power to borrow.**

Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed, provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.

**97. Issue of premium etc. or with special privileges.**

Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.

**98. Securing payment or repayment of Moneys borrowed.**

The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charge, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.

**99. Bonds, Debentures etc. to be under the control of the Directors.**

Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

**100. Mortgage of uncalled Capital.**

If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.

**101. Indemnity may be given.**

Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

**MEETINGS OF MEMBERS**

**102. Distinction between AGM & EGM.**



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

All the General Meetings of the Company other than Annual General Meetings shall be called Extraordinary General Meetings.

**103. Extra-Ordinary General Meeting by Board and by requisition**

- (a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members

**Proceedings at General Meeting**

- (b) No business shall be transacted at any general meeting unless quorum of members, as stipulated under the provisions of the Act, is present at the time when the meeting proceeds to business.
- (c) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.

**When a Director or any two Members may call an Extra Ordinary General Meeting**

- (d) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.

**104. Meeting not to transact business not mentioned in notice.**

No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.

**105. Chairman of General Meeting**

The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Vice Chairman of the Company so shall take the chair and preside the meeting. In the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.

**106. Business confined to election of Chairman or Vice Chairman whilst chair is vacant.**

No business, except the election of a Chairman or Vice Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.

**107. Chairman with consent may adjourn meeting.**

- a) 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.
- b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- c) 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.



A handwritten signature or mark, possibly a stylized "P" or a cursive signature.

- d) 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.

**108. Chairman's casting vote.**

In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.

**109. In what case poll taken without adjournment.**

Any poll duly demanded on the election of Chairman or Vice Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.

**110. Demand for poll not to prevent transaction of other business.**

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

**VOTES OF MEMBERS**

**111. Members in arrears not to vote.**

No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.

**112. Number of votes each member entitled.**

Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting rights of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company. Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.

**113. Casting of votes by a member entitled to more than one vote.**

On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

**114. Vote of member of unsound mind and of minor**

A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor 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.

**115. Postal Ballot**

Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed



A handwritten signature.

by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.

**116. E-Voting**

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

**117. Votes of joint members.**

- a) 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. If more than one of the said persons remain present then the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joint holders thereof.
- b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

**118. Votes may be given by proxy or by representative**

Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles.

**119. Representation of a body corporate.**

A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.

**120. Members paying money in advance.**

- (a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.

**Members not prohibited if share not held for any specified period.**

- (b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.

**121. Votes in respect of shares of deceased or insolvent members.**

Any person entitled under Article 77 (transmission clause) 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.

**122. No votes by proxy on show of hands.**



A handwritten signature or mark, possibly a stylized "P" or a similar character, written in ink.

No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a Body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.

**123. Appointment of a Proxy.**

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.

**124. Form of proxy.**

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

**125. Validity of votes given by proxy notwithstanding death of a member.**

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.

**126. Time for objections to votes.**

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.

**127. Chairperson of the Meeting to be the judge of validity of any vote.**

Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

**DIRECTORS**

**128. Number of Directors**

Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution. The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of applicable Law. Further, such appointment of such Independent Directors shall be in terms of, and subject to, the aforesaid provisions of applicable Law.

**129. Qualification shares.**

A Director of the Company shall not be bound to hold any Qualification Shares in the Company.

**130. Nominee Directors.**



A handwritten signature in dark ink, appearing to be a stylized 'S' or 'J'.



- (a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the financing company or body or financing corporation or credit corporation or bank or any insurance corporation (each such financing company or body or financing corporation or credit corporation or bank or any insurance corporation is hereinafter referred to as financial institution) out of any loans granted by the financial institution to the Company or so long as the financial institution hold Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the financial institution on behalf of the Company remains outstanding, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement.
- (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.
- (c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.

#### **131. Appointment of alternate Director.**

The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

#### **132. Additional Director**

Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.

#### **133. Directors power to fill casual vacancies.**

Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upon which the Director in whose place he is appointed would have held office if it had not been vacated by him.

#### **134. Sitting Fees.**

Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.

#### **135. Travelling expenses Incurred by Director on Company's business.**

The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental



expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.

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

#### **136. Meetings of Directors.**

- (a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.
- (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

#### **Quorum**

No business shall be transacted at any Board meeting unless quorum of Directors, as stipulated under the provisions of the Act, is present at the time when the meeting proceeds to business

#### **137. Chairman and Vice Chairman**

- a) The Directors may from time to time elect from among their members a Chairperson of the Board as well as a Vice Chairman of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Vice Chairman shall preside at the meeting and in the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.
- b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.

#### **138. Questions at Board meeting how decided.**

Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman or the Vice Chairman, as the case may be will have a second or casting vote.

#### **139. Continuing directors may act notwithstanding any vacancy in the Board**

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.

#### **140. Directors may appoint committee.**

Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

#### **141. Committee Meetings how to be governed.**

The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

Directors under the last preceding Article

**142. Chairperson of Committee Meetings**

- a) A committee may elect a Chairperson of its meetings.
- b) 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.

**143. Meetings of the Committee**

- a) A committee may meet and adjourn as it thinks fit.
- b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

**144. Acts of Board or Committee shall be valid notwithstanding defect in appointment.**

Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.

**145. Power to fill casual vacancy**

Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.

**POWERS OF THE BOARD**

**146. Powers of the Board**

The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However, no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

**147. Certain powers of the Board**

Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say

**To acquire any property, rights etc.**

- (1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person



A handwritten signature or mark, possibly a stylized "P" or "J", written in ink.



firm or company carrying on the business which this Company is authorised to carry on, in any part of India.

**To take on Lease.**

- (2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.

**To erect & construct.**

- (3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may now be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.

**To pay for property.**

- (4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

**To insure properties of the Company.**

- (5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.

**To open Bank accounts.**

- (6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.

**To secure contracts by way of mortgage.**

- (7) To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.

**To accept surrender of shares.**

- (8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.

**To appoint trustees for the Company.**



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

- (9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.

**To conduct legal proceedings.**

- (10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.

**Bankruptcy & Insolvency**

- (11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.

**To issue receipts & give discharge.**

- (12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.

**To invest and deal with money of the Company.**

- (13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.

**To give Security by way of indemnity.**

- (14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon:

**To determine signing powers.**

- (15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.

**Commission or share in profits.**

- (16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.

**Bonus etc. to employees.**

- (17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.



A handwritten signature or mark, possibly a stylized letter 'P' or a similar flourish, written in dark ink.

**Transfer to Reserve Funds.**

- (18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit, with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.

**To appoint and remove officers and other employees.**

- (19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.

**To appoint Attorneys.**

- (20) At any time and from time to time by power of attorney, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.

**To enter into contracts.**

- (21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

**To make rules.**



A handwritten signature in dark ink, appearing to be a stylized 'S' or 'D' followed by a flourish.

- (22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.

**To effect contracts etc.**

- (23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.

**To apply & obtain concessions licenses etc.**

- (24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.

**To pay commissions or interest.**

- (25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there on under the provisions of Sections 40 of the Act and of the provisions contained in these presents.

**To redeem preference shares.**

- (26) To redeem preference shares.

**To assist charitable or benevolent institutions.**

- (27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.

- (28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.

- (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.

- (30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.

- (31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.

- (32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and



A handwritten signature or mark, possibly a stylized "P" or a cursive name, written in dark ink.



thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.

- (33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.
- (34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.
- (35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.
- (36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.
- (37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.
- (38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.

#### **MANAGING AND WHOLE-TIME DIRECTORS**

##### **148. Powers to appoint Managing/ Wholetime Directors.**

- a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.
- b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.

##### **149. Remuneration of Managing or Wholetime Director.**

The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.

##### **150. Powers and duties of Managing Director or Whole-time Director.**



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

- (1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.
- (2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.
- (3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles.
- (4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.
- (5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.

#### **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

#### **151. Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer**

- a) 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.
- b) 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.

#### **DIVIDEND AND RESERVES**

#### **152.Division of profits.**



- (1) 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.
- (2) 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.
- (3) 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.

**153. 153. The company in General Meeting may declare Dividends.**

The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.

**154. 154. Transfer to reserves**

- a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

**155. 155. Interim Dividend.**

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.

**156. 156. Debts may be deducted.**

The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

**157. 157. Capital paid up in advance not to earn dividend.**

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.

**158. 158. Dividends in proportion to amount paid-up.**

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 dividends as from a particular date such share shall rank for dividend accordingly

**159. 159. Retention of dividends until completion of transfer under Articles.**

The Board of Directors may retain the dividend payable upon shares in respect of which any person under



Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.

**160. 160. No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.**

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

**161. 161. Effect of transfer of shares.**

A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.

**162. 162. Dividend to joint holders.**

Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.

**163. 163. Dividends how remitted.**

a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

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

**164. 164. Notice of dividend.**

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.

**165. No interest on Dividends.**

No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.

**166. Unpaid or unclaimed dividend**

a) The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company. If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days, transfer the total amount of dividend, which remained so unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account".

b) Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investor Education and Protection Fund".

c) Further, there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.



## CAPITALIZATION

### 167. Capitalization.

- (1) The Company in General Meeting may, upon the recommendation of the Board, resolve:
  - (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the 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 (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:
  - (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or
  - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
- (3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.
- (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

### 168. Fractional Certificates.

- (1) 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 capitalized thereby and all allotments and issues of fully paid shares, if any, and
  - (b) generally to do all acts and things required to give effect thereto.
- (2) The Board shall have full power —
  - (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also
  - (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 capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.
- (3) Any agreement made under such authority shall be effective and binding on all such members.
- (4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties



A handwritten signature or mark, possibly a stylized letter 'P' or a similar flourish.

that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.

**169. Inspection of Minutes Books of General Meetings.**

- (1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.
- (2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.

**170. Inspection of Accounts**

- a) 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.
- b) 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.

**FOREIGN REGISTER**

**171. Foreign Register.**

The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.

**DOCUMENTS AND SERVICE OF NOTICES**

**172. Signing of documents & notices to be served or given.**

Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.

**173. Authentication of documents and proceedings.**

Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company

**WINDING UP**

**174. 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

##### 175. Directors' and others right to indemnity.

Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.

##### 176. Not responsible for acts of others

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

#### SECRECY

##### 177. Secrecy

- (a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

Access to property information etc.

- (b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books or accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the



opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.



A handwritten signature in dark ink, appearing to be a stylized "P" or "B" with a long horizontal stroke extending to the right.





## PART - B

### 1. Additional Definition

- 1.1 "1956 Act" means the Companies Act, 1956 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto;
- 1.2 "2013 Act" means the Companies Act, 2013 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto and, or, any re-enactment thereof;
- 1.3 "Accounting Standards" means the applicable accounting standards in force in India from time to time, consistently applied during the relevant period, including the generally accepted accounting principles and standards, Indian Accounting Standard (Ind AS), and all pronouncements including the guidance notes and other authoritative statements of the Institute of Chartered Accountants of India;
- 1.4 "Additional Funding Requirement" means: (i) additional funding requirements as per the Business Plan; and, or, (ii) the Board determining that such additional funding is required from time to time in terms of these Articles, in compliance with Article 6;
- 1.5 "Additional Securities" has the meaning assigned to such term in Article 3.2.1;
- 1.6 "Affiliate(s)", with respect to a Person, means (i) in the case of a Person other than a natural person, any other Person that either directly or indirectly through one or more Persons, Controls, is controlled by or is under common Control with such Person and any investment funds managed or advised by such specified Person, and (ii) in relation to a natural person, any Relative of such a natural person and any other Person, either directly or indirectly, controlled by such a natural person. In case of the Investors, the term 'Affiliate' shall be deemed to include any pooled investment fund(s) and, or, juristic entity managed by the same manager, managing member, limited partner / investor of pooled investment fund(s) of Investor I and, or, Investor II, general partner or management company or by an entity Controlling, Controlled by, or under common Control with such manager, managing member, general partner or management company, or any other pooled investment fund(s);
- 1.7 "Affirmative Vote Matters" has the meaning assigned to it in Article 6.1;
- 1.8 "Applicable Laws" means relevant and applicable central, state and local laws of India, including all statutes, enactments, acts of legislature, laws, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, administration, directions, directives, decisions, orders, executive orders, decrees, judicial decisions, orders of any Governmental Authority or other similar directives made pursuant to such laws, whether in effect on the date of these Articles or at any time thereafter;
- 1.9 "Approvals" means approvals, permissions, consents, validations, confirmations, waivers, permits, notices, filings, grants, concessions, certificates, registrations, exemption orders, licenses and, or, other authorisations required to be obtained from any Person, including Governmental Authorities, under Applicable Laws, contracts or equity;



A handwritten signature or mark, possibly a stylized "P" or "J", written in dark ink.

- 1.10 "Articles" or "Articles of Association" means the articles of association of the Company, as amended from time to time, It is clarified that on and from the Restated Articles Effective Date, the "Articles" or "Articles of Association" means the Restated Articles;
- 1.11 "Assets", in regard to the Company, means all properties and assets of such the Company, including movable, immovable, tangible or intangible assets belonging to the Company or used or held for use in connection with, necessary for the conduct of, or otherwise material to the business and, or, operations of the Company, including the Intellectual Property Rights;
- 1.12 "Associate", in regard to a Person, means another Person in which such a Person and, or, its Affiliates have Significant Influence and includes partnerships and private trusts where such Person and its Affiliates is a partner, beneficiary and, or, trustee;
- 1.13 "Best Security Services Limited" shall mean Best Security Services Limited a private limited company existing under the Act and having its registered office at 42, Luz Avenue, Mylapore, Chennai - 600 004.
- 1.14 "Board Meeting" means a meeting of the Board duly convened in accordance with the 2013 Act, and these Articles;
- 1.15 "Board" means the board of directors of the Company as constituted from time to time in accordance with the provisions of these Articles and Applicable Laws;
- 1.16 "Business Day(s)" means any day other than Saturday, Sunday or any day on which banks in Chennai (India) or Mumbai (India) or Ebene (Mauritius) are closed for regular banking business;
- 1.17 "Business Plan" means, in relation to any Financial Year, the annual business plan of the Company as approved by the Board, including the budget for the relevant Financial Year in relation to the sales budget, revenue and operating expenditure, cash flow, capital expenditure and key financial ratios;
- 1.18 "Business" means the business of providing facilities management, production support services, staffing services, staffing solutions and other business support services, as carried on by the Company and as supplemented / expanded from time to time;
- 1.19 "Chairman" has the meaning assigned to such term in Article 4.5;
- 1.20 "Committees" has the meaning assigned to such terms in Article 4.9;
- 1.21 "Company Representative" has the meaning assigned to such term in Article 10.2.2(i);
- 1.22 "Conflicting Business" has the meaning assigned to such term in Article 10.1.1(i);
- 1.23 "Control", in relation to any Person, means (i) the beneficial ownership, directly or indirectly, of more than 50% (fifty per cent.) of the voting rights or paid-up share capital of such a Person, (ii) the right to nominate a majority of the directors or members on the board of directors or other such governing body of that Person, and, or, (iii) the possession of power to cause direction of the management or policies of such a Person; Correlative terms such as "controlling" and "controlled" shall be construed in accordance with this definition;



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

- 1.24 **"Deed of Adherence"** means a deed in the form agreed in writing between the Shareholders and the Company;
- 1.25 **"Dilution Instruments"**, in regard to a company, means and includes preference shares, debentures, bonds, warrants, options or other securities or instruments which are convertible into or exercisable or exchangeable for or which carry a right to subscribe to or purchase equity shares or equity capital of such a company or any instrument or certificate or right representing a legal or beneficial ownership interest in equity shares or equity capital of such a company;
- 1.26 **"Dilution Price"** has the meaning assigned to such term in Article 3.3.2;
- 1.27 **"Dilutive Issuance"** has the meaning assigned to such term in Article 3.3.2;
- 1.28 **"Director(s)"** means a director on the Board, as constituted from time to time;
- 1.29 **"Dividend Policy"** means a policy formulated determining the distribution of dividends of the Company to the Shareholders in accordance with Applicable Law which is acceptable to the Investors;
- 1.30 **"Encumbrance(s)"** means all kinds of charges and encumbrances, including mortgage, pledge, lien, hypothecation, title defect, attachment in the decree of any court, court injunction, assignment by way of security, restriction or limitation of any nature whatsoever, including restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, or any other agreement or arrangement which has the effect of conferring security of any kind whatsoever; For the avoidance of doubt, it is clarified that, insofar as any shares or securities are concerned, the term "encumbrances" includes any voting agreement, interest, option, right of pre-emption or transfer restriction in favour of any Person;
- 1.31 **"Equity Shares"**, means the equity shares of the Company having a face value of INR 10 (Indian Rupees ten) each per share;
- 1.32 **"ESOP"** means the Employee Stock Option Plan;
- 1.33 **"Event of Default"** has the meaning assigned to such term as agreed in writing between the Shareholders and the Company;
- 1.34 **"Exit Trade Sale"** means any transaction apart from an IPO that provides each of the Investors a complete exit from the Company and includes the following: (i) a strategic sale to any Person (including a Person engaged in a Conflicting Business) through either a sale of more than 51% (fifty one per cent.) of the Share Capital of the Company or less than 51% (fifty one per cent.) of the Share Capital of the Company that results in a change in Control; or (ii) a secondary sale of the Investor Shares to any Person;
- 1.35 **"Exit Trigger Event"** has the meaning assigned to such term in Article 8.3.1;
- 1.36 **"FCPA"** has the meaning assigned to such term in Article 10.2.1(iii);
- 1.37 **"Financial Statements"**, in regard to the Company, means the audited financial statements comprising an audited balance sheet as of the end of the relevant Financial Year and the related audited statement of income and statement of cash flows for such a Financial Year,



A handwritten signature in dark ink, appearing to be a stylized cursive name.



together with the auditor's report thereon and notes thereto prepared in accordance with Applicable Laws and Accounting Standards;

- 1.38 "Financial Year" means the period commencing from the 1<sup>st</sup> day of April of every calendar year and ending on the 31<sup>st</sup> day of March of the next calendar year;
- 1.39 "Fully Diluted Basis", in regard to the Company, means that the calculation is to be made assuming that all outstanding Dilution Instruments (whether or not by their terms currently convertible, exercisable or exchangeable), options, warrants, outstanding commitments to issue Equity Shares or Dilution Instruments at a future date, whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged in accordance with their respective terms;
- 1.40 "Government Official" has the meaning assigned to such term in Article 10.2.1(iv);
- 1.41 "Governmental Authority" means any competent governmental, regulatory, statutory or administrative authority, agency, department, commission or instrumentality (whether local, municipal, national or otherwise), court, board or tribunal of competent jurisdiction or other law, rule or regulation making entity having jurisdiction on any of the Parties or the transactions contemplated by these Articles;
- 1.42 "Indebtedness" as applied to any Person, means any indebtedness of any kind (other than current trade accounts incurred or payable in the Ordinary Course), whether secured or unsecured, including any liability or financial obligation pertaining to borrowed money, any liability or financial obligation evidenced by a note, bond, debenture, letter of credit, draft or similar instrument, any obligation owed for all or any part of the deferred purchase price of property or services, any guarantee, warranty or indemnity extended by such Person to any other Person;
- 1.43 "Independent Director" has the meaning assigned to such term in the 2013 Act;
- 1.44 "Integrity Requirements" means the integrity-related obligations including but not limited to obligations related to anti money laundering/countering of financing of terrorism, "know-your-customer" and fraud, corruption and Sanctionable Practices of the Company under (i) Applicable Laws and relevant codes of conduct and similar requirements, rules and codes conduct issued by industry self-regulatory organizations and similar trade associations, (ii) Article 10.2, and (iii) as agreed in writing between the Shareholders and the Company;
- 1.45 "Interested Entities" has the meaning assigned to such term in Article 10.1.2;
- 1.46 "Investment Amount" means the total amount invested by the Investors in the Company whether through subscription of Securities or through purchase of securities;
- 1.47 "Investor I" shall mean INDIA BUSINESS EXCELLENCE FUND – II, a unit scheme of Business Excellence Trust II, a trust created under the Indian Trust Act, 1882, whose trustee is Vistra ITCL (India) Limited (formerly known as IL&FS TRUST COMPANY LIMITED), a public company incorporated under the provisions of the 1956 Act and having



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

its registered office at the IL&FS Financial Centre, C-22, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, India, acting through its investment manager, **MOPE INVESTMENT ADVISORS PRIVATE LIMITED**, a company registered in India under the 1956 Act having its registered office at Motilal Oswal Tower, Junction of Gokhale & Sayani Road, Prabhadevi, Mumbai – 400 025;

- 1.48 **"Investor II"** shall mean **INDIA BUSINESS EXCELLENCE FUND – IIA**, a public limited company incorporated under the laws of Mauritius and having its office at Suite 304, Third Floor, NG Tower, Cyber City, Ebene, Mauritius;
- 1.49 **"Investors"** shall mean Investor I & Investor II collectively;
- 1.50 **"IPO"** has the meaning assigned to such term in Article 8.1.1;
- 1.51 **"Key Managerial Personnel"** has the meaning assigned to such term in sub-section (51) of section 2 of the 2013 Act and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.;
- 1.52 **"Management"** has the meaning assigned to such term in Article 10.4.1;
- 1.53 **"Material Adverse Effect"** means any event, occurrence, fact, condition, change, development or effect that, individually or in the aggregate, has had or may reasonably be expected to have a material and adverse effect on: (i) the ability of the Company and, or, the Promoter and Promoter Group Member to perform its obligations hereunder; and, or, (ii) the condition (financial or otherwise and including any material increase in provisions), operations, results of operations, prospects, Assets, liabilities or Business of the Company;
- 1.54 **"Non-Subscribing Shareholder"** has the meaning assigned to such term in Article 3.2.4;
- 1.55 **"Observer"** has the meaning assigned to such term in Article 4.3;
- 1.56 **"OFAC"** has the meaning assigned to such term in Article 10.2.1(vi);
- 1.57 **"Offer of Existing Securities"** has the meaning assigned to such term in Article 8.1.1 (ii);
- 1.58 **"Ordinary Course"** as applied to any Person, means an action taken by or on behalf of such a Person that is consistent with past customs of such a Person and prudent business practices as per best industry standards, including with respect to quantity and frequency;
- 1.59 **"Permitted Recipients"** means the following: (i) funds under the management / advised / sub-advised by the respective managers of the Investors and their respective Affiliates and their respective directors, officers, employees, agents and advisors; and, or, (ii) valuation agencies undertaking the valuation of the Investors' portfolio, etc.;
- 1.60 **"Person"** means and includes any natural person, limited or unlimited liability company, corporation, limited or unlimited liability partnership firm, proprietorship firm, Hindu undivided family, trust, union, association or any other entity that may be treated as a person under Applicable Laws;
- 1.61 **"PMLA"** has the meaning assigned to such term in Article 10.2.1(iii);



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

- 1.62 **"Promoter I"** shall mean **MR. RAGHUNANDANA TANGIRALA**, aged 56 years, s/o Mr. T.V. Subbiah Sarma, citizen of India having PAN AAPDPT0426C and permanent residence at No.7 D'Silva Road, Mylapore, Chennai- 600 004;
- 1.63 **"Promoter II"** shall mean **MRS. SILANTHI TANGIRALA**, aged 48 years, d/o Mr. Karunakaran Chatlukutty Nair, citizen of India having PAN AAVPS5245C and permanent residence at No.7 D'Silva Road, Mylapore, Chennai- 600 004;
- 1.64 **"Promoter Group"** shall mean **TANGI FACILITY SOLUTIONS PRIVATE LIMITED**, a private limited company with CIN – U74900TN2014PTC097603, established under the laws of India, having its registered office at Old No.42, New No. 2, Luz Avenue Mylapore, Chennai – 600 004;
- 1.65 **"Protective Covenants"** has the meaning assigned to such term in Article 10.1.7;
- 1.66 **"Related Party"** has the meaning assigned to such term in sub-section (76) of section 2 of the 2013 Act and, or, as per applicable Accounting Standards;
- 1.67 **"Relative(s)"** in connection with (i) Promoter I or Promoter II, means the children of Promoter I and Promoter II, and (ii) any other natural person, has the meaning assigned to such a term in the 2013 Act;
- 1.68 **"Restated Articles Effective Date"** means 22<sup>nd</sup> March 2023;
- 1.69 **"Role"** means any investment / arrangement whereby the Promoter and Promoter Group Member, either directly or indirectly, have or attain: (i) any shareholding /economic interest / investment in any business or any Person, (ii) a right to nominate management positions, (iii) a right to appoint / select persons on the board / governing body of such business or Person, or (iv) a role as an employee, director, lender, observer, consultant or advisor;
- 1.70 **"Sanctionable Practice"** means any Corrupt Practice, Fraudulent Practice, Coercive Practice, Collusive Practice, or Obstructive Practice, as those terms are interpreted in accordance with the Anti-Corruption Legislation and Anti-Corruption Guidelines as agreed in writing between the Shareholders and the Company;
- 1.71 **"Securities"**, in regard to the Company, means any form of securities and shares of the Company, including the Equity Shares and Dilution Instruments;
- 1.72 **"Share Capital"**, in regard to the Company, means the total issued, subscribed and paid up share capital of such the Company determined on a Fully Diluted Basis;
- 1.73 **"Shareholder(s)"** means the shareholder(s) of the Company from time to time;
- 1.74 **"Shareholders Meeting"** has the meaning assigned to such term in Article 5.1.1;
- 1.75 **"Shareholding Percentage"** means the respective percentage proportions in which the Share Capital is held by the Shareholders from time to time on Fully Diluted Basis. It is clarified that for the purposes of Article 3, any calculation of the Shareholding Percentage for determining the entitlement of a Shareholder in any proposed issuance shall be undertaken based on the Share Capital held by such a Shareholder immediately prior to such proposed issuance on Fully Diluted Basis;



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

- 1.76 "Significant Influence" means the possession of power to cause or prevent any actions pertaining to the management or policies of a Person, through the ownership or control or benefit of at least 10% (ten percent) of total share capital or voting interest or economic interest of such a Person or the ability to nominate or have elected 1 (one) or more members of a governing body of such person or the ability to direct, restrict or otherwise influence any management decision of such Person, whether through debt arrangements, contract, voting interest, membership to governing bodies such as a board of director, or otherwise;
- 1.77 "Statutory Auditor" means the statutory auditor of the Company from time to time;
- 1.78 "Strategic Sale Closing Date" has the meaning assigned to such term in Article 8.3.3;
- 1.79 "Strategic Sale Exercise Notice" has the meaning assigned to such term in Article 8.3.2;
- 1.80 "Strategic Sale Right" has the meaning assigned to such term in Article 8.3.1;
- 1.81 "Strategic Sale Securities" has the meaning assigned to such term in Article 8.3.2;
- 1.82 "Strategic Transferee" has the meaning assigned to such term in Article 8.3.1;
- 1.83 "Subscribing Shareholder(s)" has the meaning assigned to such term in Article 3.2.4;
- 1.84 "Subscription Cut-Off Period" has the meaning assigned to such term in Article 3.2.2;
- 1.85 "Subsidiary" has the meaning assigned to such term in sub-section (87) of section 2 of the 2013 Act;
- 1.86 "Taxes" means any and all forms of taxation, imposts, duties, and levies, whether direct or indirect, deductible at source or otherwise, together with any interest, penalties, surcharges or fines relating thereto, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction. It is clarified that the term "Taxes" shall include any interest, surcharges, penalties or additional taxes payable in connection therewith; Correlative terms such as "tax" and "taxation" shall be construed in accordance with this definition;
- 1.87 "Third Party" means any Person other than the Shareholders and the Company;
- 1.88 "Transfer" means, whether directly or indirectly, any transfer, including any sale, assignment, pledge, hypothecation, creation of security interest in or lien or Encumbrance on, placing in trust (voting or otherwise), exchange, gift or transfer by operation of law or in any other way, whether or not voluntarily. Correlative terms such as "transferred", "transferring" and "transferability" shall be construed in accordance with this definition;
- 1.89 ;
- 1.90 "Stock Exchanges" means the BSE Limited and the National Stock Exchange of India Limited;



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

## **2. UTILISATION OF PROCEEDS**

- 2.1 The Company shall, and the Promoter and Promoter Group Member shall procure the Company to, utilise the Investment Amount solely and exclusively, for the purposes agreed in writing between the Shareholders and the Company.
- 2.2 Till such time as the Investment Amount has been utilized in accordance with Article 2.1, the Company shall, at each meeting of the Board, table a statement setting out the extent of utilization of Investment Amount.

## **3. FURTHER FUNDING REQUIREMENTS**

### **3.1 Furnishing of guarantees and securities to meet Additional Funding Requirements.**

- 3.1.1 Upon occurrence of an Additional Funding Requirement, additional funds shall be raised on terms approved, and from sources identified, by the Board. For the avoidance of doubt, it is clarified that the Investors shall not be obligated to provide any such guarantees or securities, whether directly or indirectly, to any banks or other financial institutions for any reason whatsoever.
- 3.1.2 The Investors do not have any obligation to provide additional funding in terms of this Article to the Company and they shall be entitled to provide such additional funding at their sole discretion.

### **3.2 Fresh issue of Securities.**

- 3.2.1 If the Business Plan contemplates the issuance of fresh Securities to Shareholders or if the Board determines, subject to the provisions of Article 6, that an Additional Funding Requirement is to be met through issuance of fresh Securities to the Shareholders of the Company, then the Company shall issue fresh Securities to the Shareholders ("Additional Securities"), proportionate to their respective Shareholding Percentage in the Company. Such Additional Securities to be issued to the Shareholders shall be fully paid-up by the respective Shareholder in cash. Notwithstanding anything to the contrary contained in these Articles, any issuance of Additional Securities shall be on such terms and conditions as the Board may, subject to the provisions of Article 6, determine at its sole discretion.
- 3.2.2 Not less than 30 (thirty) days before the date of proposed issuance of the Additional Securities, the Company shall deliver to each Shareholder notice / letter of offer for the proposed issuance setting forth: (i) the aggregate number of Additional Securities proposed to be issued and the Shareholding Percentage of the relevant Shareholder; (ii) the price at which such Additional Securities are proposed to be issued and other terms of issuance, if any; and (iii) such other relevant details as the Board may deem fit or as may be required as per Applicable Laws. Within 15 (fifteen) days following delivery of the notice referred to in this Article ("Subscription Cut-Off Period"), each Shareholder electing to exercise its rights to subscribe to its Shareholding Percentage entitlement in the Additional Securities shall give a notice to the Company specifying the number of Additional Securities basis its Shareholding Percentage that it is willing to subscribe to and if such a subscription is being undertaken, in case of the Investors through any other Person (except a Person engaged in a Conflicting Business) and in case of the Promoter and Promoter Group Member through an Affiliate, then all documents that are required to be furnished, such as a duly executed Deed of Adherence and copies of all Approvals and consents required to be obtained under



A handwritten signature or mark, possibly a stylized letter 'P' or a similar flourish, written in dark ink.



Applicable Laws, shall be furnished to the Board by the Investors and, or, the Promoter and Promoter Group Member, as the case may be.

- 3.2.3 The Investors may indicate their willingness to subscribe to any unsubscribed portion of the Additional Securities offered, either directly or through any Person (except a Person engaged in a Conflicting Business) including their Affiliates. The Shareholders electing to exercise their rights shall, within a period of 15 (fifteen) days from the Subscription Cut-Off Period, remit the requisite funds towards the Additional Securities, which they have agreed to subscribe to, and the Company shall allot such Additional Securities to the Shareholders on the issuance date specified in the notice / letter of offer in regard to such Additional Securities. Failure by any Shareholder to give such a notice within the Subscription Cut-Off Period or remit the fund in the manner set forth above shall be deemed to be a waiver by such Shareholder of its rights under this Article with respect to the proposed issuance in question. The Promoter and Promoter Group Member will be entitled to renounce the right to subscribe to Additional Securities in the Company in favour of any Affiliate, which comply with the provisions of these Articles, including by executing a Deed of Adherence. Provided that the Shareholding Percentage of Promoter I shall not fall below 25% (twenty five per cent.) of the Share Capital for any reason whatsoever.
- 3.2.4 In the event that a Shareholder ("Non-Subscribing Shareholder") does not subscribe or is not desirous of subscribing to its Shareholding Percentage of the Additional Securities entirely, then within a period of 3 (three) Business Days from the date of expiry of the Subscription Cut-Off Period; the Board shall send a written intimation to the other Shareholder(s) (for the purposes of this Article 3.2.4 and 3.2.5 "Subscribing Shareholder(s)", which term specifically excludes every Non-Subscribing Shareholder), giving them an opportunity to subscribe to the unsubscribed portion of the Additional Securities offered to such Non-Subscribing Shareholder, either by themselves or, in case the Subscribing Shareholders are Investors, then through their Affiliates.
- 3.2.5 In the event that the Subscribing Shareholder(s) sends a notice to the Company, within a period of 7 (seven) days from the date of intimation by the Board as aforesaid, agreeing to subscribe to any or all of the unsubscribed Additional Securities and remits the requisite funds towards subscription to such unsubscribed Additional Securities within a period of 15 (fifteen) days from the Subscription Cut-Off Period, then the Board shall allot such unsubscribed Additional Securities to such willing Subscribing Shareholder(s). It is clarified that if more than 1 (one) Subscribing Shareholder notifies the Board of its intention to subscribe to unsubscribed Additional Securities as above, and the unsubscribed Additional Securities are less than the aggregate number of unsubscribed Additional Securities, then the unsubscribed Additional Securities shall be issued to such Subscribing Shareholders proportionate to their respective Shareholding Percentage in the Company.
- 3.3 **Anti-dilution.**
- 3.3.1 The Investors shall have a right, whether exercisable through itself or any other Person nominated in this regard (except a Person engaged in a Conflicting Business), to subscribe to any issuance by the Company of any Equity Shares or Dilution Instruments to any Third Party in proportion to their respective Shareholding Percentage in the Company.
- 3.3.2 Upon each issuance by the Company of any Equity Shares or Dilution Instruments at a price per Equity Share less than the price ("Dilution Price") at which the Investors subscribed to the Investor Shares ("Dilutive Issuance"), the Investors shall be entitled to, and the



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

Company shall provide and the Promoter and Promoter Group Member shall procure the Company to provide to the Investors, dilution protection on weighted average basis.

- 3.3.3 The anti-dilution mechanism set forth in this Article shall be accomplished by issuance by the Company or transfer by the Promoter and Promoter Group Member of such number of Equity Shares to the Investors and, or, any other Person nominated by the Investors for this purpose (except a Person engaged in a Conflicting Business) at the lowest price possible under Applicable Laws, so as to give full effect to the weighted average anti-dilution right of the Investors.
- 3.3.4 Upon each Dilutive Issuance, the Company and the Promoter and Promoter Group Member shall take all necessary acts to put Investor I and Investor II in the position that they would have if the adjustment to the Dilution Price had been made, by issuance by the Company or transfer by the Promoter and Promoter Group Member to Investor I and Investor II or any Person nominated by the Investors in this regard (except a Person engaged in a Conflicting Business) of such number of Equity Shares, whereby Investor I and Investor II or any Person nominated by the Investors in this regard (except a Person engaged in a Conflicting Business) are not required to pay any additional amounts for the issuance of such new Equity Shares or the transfer of Equity Shares. The above arrangement shall be implemented in accordance with Applicable Laws.
- 3.3.5 It is clarified that nothing in this Article shall apply to any issuance by the Company of any Equity Shares or Dilution Instruments as Additional Securities to the Shareholders pursuant to Article 3.2 of these Articles or an ESOP plan, in each case as approved by the Board in accordance with Article 4.7.5 of these Articles, or a Bonus Issue.

#### 4. BOARD AND BOARD MEETINGS

##### 4.1 Management of the Company.

The property, business and affairs of the Company shall be managed by and under the direction of the Board, and the Board shall be responsible for the overall management, supervision, direction and control of the Company. Subject to the provisions of these Articles, the Board may exercise all such powers of the Company and do all such lawful acts and things as are permitted under these Articles and Applicable Laws. The Board shall manage the Company in the overall, general, and strategic sense and shall ensure proper organization of the business of the Company and shall appoint / dismiss the members of the Management. The Board shall be entitled to delegate its powers to such persons and such Committees that the Board may create to assist it in developing and meeting its business strategy and objectives. The approval of the Shareholders shall be obtained on such matters as may be required under these Articles, and, or, Applicable Laws.

##### 4.2 Composition of the Board. @@

- 4.2.1 The Board shall consist of such number of directors and shall have such composition as may be required under Applicable Law.
- 4.2.2 The Board shall appoint such number of Independent Directors on the Board, as per the requirements of Applicable Laws..



A handwritten signature or mark, possibly a stylized "P" or a cursive signature, located to the right of the circular stamp.

#### 4.3 Observer.

On and from the Restated Articles Effective Date, the Investors shall be entitled to appoint 1 (one) person as an observer to attend all Board Meetings in a non-voting capacity ("Observer"). The Observer shall have the right to receive all notices, documents and information provided to the Directors and be entitled to attend all meetings of the Board or Committees thereof, subject to the Observer being bound to confidentiality obligations as applicable to Directors. The Observer shall not be considered for quorum, and the Observer shall not be entitled to vote with respect to any resolution proposed to be passed at a Board meeting. The Company shall reimburse all out of pocket expenses incurred by the Observer in attending Board Meetings or otherwise perform its duties and functions as Observer.

#### 4.4 Appointment, removal and retirement of Directors.

4.4.1 The Directors shall not be required to hold qualification shares.

#### 4.5 Chairman.

The chairman of the Board shall be appointed in accordance with and shall have such powers, duties and functions as may be prescribed under Applicable Law.

#### 4.6 Board Meetings.

4.6.1 Frequency and Location: The Board Meetings shall be held as often as circumstances require, including upon the written request of at least 1 (one) Director, and all such meetings should be held as soon as reasonably possible and in any event not later than 7 (seven) days from the date that such a request for convening a Board Meeting is received by the Chairman. Not less than 4 (four) Board Meetings shall be held in each year in a manner such that not more than 120 (one hundred and twenty) days elapse between 2 (two) consecutive Board Meetings. All Board Meetings shall be conducted in English.

4.7.2 Notice: A Board Meeting may be called by the Chairman or a Director by giving notice in writing to the company secretary, or any other Person nominated in this regard by the Board, specifying the date, time and agenda for such meeting. The company secretary (or such nominated person) shall upon receipt of such notice, give a copy of such notice to all Directors at their respective address registered with the Company and such notice shall be sent by hand delivery or by post or by email, accompanied by a written agenda specifying the business of such meeting and copies of papers relevant for such meeting. The Company shall ensure that sufficient information is included within such notice to the Directors to enable each Director to make a decision on the issue in question at such meeting. Every notice convening a meeting of the Board shall set forth in full and sufficient detail each item of the business to be transacted thereat, and no item or business shall be transacted at such meeting, unless the same has been stated in full and in sufficient detail in the notice convening the meeting, except as otherwise consented to by all the Directors or their respective Alternate Directors. Not less than a minimum 7 (seven) days' prior written notice shall be given to each Director for any Board Meeting, accompanied by the agenda for the Board Meeting; provided, however, a Board Meeting may, subject to the Applicable Laws, be called at shorter notice to transact urgent business. All documents presented or circulated to the Directors in regard to a Board Meeting shall be in English.



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.



- 4.7.3 Quorum: The quorum for a meeting of the Board shall be as prescribed under Applicable Law. If the quorum is not present within 30 (thirty) minutes from the time when the meeting should have begun, or if during the meeting there is no longer a quorum, subject to the provisions of Applicable Law, the meeting shall be adjourned for 1 (one) Business Day and shall be reconvened at the same place and time, or at such other date, place and, or, time as may be agreed to by the majority of the Directors, with the same agenda.
- 4.7.4 Voting: Each Director is entitled to cast 1 (one) vote at any Board Meeting.
- 4.7.5 Decisions of the Board: A decision shall be validly made and, or, a resolution validly passed at a Board Meeting only if passed at a validly constituted Board Meeting and, subject to the provisions of these Articles in regard to Affirmative Vote Matters, by a simple majority of the Directors present and voting at the relevant Board Meeting. A resolution in writing of the Board shall be as valid and effective as if it had been a resolution passed at a meeting of the Board duly convened and held, if the resolution is signed in support thereof by a majority of the Directors for the time being.
- 4.7.6 Without affecting the generality of the foregoing, where the resolution is with respect to, or includes, an Affirmative Vote Matter, then it shall require the written consent of the Investors for only such matter. Any such resolution bearing the signature of any Director and dispatched by email shall constitute a valid document for the purpose of this clause. Electronic Participation: The Board has the power to allow electronic or remote participation and voting in Board Meetings, subject to compliance with the relevant requirements under the 2013 Act. A Director may make a request for electronic or remote participation to the Board and the Board shall consider such a request favourably and provide such facility in accordance with the requirements of the 2013 Act. Accordingly, a reference to the presence of any Director for a meeting of the Board, shall include either physical presence or through video conferencing or electronic or remote means.
- 4.7.7 Maintenance of minutes: The Board shall record the minutes of its meetings as prescribed under the 2013 Act.

#### **4.8 Resolution by Circulation.**

Except for resolutions which the 2013 Act requires to be passed at a physical meeting of the Board, a resolution of the Board may be passed by the Directors by circulation (provided that it has been circulated in draft form by hand delivery or by post or by email, together with the relevant papers, if any, to all the Directors in accordance with the requirement of these Articles, and 2013 Act), which resolution shall be valid and effective if, subject to the provisions of these Articles in regard to Affirmative Vote Matters, it is approved by a majority of Directors.

#### **4.9 Committees of the Board.**

Subject to the provisions of these Articles, and Applicable Laws, the Board shall have the power and right to constitute and disband, if necessary, committees or sub-committees and delegate such of the Board's powers to the aforesaid committees as the Board may deem fit ("Committees"). Only the Board can appoint a committee of Directors or delegate its powers to any Persons. The provisions relating to Board and Board Meetings contained herein (including relating to notice, quorum, quorum at adjourned meetings and Affirmative Vote



A handwritten signature.

Matters) shall apply *mutatis mutandis* to all the Committees and their respective meetings. All resolutions passed by the Committees shall have to be necessarily ratified by the Board.

**4.10 Record keeping.**

The Company shall keep a book of all resolutions and the minutes of all meetings of the Board in which there shall be recorded the time and place of such meeting, whether regular or special, and if special, however called, the notice thereof given, the names of those present and the processing thereof.

**4.11 Directors' Access.**

**4.12 Any Director shall be entitled to examine the books, accounts and records of the Company and shall have, during normal business hours of the Company and with prior reasonable written notice, the right to reasonably inspect the properties and facilities of the Company. The Company shall provide such information relating to its business affairs and financial position as the relevant Director may require. Fees and Expenses of Directors.**

Subject to Applicable Laws, all expenses and costs incurred in connection with the convening and conduct of the Board Meetings shall be borne by the Company. "The Company shall pay remuneration, sitting fees or other amounts to Directors, and shall reimburse out of pocket expenses incurred by Directors in accordance with the provisions of Applicable Law.". Any reimbursements and sitting fees payable to Independent Directors shall be governed by the specific agreement between the Company and the Independent Director in this regard.

**4.13 Indemnification of Directors.**

**4.13.2 The Company shall, subject to Applicable Laws, indemnify and keep indemnified the Directors against any:**

- (i) act, omission or conduct of or by the Company or its employees or agents as a result of which any Director is made, in whole or in part, a party to, or otherwise incurs any loss or damage pursuant to, any proceedings arising out of or relating to any such conduct;
- (ii) action or omission by any Director at the request of or with the consent of the Company; and
- (iii) contravention of any of the Applicable Laws including, without limiting the generality of the foregoing, laws relating to provident fund, gratuity, labour, environment, pollution, the anti-bribery laws, and any action or proceedings taken against such Director in connection with any such contravention or alleged contravention.



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

## 5. SHAREHOLDERS AND SHAREHOLDERS MEETINGS

### 5.1 Shareholders Meetings.

- 5.1.1 Frequency of Shareholders Meeting: An annual general meeting of the Shareholders shall be held as per the provisions of the 2013 Act. Subject to the foregoing, the Board, on its own or at the request of either of the Investors, may convene an extraordinary general meeting of the Shareholders, whenever it may deem appropriate (each such meeting, a "Shareholders Meeting"). All such Shareholders Meetings shall be held at such place as the Board may determine from time to time. Shareholders Meetings shall be called at such times as may be required to procure any consent of the Shareholders in terms of the provisions of these Articles, and, or, the 2013 Act, and in any event at least once in each financial year. Subject to the provisions of the 2013 Act, the Shareholders shall be entitled to participate in Shareholders Meetings through their respective duly authorized representative(s), duly constituted proxies or attorneys, as the case may be, English shall be the language used at all Shareholder meetings.
- 5.1.2 Notice: In accordance with provisions of the 2013 Act a minimum 21 (twenty one) days' prior written notice shall be given to all the Shareholders of any Shareholders Meeting, accompanied by the agenda for such meeting. The aforesaid notice may be waived or a Shareholders Meeting may be called by giving a shorter notice with at least 95% (ninety five per cent.) of all the Shareholders entitled to vote at such meeting providing their written consent for such shorter notice. Subject to the 2013 Act, the notice of each general meeting shall include an agenda approved by the Board setting out the business proposed to be transacted at the meeting, together with copies of all relevant papers connected therewith and, or, proposed to be placed before or tabled at the Shareholders Meeting. The notice shall specify the place, date and time of the meeting. All documents presented or circulated to the Shareholders in regard to a Shareholders Meeting shall be in English.
- 5.1.3 Quorum: The quorum for any Shareholders Meeting shall be as prescribed under Applicable Laws. If the quorum is not present within 30 (thirty) minutes from the time when the meeting is scheduled to begin or if during the meeting there is no longer a quorum, the meeting shall be adjourned for 2 (two) Business Days and shall be reconvened at the same place and time, or at such other day, date, place and, or, time as the Board may determine, with the same agenda.
- 5.1.4 Proxies and Authorised Representatives: Any Shareholder of the Company may appoint another Person as his proxy (and in case of a corporate Shareholder, its authorized representative) to attend a meeting and vote thereat on such Shareholder's behalf, provided that the power given to such proxy or representative must be in writing. Any Person possessing a proxy or other such written authorization with respect to any Securities shall be able to vote on such Securities, as the case may be, and participate in meetings as if such Person were a Shareholder, subject to Applicable Laws.
- 5.1.5 Chairman for Shareholders Meeting: The Chairman of Board shall be the chairman for the Shareholders Meeting. The chairman of the Shareholders Meetings shall not have any second or casting vote.



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

- 5.1.6 **Voting:** Subject to the Applicable Laws, voting on all matters to be considered at a Shareholders Meeting shall be by way of show of hands unless a poll is demanded in accordance with provisions of the 2013 Act.
- 5.1.7 **Decisions of the Shareholders:** Subject to the provisions of these Articles in regard to Affirmative Vote Matters, a decision shall be validly made and, or, a resolution validly passed at a Shareholders Meeting only if the requisite majority approves the relevant decision / resolution in compliance with the provisions of the 2013 Act.
- 5.1.8 **Electronic Participation:** The Shareholders may participate and vote in the Shareholders Meeting through electronic or remote participation and voting in the manner permitted under the 2013 Act, from time to time. A Shareholder may make a request for electronic or remote participation to the Board and the Board shall consider such a request favourably and provide such facility in accordance with the requirements of the 2013 Act. Accordingly, subject to Applicable Laws, a reference to the presence of any Shareholder for a meeting of the Shareholders, shall include either physical presence or through video conferencing or electronic or remote means, and the process that is to be followed in regard to Board Meetings for presence and voting through video conferencing or electronic or remote means under the 2013 Act shall be followed in regard to such Shareholders Meeting.

## 6. AFFIRMATIVE VOTE MATTERS

- 6.1 Notwithstanding any other provision of these Articles or any power conferred upon the Board by these Articles, and, or, the 2013 Act, with effect from the Restated Articles Effective Date, neither the Company nor any Shareholder, Director, Committee member, or any of their respective delegates or representatives shall take any decisions or actions in relation to any of the matters set forth in Article 6.5 ("Affirmative Vote Matters") with respect to the Company, in any meeting, forum, circular resolution or in any other manner whatsoever, without the affirmative prior written consent or approval of the Investors. It is agreed that any discussions pertaining to Affirmative Vote Matters shall necessarily be included in the agenda papers in relation to the relevant meeting in advance and shall not be taken up in a Board Meeting, meeting of any Committee or Shareholders Meeting, unless specifically agreed to, in writing, by the Investor.
- 6.2 The principle set out in this Article 6 is fundamental to the governance of the Company and each Party undertakes not to commit any act or omission that would violate this Article.
- 6.3 It is clarified that any consent by the Investors in relation to any of the Affirmative Vote Matters shall apply only in relation to the particular Affirmative Vote Matters and only in the context specified in the relevant notice and shall not constitute, or be deemed to constitute in any manner, a general consent for any other Affirmative Vote Matters, or a consent for the same Affirmative Vote Matters in any other context.
- 6.4 If any other provision of these Articles conflicts with the provisions of this Article, the provisions of this Article shall prevail and be given effect.
- 6.5 The following matters shall be considered Affirmative Vote Matters:

- i. Any amendment to these Articles, and, or the Memorandum of Association of the Company;



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

- ii. Any decision in relation to winding up, liquidation, bankruptcy or dissolution of the Company or any Exit Trade Sale;
- iii. Any change in the composition (including structure and strength and, or, manner of election and, or, term of office) of the Board;
- iv. Any forming of a committee of the Board;
- v. Any decision in relation to Additional Funding Requirement;
- vi. Any capital expenditure in excess of INR 1,00,00,000 (Indian Rupees one crore) beyond the approved Business Plan;
- vii. Finalisation, approval and adoption of Business Plan and any changes or deviation of more than 10% (ten per cent.) from such Business Plan and, or, expansion plan;
- viii. Incurring of any Indebtedness or creation of any Encumbrance on the Assets, including any contingent liabilities beyond the amounts specified in the Business Plan and extension of any loans already borrowed;
- ix. Entering into any arrangements not included in the Business Plan in excess of INR 1,00,00,000 (Indian Rupees one crore);
- x. Any transaction involving the acquisition of substantially all the assets, shares, voting power or controlling interest in any other company, business, partnership firm, or body corporate by the Company, or investment in any other business / the same business as the Company;
- xi. Any transaction involving purchase, sale, lease, license or Transfer of Assets of the Company (including any vehicles and, or cars but excluding Intellectual Property Rights of the Company) in excess of INR 1,00,00,000 (Indian Rupees one crore) of the written down value of such Asset at the commencement of the relevant Financial Year or if not contemplated in the Business Plan;
- xii. Guarantees and credit enhancement (other than in the Ordinary Course) and entering into derivative contracts which are not contemplated in the Business Plan;
- xiii. Any transaction involving sale, license or Transfer of the Intellectual Property Rights of the Company involving an amount in excess of INR 10,00,000 (Indian Rupees ten lakhs);
- xiv. Any bonus or profit sharing scheme for Key Managerial Personnel, Management or the Promoter and Promoter Group Member or Shareholders, and, or, any distribution of profits and, or, commission and, or remuneration to any Promoter and Promoter Group Member, Key Managerial Personnel, Management or Director other than in the Ordinary Course;
- xv. Any payment, directly or indirectly, of salaries, bonuses, consulting fees or other compensation, payments, or fees to any Promoter and Promoter Group Member or Shareholders of the Company or members of the Management except as contemplated by the Business Plan;





- xvi. Any appointment or removal, determination of the terms of employment and any significant changes in the terms of the employment agreement or arrangement of Directors, Management and, or, Key Managerial Personnel;
- xvii. Any merger, amalgamation, acquisition, recapitalization, reorganisation, business combination, consolidation, settlements with creditors and other business combinations or financial alliances or any change in Control of the Company and any decisions related to the terms and conditions of any restructuring of the Company including (i) timing of such restructuring; (ii) share swap / consideration payable for such restructuring and (iii) appointment of independent advisors who shall advise the Company on matters related to such restructuring;
- xviii. Any decision to undertake an IPO or list the shares in any stock exchange and any decisions related to (i) pricing and other terms and conditions of the IPO, or (ii) timing of the IPO, or (iii) the stock exchanges on which the Equity Shares of the Company are to be listed, (iv) appointment of independent merchant banker(s), manager(s), arranger(s), or (v) any other matters in regard to the IPO;
- xix. Any authorization of or setting aside for payment of, or payment of dividends, or buyback/redemption of any Securities of the Company, or distribution of any kind, in cash or in property;
- xx. Granting to any holder of Securities any rights which have a priority greater than those granted to the Investors pursuant to these Articles;
- xxi. Any alteration in any manner whatsoever of the rights of the Investors under these Articles;
- xxii. Any action which adversely changes the rights of the Investors under these Articles or prevents the Investors from exercising their rights under these Articles;
- xxiii. Appointment, re-appointment, removal or change in terms of the statutory and internal auditors of the Company, including the scope of work, terms of reference, or any modifications and changes thereto;
- xxiv. Approval of Financial Statements and any change to such Financial Statements of the Company or the Subsidiaries;
- xxv. Any addition and, or, deletion of any off-balance sheet liability structure of the Company including, without limitation, leasing and drawing on bank guarantees, encumbrances, Transfer, pledge or creation of lien not in the Ordinary Course;
- xxvi. Any changes in the tax and accounting policies and, or practices and, or, the Financial Year of the Company.
- xxvii. Any transaction between the Company and a Related Party or modification of an existing related party transaction which is not in the Ordinary Course and, or, on an arm's-length basis;
- xxviii. Defence of any Litigation initiated by any Person (other than the indemnified parties in terms of the agreements between the Shareholders and the Company) where the



A handwritten signature or mark, possibly a stylized "P" or a cursive signature, located below the circular stamp.

amount involved is in excess of INR 10,00,000 (Indian Rupees ten lakh) in any Financial Year,

- xxix. Commencement of any Litigation where the amount involved is in excess of INR 25,00,000 (Indian Rupees twenty five lakh) or settlement and, or, withdrawal of any Litigation where the amount involved is in excess of INR 10,00,000 (Indian Rupees ten lakh);
- xxx. Any change in the Share Capital of the Company and, or, reduction of Share Capital;
- xxxi. Any variation of the rights and preferences attached to any Securities;
- xxxii. Any offer, sale of any Securities, issuance, listing of any Securities and creation of or taking on record any Encumbrance on the Securities;
- xxxiii. Any change in the nature of the business carried on by the Company or entering into any new business line or activity or in any way undertaking any new business initiative exceeding INR 3,00,00,000 (Indian Rupees three crores) that is not contemplated in the Business Plan whether in India or abroad or any change in the name or registered office of the Company;
- xxxiv. Creation of any new Subsidiary or joint venture by the Company;
- xxxv. Entering into, modification or termination of any material contract in existence or proposed to be entered into by the Company, including any decision in relation thereto, including waiver of any material default under or in relation to the breach of any material contract other than in the Ordinary Course;
- xxxvi. Entering into any arrangement or settlement with the debtors or the creditors of the Company other than in the Ordinary Course;
- xxxvii. Any decision in regard to creation of any stock option plan (by whatever name called), restricted stock plan or similar incentive or equity plan or effecting any ESOP / ESOS / Phantom Stock Plan / incentive pool plans, any grant of options or allotment of shares under such plans;
- xxxviii. Issuance or redemption of any debt securities / equity linked debt securities issued by the Company;
- xxxix. The Company entering into any contract to undertake any obligations (in relation to the Business) in relation to a transaction or arrangement where the Company is not a party:
  - xi. The Company furnishing any performance / financial guarantee to any Person for any reason whatsoever;
  - xii. Any agreement or commitment to give effect to any of the foregoing; and, or
  - xiii. Any of the foregoing actions, if undertaken or agreed to be undertaken in respect of the Subsidiaries of the Company.



## 7. TRANSFER OF SECURITIES

### 7.1 Affiliate Transfers by Investors

Each of the Investors may Transfer Securities held by it to its Affiliates (each a "Permitted Investor Transferee") provided such Permitted Investor Transferee executes the Deed of Adherence prior to such Transfer. At least 30 (thirty) days prior to the permitted Transfer under this Article, the Investors shall send a notice to the other Shareholders and the Company stating the date on which the intended Transfer is to occur, the name and other relevant details of the Permitted Investor Transferee, the number and class of Securities involved and attaching: (i) a completed and duly executed Deed of Adherence and (ii) copies of all Approvals, consents and filings required to be obtained / filed under these Articles or Applicable Laws, if any. The Company shall after the expiry of the aforesaid 30 (thirty) day period and upon being presented with relevant documents required as per Applicable Laws, register / take on record such a Transfer of Securities to a Permitted Investor Transferee.

*\*\*\*: Altered vide resolution passed in the Extra Ordinary General Meeting held on 3<sup>rd</sup> December, 2022*

## 8. EXIT RIGHTS

### 8.1 IPO.

8.1.1 The Company shall, and the Promoter and Promoter Group Member shall ensure that the Company shall, consummate an IPO involving all of the Securities held by the Investors in the Company at any time after 36 (thirty six months) but in any event before 82 (eighty two) months from the Tranche A Closing Date. For the purposes of these Articles, an "IPO" means a firm underwritten initial public offering of the Equity Shares or such other Securities (including depository receipts) as may be agreed to by the Investors in writing, either domestic or overseas, of the Company and consequent listing of the Securities of the Company on domestic or internationally recognised stock exchanges, either:

- (i) through a public issue of fresh Securities, or
- (ii) an offer of existing Securities by some or all the Shareholders (an "Offer of Existing Securities"); or
- (iii) a combination of (i) and (ii).

Provided that the Shareholders and the Company may mutually agree in good faith to extend the aforementioned time periods on account of any delays attributable to regulatory requirements under Applicable Laws.

The Parties acknowledge that the Offer being undertaken by the Company is an IPO in terms of the Agreement.

8.1.2 The Board shall decide on the following matters:

- (i) the price, and other terms and conditions of the IPO;
- (ii) the timing of the IPO;



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.



- (iii) the stock exchanges on which the Securities are to be listed;
- (iv) the firm of independent merchant banker(s), manager(s), arranger(s) of the IPO, who shall advise the Company on matters relating to such IPO, including but not limited to matters set out under (i) and (ii) above; and
- (v) any other matters related to the IPO,

subject to such statutory guidelines as may be in force.

- 8.1.3 In the event of the IPO which entails an Offer of Existing Securities, each Investor shall have the right (but not the obligation) to offer any or all of its Securities for sale in the IPO, in priority to any other Shareholders of the Company, including the Promoter and Promoter Group Member. In the event that further Securities are required to be offered by way of such Offer of Existing Securities under Applicable Laws, or if the Investors do not offer sufficient Securities as are required to be offered in terms of Applicable Laws, the Investors and Promoter and Promoter Group Member shall offer such number of Securities that are in proportion to their Shareholding Percentage.
- 8.1.4 The Promoter and Promoter Group Member hereby agree to vote in favour of and to do all acts and deeds necessary for effecting the IPO. The Promoter and Promoter Group Member agree that, in the event of an IPO, the Promoter and Promoter Group Member shall offer such number of their Securities for a lock-in as may be required to meet the minimum promoter contribution or similar lock-in requirements under Applicable Laws. The Investors shall not be required to call themselves, and the Company shall not refer to any of the Investors as "founder" or "promoter" in the offer documents, nor shall be required to offer any of the Securities held by the Investors for such lock-in. However, the Securities held by the Investors shall also be subject to the statutory lock-in as prescribed under the Applicable Laws."
- 8.1.5 All costs, fees and expenses with respect to the IPO (excluding the listing fees which shall be borne by the Company) shall be shared between the Company and shareholders offering their shares in the IPO, in the manner agreed in the offer agreement which will be executed in relation thereto. The Company agrees to pay the cost and expenses of, and arising in connection with, the IPO in advance and will be reimbursed by the shareholders for their respective proportion of such costs and expenses upon the receipt of final listing and trading approvals from the Stock Exchanges for the listing and trading of the Equity Shares of the Company pursuant to the IPO. In the event the offer is withdrawn or not completed for any reason, all the costs and expenses (including all applicable taxes) directly attributed to the Offer shall be exclusively borne by the Company.
- 8.1.6 The Company shall indemnify the Investors to the maximum extent permitted under Applicable Laws, against any loss, claim, damage, liability (including reasonable attorneys' fees), cost or expense arising out of or relating to any misstatements and omissions of the Company in any registration statement, offering document or preliminary offering document, and like violations of Applicable Laws by the Company or any other error or omission of the Company in connection with a public offering hereunder, other than with respect to information provided by the Investors, in writing, expressly for inclusion therein.



*[Handwritten signature]*

## 8.2 Exit Trade Sale.

- 8.2.1 The Company shall, and the Promoter and Promoter Group Member shall ensure that the Company shall, consummate an Exit Trade Sale involving all of the Securities held by the Investors in the Company at any time after the date that is 48 (forty eight) months from the Restated Articles Effective Date in the event that the IPO is not consummated by such date.

Provided that the Shareholders and the Company may mutually agree in good faith to extend the aforementioned time periods on account of any delays attributable to regulatory requirements under Applicable Laws.

- 8.2.2 The Board shall, with the consent of the Investors in the manner stated under Article 6, and subject to such statutory guidelines as may be in force, decide on:

- (i) the nature of the Exit Trade Sale;
- (ii) the identity of the purchaser (as applicable);
- (iii) the price or valuation; and
- (iv) all other matters related to the Exit Trade Sale.

- 8.2.3 Any such Exit Trade Sale shall be subject to the approval of the Investors.

- 8.2.4 The Promoter and Promoter Group Member and the Investors shall vote in favour of and to do all acts and deeds necessary for effecting the Exit Trade Sale.

- 8.2.5 All fees and expenses (including *inter alia* payment of all costs relating to merchant bankers fees, bankers fees, brokerage, commission, reasonable legal fees of the Investors and any other costs that may be incurred due to the changes to Applicable Law for the time being in force) required to be paid in respect of the Exit Trade Sale, shall be borne and paid by the Company and all intermediaries, agents and managers shall be appointed by the Company in consultation with the Investors.

## 8.3 Strategic Sale Right of the Investor.

- 8.3.1 In case the Company does not successfully consummate an IPO in the manner contemplated in Article 8.1 before the expiry of 48 (forty eight) months from the Restated Articles Effective Date and, or if the Exit Trade Sale is not consummated within 85 (eighty five) months from the Tranche A Closing Date, in each case for any reason whatsoever including due to the Investors not approving the IPO and, or, the Exit Trade Sale in terms of Article 6 ("Exit Trigger Event"), then the Investors shall have the right, but not an obligation, exercisable jointly in accordance with this Article to sell the Securities held by such Investors in the Company to any Person ("Strategic Transferee") and to require all or any of the Promoter and Promoter Group Member to immediately sell all or any part of their respective Securities to the Strategic Transferee on terms and conditions, no less favourable to the Promoter and Promoter Group Member than those offered to the Investors by the Strategic Transferee ("Strategic Sale Right"). The Promoter and Promoter Group Member irrevocably grant the Investors an option to exercise the aforesaid Strategic Sale Right and to negotiate the terms and conditions for sale of the Strategic Sale Securities to the Strategic Transferee, including the price at which the Strategic Sale Securities shall be purchased by



A handwritten signature or mark, possibly a stylized letter 'P' or a cursive signature, located below the circular stamp.

such a Strategic Transferee. Provided that pursuant to exercise of such Strategic Sale Right, the Investors should have divested all the Securities held by them in the Company.

- 8.3.2 In the event the Investors elect to exercise their Strategic Sale Right, they shall deliver a written notice of such election to the Promoter and Promoter Group Member (a "Strategic Sale Exercise Notice"). The Strategic Sale Exercise Notice shall specify: (i) the name and address and identity of the Strategic Transferee, (ii) the number of Securities that the Promoter and Promoter Group Member shall be required to sell to the Strategic Transferee ("Strategic Sale Securities"), and (iii) the amount in cash of the proposed consideration for such sale. The Strategic Sale Exercise Notice shall be irrevocable and shall constitute a binding agreement by the Promoter and Promoter Group Member to sell and Transfer the Strategic Sale Securities to the Strategic Transferee without the requirement of any further acceptance or acknowledgement of the Strategic Sale Exercise Notice by the Promoter and Promoter Group Member.
- 8.3.3 Within 30 (thirty) days of the receipt of the Strategic Sale Exercise Notice or such other date as may be specified in the Strategic Sale Exercise Notice ("Strategic Sale Closing Date"), the Promoter and Promoter Group Member shall take all steps necessary to give effect to the provisions of this Article and to the Strategic Sale Right of the Investors. The Company and the Promoter and Promoter Group Member shall take all necessary and desirable actions in connection with the consummation of the transactions contemplated in this Article, including passing of all necessary resolutions and obtaining all necessary consents to give effect to the Strategic Sale Right, the timely execution and delivery of such agreements and instruments and other actions reasonably necessary to cooperate with the Strategic Transferee, to provide such access and information as may be requested by the Strategic Transferee, participate in meetings with the Strategic Transferee, permit the Strategic Transferee to conduct a due diligence on the Company, and to provide the representations, warranties, indemnities, covenants, and other provisions and agreements customary to such sale. The Shareholders and the Company agree and acknowledge that the Investors shall not be required to make any representations and, or, provide indemnities in connection with the Securities that are transferred by the Promoter and Promoter Group Member to the Strategic Transferee.
- 8.3.4 The closing of any purchase of the Strategic Sale Securities by the Strategic Transferee from the Promoter and Promoter Group Member shall take place on the Strategic Sale Closing Date and simultaneous with the closing of the purchase of Securities by the Strategic Transferee from the Investors. On the Strategic Sale Closing Date, the Promoter and Promoter Group Member shall deliver all documents and instruments as may be required in accordance with the Applicable Laws to effect a Transfer of the Strategic Sale Securities free from and clear of any or all Encumbrances, including duly executed transfer instructions to the relevant depository participant, as applicable. The Strategic Sale Securities that are to be sold pursuant to the Strategic Sale Right shall be free and clear of any Encumbrance.
- 8.3.5 The Strategic Transferee purchasing the Strategic Sale Securities shall make payment in full for the Strategic Sale Securities to the relevant bank accounts of the Promoter and Promoter Group Member, the details of which shall be intimated in writing by the Promoter and Promoter Group Member to the Investors. On the Strategic Sale Closing Date, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale and transfer of the Securities held by the Investors and the Strategic Sale Securities to the Strategic Sale Transferee.



A handwritten signature or mark, possibly a stylized letter 'P' or a cursive signature, located below the circular stamp.

- 8.3.6 If the Promoter and Promoter Group Member do not, on the Strategic Sale Closing Date provide duly executed transfer instructions in accordance with the requirements of Applicable Laws to the relevant depository participant, in regard to all the Strategic Sale Securities, the Promoter and Promoter Group Member shall be deemed to have irrevocably authorized any Person nominated by the Investors to be the Promoter and Promoter Group Member's agent and attorney to execute all necessary sale and Transfer(s) documents on their behalf and against receipt by the Company (on trust for the Promoter and Promoter Group Member) and in accordance with the requirements of this Article and deliver such documents to the Strategic Transferee and the Directors shall forthwith register the Strategic Transferee as the holder thereof. After the Strategic Transferee has been registered as the holder, the validity of such proceedings shall not be questioned by the Promoter and Promoter Group Member or any Person.
- 8.3.7 On the Strategic Sale Closing Date, the Investors shall cause each of the Directors nominated by them to resign from the Board, and the Promoter and Promoter Group Member shall cause such number of Directors nominated by them to resign from the Board, such that the Strategic Sale Transferee gets the right to nominate a majority of Directors on the Board with immediate effect. Provided that, if required by the Strategic Transferee, the Promoter and Promoter Group Member shall ensure that Promoter I is retained in his present position in the management of the Company for a reasonable transition period as determined by such Strategic Transferee pursuant to such Strategic Sale.
- 8.3.8 If the Strategic Transferee refuses to consummate the transaction contemplated by this Article, then the Investors and the Promoter and Promoter Group Member shall not have any liability whatsoever in regard to such a Strategic Transferee, and such failure shall not preclude the right of the Investors to exercise their Strategic Sale Right at a future date.
- 8.3.9 Upon occurrence of an Exit Trigger Event, without prejudice to the right of the Investors to explore options to exercise their Strategic Sale Right, the Promoter and Promoter Group Member shall have the obligation to identify prospective Strategic Transferee(s) and procure non-binding offers from such Persons and present it to the Investors to facilitate the Strategic Sale Right of the Investors. The Investors shall have the sole discretion to accept or reject such offers procured by the Promoter and Promoter Group Member and if the Investors reject any of the offers procured by the Promoter and Promoter Group Member then the obligation of the Promoter and Promoter Group Member to continue to explore and identify other Strategic Transferee(s) shall continue and shall not fall away or stand diluted in any manner.
- 8.4 Notwithstanding anything to the contrary contained herein, any exit provided to the Investor pursuant to this Article 8 that entails sale of the Securities held by the Investor should necessarily require payment of consideration for such Securities in cash, unless otherwise agreed by the Investors in writing.

## 9. INFORMATION RIGHTS AND INSPECTION

### 9.1 Information Rights.

- 9.1.1 So long as the Investors, along with their Affiliates, holds any Securities in the Company, the Company shall provide to the Investors and Permitted Recipients:



A handwritten signature or mark, possibly a stylized "P" or "J", written in dark ink.



- (i) monthly information statements in a format prescribed by the Investors pursuant to discussions with the Promoter and Promoter Group Member, containing such information as is required to understand the business (including details of significant events impacting or expected to impact the Company), by not later than 20 (twenty) days following the end of the month to which they relate;
- (ii) un-audited quarterly financial statements, within 30 (thirty) days from the end of the period to which they relate, duly certified by the managing director and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (iii) un-audited half-yearly financial statements, within 45 (forty five) days from the end of the period to which they relate, duly certified by the managing director and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (iv) annual audited financial statements, within 90 (ninety) days from the end of the period to which they relate, duly certified by the Promoter and Promoter Group Member and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (v) a copy of the auditors' report, within 120 (one hundred and twenty) days from the end of the period to which it relates;
- (vi) minutes of all Board Meetings, Shareholders Meetings and any meetings of the Committees, as soon as practicable, and in any case within 15 (fifteen) days of the date of the relevant meeting; and
- (vii) projection of any debt and equity requirements for each of the next (two) financial quarters, as soon as practicable.

9.1.2 The Financial Statements delivered under this Article 9.1 shall at least include a balance sheet, a statement of profit or loss, and a statement of cash flows for the relevant period and shall be prepared in English in accordance with Accounting Standards consistently applied with past practice for prior periods.

9.1.3 All information and documents to be provided by the Company under this Article 9.1 shall be prepared and provided in English

## 9.2 Right of Inspection.

9.2.1 So long as the Investors, along with their Affiliates, holds any Securities in the Company, the Investors shall, by giving a notice of at least 7 (seven) days, be entitled to carry out inspection of site, stores, accounts, documents, records, premises, and equipment and all other Assets of the Company during normal working hours through its authorized representatives and, or, agents at its own cost, and the Company shall use reasonable efforts to provide such information, data, documents, evidence as may be required for the purpose of and in the course of such inspection in connection therewith. The Investors shall have the right to make copies of, all books of account, records, including the corporate and the financial records, audited accounts and management accounts. The Company shall provide all possible assistance to the Investors or their respective authorised representatives (including legal advisors, accountants and other professional advisors) in this regard. In the



event that any concerns are raised pursuant to such inspection and audit, the Company shall address and resolve such concerns promptly to the satisfaction of the relevant Party. The Investors shall also be entitled to consult and discuss matters concerning the Company or its business with the Directors, Key Managerial Personnel, employees, statutory auditors, accounting advisors and legal advisers of the Company. It shall be the responsibility of the Promoter and Promoter Group Member to ensure that the obligations under this Article 9.2 are given full effect. The reasonable costs of any such inspection including appointment of any auditors for this purpose shall be borne by the Company.

9.2.2 The Investors shall be entitled to standard information, inspection and visitation rights, in compliance with the requirements of Applicable Laws.

All inspection, auditing or other activities conducted by a Shareholder, pursuant to this Article 9.2 shall be conducted in a manner so as not to interfere unreasonably with the conduct of the business of the Company.

## 10. OTHER COVENANTS

### 10.1 Protective Covenant.

10.1.1 The Promoter and Promoter Group Member agree that they shall not, and shall ensure that their Affiliates and Associates do not (except, where relevant, through the Company and its Subsidiaries), directly or indirectly,:

- (i) set up, solicit business on behalf of, render any services to, engage in, guarantee any obligations of, extend credit to or have any ownership interests, in any Conflicting Business. For the purposes of these Articles, "Conflicting Business" means the business of providing facilities management services, production support services, staffing solutions and other business support services that, directly competes with the business of the Company as carried on from time to time;
- (ii) assume any Role in any Person engaged in, or proposed to be engaged in, any Conflicting Business;
- (iii) solicit and render services to or for, or accept from, anyone who is a client or customer of the Company (whether present or future), any Conflicting Business, or persuade or attempt in any manner to persuade any client or customer of the Company to cease to do business or to reduce the amount of business which any such client or customer has customarily done or is reasonably expected to do with the Company;
- (iv) interfere or seek to interfere or take such steps as may interfere with the continuance of supplies to the Company (or the terms relating to such supplies) from any suppliers who have been supplying goods or services to the Company; and
- (v) employ as an employee or retain as a consultant any Person (including an individual, firm, corporation or other form of entity) who is then, or at any time during the 6 (six) month period prior to the date of the purported solicitation, was an employee of, or exclusive consultant to the Company, or persuade or attempt to persuade any employee of, or exclusive consultant to, the Company, to leave the employment of



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

the Company or to become employed as an employee or retained as a consultant by any other Person.

10.1.2 Notwithstanding anything to the contrary agreed in writing between the Shareholders and the Company, and without prejudice to restrictions contained in Article 10.1.1, the Promoter and Promoter Group Member shall not, individually or together, at any time, have any Role or have any interest, directly or indirectly, in any Persons / businesses, irrespective of the nature of the business / operations ("Interested Entities") which is not in compliance with this Article 10.1. The Interested Entities are set forth in Article 10.1.3. As and when a Promoter and Promoter Group acquires / assumes any Role / interest in any new Person / business, the relevant Promoter shall issue a written intimation to the Investors and upon a Promoter and Promoter Group acquiring / assuming such a Role / interest in the manner aforesaid, the relevant Person / Business shall be treated as an Interested Entity for the purposes of these Articles. Further, each Promoter and Promoter Group shall, as and when it ceases to have any Role / interest in any Interested Entity issue a written intimation to the Investors as soon as practicable. As and when a Promoter and Promoter Group acquires / assumes any additional Role / interest or enhancing its shareholding or interest in any Interested Entity, the relevant Promoter and Promoter Group shall issue a written intimation to the Investors.

10.1.3 The details of Interested Entities are as follows:

S.No.	Name of Interested Entity	Nature and Extent of Interest
1.	Tanjirala Infrastructure Development Private Limited	(i) director; (ii) shareholder – legally and beneficially holding 50% (fifty per cent.) of the share capital
2.	Best Security Services Limited	(i) director; (ii) shareholder – legally and beneficially holding 50% (fifty per cent.) of the share capital
3.	Tangi Facility Solutions Private Limited	(i) director; (ii) shareholder – legally and beneficially holding 99% (ninety nine per cent.) of the share capital

10.1.4 Notwithstanding anything to the contrary contained herein, the restrictions contained in this Article 10 shall not be circumvented by the Promoter and Promoter Group Member indirectly including through its Affiliates, Associates or any other Person.

10.1.5 The restrictions contained in Article 10.1.1 shall not apply to any financial / passive investments made by the Promoter and Promoter Group Member subject to the Promoter and Promoter Group Member having sought the prior written consent of the Investor for any



investment exceeding INR 25,00,00,000 (Indian Rupees twenty five crores). Provided that for any financial / passive investment made by the Promoter and Promoter Group Member not exceeding INR 25,00,00,000 (Indian Rupees twenty five crores), the Promoter and Promoter Group Member shall intimate the Investors immediately after having made such investment.

- 10.1.6 The Shareholders and the Company acknowledge that (i) the type and periods of restriction imposed in the provisions of this Article 10.1 are fair and reasonable and are reasonably required in order to protect and maintain the legitimate business interests and the goodwill associated with the business carried on by the Company, and (ii) the time, scope and other provisions of this Article 10.1 have been specifically negotiated by parties and have been agreed to, in light of the investments made by the Investors in the Company, either directly or indirectly.
- 10.1.7 If any of the restraints contained in this Article 10.1 or any part thereof, is held to be unenforceable in a jurisdiction by reason of it extending for too great a period of time, or by reason of it being too extensive in any other respect, the Shareholders and the Company agree for only that particular jurisdiction that (i) such restraint shall be interpreted to extend only over the maximum period of time, geographic area or extent to which it may be enforceable, as determined by the court or arbitration panel making such determination, and (ii) in its reduced form, such restraint shall then be enforceable. Each of the restraints and agreements contained in this Article 10.1 (collectively, the "Protective Covenants") is separate, distinct, and severable.
- 10.1.8 The unenforceability of any portion of the Protective Covenant shall not affect the validity or enforceability of any other portion of the Protective Covenant or any other provision or provisions of these Articles.
- 10.1.9 The Promoter and Promoter Group Member undertake that:
- (i) Promoter I shall devote all of his time, energy and efforts to the activities of Company and the promotion of the Business.
  - (ii) except with the prior written consent of the Investors, all new projects and businesses relating to the Conflicting Business, shall only be undertaken by the Company, and not through any other Affiliates or Associates of any of the Promoter and Promoter Group Member or the Company or through the Relatives of Promoter I and Promoter II. Provided that the security business that is currently being carried on through Best Security Services Limited can be carried on by such an entity subject to the preceding portion of this Article 10.1.9(ii).
  - (iii) all opportunities for new projects and businesses relating to the Conflicting Business that are developed or sourced by, or offered to, the Promoter and Promoter Group Member shall be referred exclusively to the Company.

## 10.2 Conduct of Business.

- 10.2.1 The Company and the Promoter and Promoter Group Member shall cause the Company, Promoter and Promoter Group Member and their respective Affiliates (present or future) to agree and undertake, that:



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.



- (i) the Company and its Subsidiaries shall devise and implement appropriate mechanisms and reporting systems to ensure:
- (a) compliance with all Applicable Laws and Accounting Standards, including requisite corporate governance practices; and
  - (b) that all agreements, dealings and arrangements with any of the Shareholders, their Affiliates or other Related Parties and other transactions with a Related Party are on an arm's length basis with full disclosures to the Board;
- (ii) the Company and its Subsidiaries shall conduct its business in accordance with all Applicable Laws, terms and conditions of the agreed in writing between the Shareholders and the Company, these Articles and the Business Plan;
- (iii) they and, or, their Affiliates shall not engage, by themselves directly or by authorizing any Person to do so, in any offering, giving, receiving, or soliciting, any money, gifts, gratifications or any other thing of value to any Government Official or any other Person, that will amount to a violation of the U.S. Foreign Corrupt Practices Act; 15 U.S.C. §78dd-1, et seq. as amended (the "FCPA"), and the Prevention of Money Laundering Act, 2002 ("PMLA") and other equivalent laws applicable to the Company, Promoter and Promoter Group Member, their respective Affiliates and, or, any Persons authorized by them, notwithstanding the applicability or non-applicability of the FCPA and, or, the PMLA to the Company, Promoter and Promoter Group Member, their respective Affiliates and, or, any Persons authorized by them, in relation to such conduct;
- (iv) they shall not and further undertake to ensure that their respective directors, officers, representatives, employees, advisors and agents do not, make any offer, payment, promise to pay or authorize the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any government official (including without limitation, any tax or customs official, any employee of a government owned or controlled company, or of a public international organization, or any person acting in an official capacity on behalf of a government, government owned or controlled company, or public international organization), or to any arbitration tribunal, or to any political party or an employee of any political party, domestic or foreign (or official thereof) ("Government Official") or to any other Person who was or is in a position to help or hinder the business of the Company, the Promoter and Promoter Group and, or, their respective Affiliates:
- (a) with the intent or purpose of influencing such Government Official or other Person in his official capacity, inducing such Government Official to do or omit to do any act in violation of the lawful duty of such official, or securing any improper advantage;
  - (b) inducing such Government Official to use his influence with a government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality;
  - (c) that would cause the Company, the Promoter and Promoter Group Member and, or, their respective Affiliates and their respective directors, and employees to violate or be in violation of any applicable laws (including without limitation the FCPA, as amended from time to time, notwithstanding the applicability of the FCPA and, or, the PMLA to the Company, Promoter and Promoter Group Member, their respective Affiliates and, or, any Persons authorized by them, in relation to such conduct) or subject it or them to damages or penalties in a civil or criminal proceeding; or
  - (d) that could reasonably be expected to have a Material Adverse Effect, if not discontinued;



A handwritten signature or mark, possibly a stylized letter 'P' or a cursive signature, located below the stamp.

- (v) the Company, the Promoter and Promoter Group Member and their respective Affiliates shall comply with the FCPA policy, as adopted by the Board, effective from the Restated Articles Effective Date;
- (vi) each of the Company, the Promoter and Promoter Group Member and their respective Affiliates are: (a) not currently identified on the Specially Designated Nationals and Blocked Persons List maintained by the U.S. Office of Foreign Assets Control, Department of the Treasury ("OFAC") and, or, on any other similar list maintained by OFAC or any other U.S. governmental agency pursuant to any authorising statute, Order or regulation, and (b) not a person or entity with whom a citizen of the United States of America is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States law, regulation, or order of the President of the United States of America;
- (vii) they and their Affiliates and their respective directors, officers, representatives, employees, advisors and agents have not provided or collected funds with the intention that they be used, or in the knowledge that they are to be used, in order to carry out terrorist acts or support any terrorist organization;
- (viii) the Company, the Promoter and Promoter Group Member and their respective Affiliates (as applicable) shall issue to the Investors, a certificate on an annual basis, in a form and substance satisfactory to Investor 11, certifying compliance with the provisions of this Article 10.2; and
- (ix) the Company, its Subsidiaries and Promoter Group shall adopt at the meetings of their respective Board of Directors and implement all compliance related policies and procedures in relation to matters set out in this Article, as the Investors may deem necessary from time to time.

10.2.2 The Company, the Promoter and Promoter Group Member shall:

- (i) cause the Company, the Promoter and Promoter Group Member and their respective Affiliates and each of their respective officers, directors and employees (individually and collectively, a "Company Representative") to: (a) engage only in lawful practices in commercial operations and in relation to Governmental Authorities or Government Official; (b) not make any bribe, rebate, payoff, influence payment, or any other payment that would be unlawful under any applicable Anti-Corruption Legislation and Anti-Corruption Guidelines as agreed in writing between the Shareholders and the Company;
- (ii) not engage in (or authorize or permit any of their Affiliates or any other Person acting on its behalf to engage in), any Sanctionable Practice with respect to any transaction as agreed in writing between the Shareholders and the Company or otherwise;
- (iii) not make or hold any investments in any entity that (a) is sanctioned pursuant to United Nations Security Council resolutions issued under Chapter VII of the United Nations Charter; (b) is on the World Bank Listing of Ineligible Firms and Individuals or (c) has been convicted, indicted or subjected to any similar criminal sanction, by any court or governmental body of competent jurisdiction, for engaging in money laundering or financing of terrorism or any Sanctionable Practice;



*[Handwritten signature]*

- (iv) upon being notified by the Investors of their concern that there has been a violation of the Articles 10.2 2(i) to (iii), the United Nations Security Council Resolutions, and, or, any Sanctionable Practices in relation to the foregoing, the Company shall cooperate in good faith with the Investors and its representatives in determining whether such a violation has occurred, and shall respond promptly and in reasonable detail to any notice from the Investors, and shall furnish documentary support for such response upon such request;
- (v) (the Promoter and Promoter Group Member) not Transfer, and the Company shall not permit the Transfer of, any of their interests in the Company to any person or entities (a) named on lists promulgated from time to time by the United Nations Security Council or its committees pursuant to any resolution issued under Chapter VII of the United Nations Charter; (b) named on the World Bank Listing of Ineligible Firms and Individuals (see [www.worldbank.org/debar](http://www.worldbank.org/debar) or any successor website or location); and, or, (c) convicted, or subjected to any similar criminal sanction, by any court or governmental body of competent jurisdiction, for engaging in money laundering or financing of terrorism or any Sanctionable Practice, or in each case, to any successor in interest or ultimate beneficial owner thereof; and
- (vi) on becoming aware of any violation of the Integrity Requirements, they shall promptly notify the Investors.

### 10.3 Distribution of Profits.

The Board shall determine the amount and the time of distribution of dividends in accordance with the Dividend Policy. The Shareholders and the Company agree that the profits of the Company, as and when distributed, shall be distributed to the Shareholders as per their Shareholding Percentage.

### 10.4 Key Managerial Personnel.

- 10.4.1 Key Managerial Personnel shall be appointed by the Board from time to time in accordance with the requirements of Applicable Laws and the Company shall ensure that the position of chief executive officer, chief financial officer/ vice-president (finance) and business development head of the Company is not vacant for longer than a period of 60 (sixty) days at any point in time. The Persons including the Key Managerial Personnel so appointed by the Board from time to time including Mr. Raghunandana Tangirala, along with the executive directors of the Company, if any, shall hereinafter be referred to as the "Management".
- 10.4.2 The Management shall be responsible for the day-to-day management of the Company and shall directly report to the Board. The Management shall operate within the authority specifically approved and granted by the Board and shall exercise such powers as may be delegated to them by the Board subject to its overall control, direction and supervision. The Management shall report to the Board in such manner as may be determined by the Board from time to time.
- 10.4.3 Any decision in regard to the appointment or termination, or change in the terms of appointment of any Key Managerial Personnel and, or member of the Management shall be subject to Article 6.



#### 10.5 Auditors and Accounting.

10.5.1 The Company shall keep true and accurate accounting records of all operations in accordance with Applicable Laws and Accounting Standards, and such records shall be open for inspection by each Party or by its duly authorised representatives at all times during normal business hours and with sufficient notice so as not to disrupt the Company's operations.

10.5.2 The Financial Statements of the Company shall be audited at the Company's expense by the Statutory Auditor.

10.5.3 The accounting records shall be kept at the registered office of the Company or at such other place, in accordance with Applicable Laws, as the Board may deem fit and proper.

#### 10.6 Indebtedness.

In the event the Company proposes to incur any Indebtedness, including by borrowing funds from banks and financial institutions, the Investors shall not be asked, or be required to give any warranties, letter of comfort and, or, guarantees, of any nature whatsoever for any loans or with regard to any aspect of the business or functioning of the Company. In relation to any Indebtedness of the Company, the Investors shall not be required to pledge their Securities or provide any support to any Third Party, including but not limited to lenders of the Company.

#### 10.7 Promoter Status.

10.7.1 The Investors and, or, their Affiliates shall not be named or deemed as 'Promoter and Promoter Group Member' or 'sponsors' of the Company nor shall any declaration or statement be made to this effect, either directly or indirectly, in filings with regulatory or Governmental Authorities, offer documents or otherwise without the prior written consent of the Investors in writing.

10.7.2 The Investors, their officials, employees, nominee directors, managers, representatives or agents shall not be named or deemed as an 'occupier' or 'officer in charge' or 'officer in default' under any Applicable Laws. In the event any Governmental Authority takes a view or draws an inference that the Investors or their Affiliates or their officials, employees, nominee directors, managers, representatives or agents, is a 'sponsor', 'occupier' or 'officer in charge' or 'officer in default', then the Company and the Promoter and Promoter Group Member shall co-operate with the Investors to make such representations and make full disclosures to the Investors or such body or authority as may be required by the Investors to dispel or correct such inference or view under the Applicable Laws.

#### 10.8 Promoter Group Tax Covenants.

The Company and the Promoter and Promoter Group Member shall act in good faith and shall pay all Taxes (direct and indirect), duties, cess, fees or any other amount payable (whether by way of Tax or otherwise), under the Applicable Laws. Further, the Company, and the Promoter and Promoter Group Member shall take all steps to make the necessary Tax filings under the Applicable Laws (including but not limited to the return of income for the relevant Financial Years, withholding Tax returns etc.).

#### 10.9 Business Plan.



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.



The Business Plan for each Financial Year shall be discussed and approved by the Board, which approval will require an affirmative vote by the Investors in accordance with Article 6, no later than 30 (thirty) days before the beginning of the relevant Financial Year. The Promoter and Promoter Group Member and the Company shall take all steps necessary, including the exercise of their rights at Shareholders Meetings and causing their nominee Directors to exercise their rights at Board Meetings, to ensure that the Company carries on its business in accordance with the terms of the Business Plan agreed from time to time.

#### **10.10 Related Party Transactions.**

Any transactions with Related Parties (including investments in, or loans to Related Parties, the formation of Affiliate entities or Subsidiaries) shall be conducted (i) on an arm's-length basis; and (ii) with the consent of the majority disinterested directors. Provided that any Related Party transactions which are in the Ordinary Course and are on an arm's-length basis may be approved by the Board through provision of an omnibus approval subject to consent of the Investor in terms of Article 6.

#### **10.11 Subsidiaries.**

10.11.1 Unless stated otherwise, any and all rights available to the Investors in or with respect to the Company as agreed in writing between the Shareholders and the Company, including, without limitation, the right under Article 6, shall be also available to the Investors in the wholly owned Subsidiaries of the Company, whether such Subsidiaries exist on the Restated Articles Effective Date or not. All obligations of the Promoter and Promoter Group Member hereunder with respect to the Company also apply to the Promoter and Promoter Group Member in respect of such wholly owned Subsidiaries. The Company shall ensure that all of the rights, preferences and privileges of the Investors which are contained in these Articles, including all management principles set out in these Articles, shall be continuously made applicable to each of the present or future wholly owned Subsidiaries of the Company and shall form part of the memorandum and articles of association or other charter documents of such Subsidiaries.

10.11.2 With respect to Subsidiaries other than wholly owned Subsidiaries of the Company, all rights available to the Investors in or with respect to the Company as agreed in writing between the Shareholders and the Company, including, without limitation, the right under Article 6, shall be exercised by the Board at the meetings of the board of directors or shareholders of such Subsidiaries and, or, Associate Companies.

#### **10.12 Most Favoured Right**

The Company shall not, and the Promoter and Promoter Group Member shall procure that the Company and its Subsidiaries shall not, directly or indirectly, or in any manner whatsoever, grant to any Persons (whether in regard to an issue of Securities or otherwise) rights that are superior or more favourable than the rights that have been granted to the Investors under these Articles. Without prejudice to the generality of the above, any rights that are more favourable and, or, superior than the right available to the Investors under these Articles, shall only be granted to any Person in regard to the Company with the prior written consent of the Investors, and such rights shall automatically, without there being any requirement to undertake any further act and, or, omission, be available to the Investors.

#### **10.13 Business Review Meetings**



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

The Company shall, and the Promoter and Promoter Group Member shall procure that the Company shall, organize, at the Company's cost, business review meetings between the Shareholders and the Company at such regular intervals.

#### 10.14 Fall away of Rights

In the event the Investors (together with their Affiliates who hold Securities in the Company) hold less than 5% (five per cent.) of the Share Capital on a Fully Diluted Basis due to Transfer of the Securities held by the Investors or dilution of the Shareholding Percentage of the Investors, the rights conferred on the Investors pursuant to Articles 3.2 (*Fresh Issue of Securities*), 3.3 (*Anti-Dilution*), 4 (*Board and Board Meeting*), 5.1.2 (*Notice*), 5.1.3 (*Quorum*), 6 (*Affirmative Vote Matters*), 9 (*Restriction on Transfer of Promoter and Promoter Group Securities*), 8 (*Exit Rights*) of these Articles shall cease (save and except as otherwise agreed in writing by the Shareholders and the Company). Notwithstanding the above, all other rights available to the Investors under these Articles, and the rights generally available to a shareholder holding less than 5% (five per cent.) of the share capital of a company under Applicable Law, shall continue to be applicable to the Investors until the Investors ceases to hold any Securities in the Company.

### 11. EVENTS OF DEFAULT

#### 11.1 Consequences of Default.

On the occurrence of an Event of Default as defined and agreed in writing between the Shareholders and the Company, the Investors shall, without prejudice to any other rights or remedies they may have under Applicable Laws or any other contract, have the right (exercisable in its absolute discretion, but not the obligation) by delivery of a written notice to terminate irrevocably all the rights (but not obligations) of the Promoter and Promoter Group Member and the Company under these Articles as well as the agreements between the Shareholders and the Company and require the Promoter and Promoter Group Member to buy all of the Securities held by the Investors, at 175% (one hundred and seventy five percent.) of the fair market value determined in accordance with Applicable Laws assuming that such Event of Default as defined and agreed in writing between the Shareholders and the Company has not occurred, or the Investment Amount, whichever is higher.

### 12. GENERAL

- 12.1 Any reference to "as agreed in writing between the Shareholders and the Company" shall mean the Investment Agreement dated 19 January, 2017, as amended from time to time and other documents executed by the Investors, Promoter and Promoter Group Member, and Company.
- 12.2 Capitalised terms used but not defined herein shall have the meanings assigned to them as agreed in writing between the Shareholders and the Company.



A handwritten signature in dark ink, appearing to be a stylized 'P' or similar character.

S/No.	Signature, Name, Father/ Husband name, Address description, occupation and PAN No. (If any) of each of the subscribers	Signature, Name, Father/ Husband name Address & of Witness
1.	Sd/-  Mr. T. RAGHUNANDANA S/o. Late T.V.S. SHARMA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AADPT0426C	
2.	Sd/-  Ms. T. SHANTHI W/o. T.RAGHUNANDANA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AAVPS5245C	Sd/-
3	Sd/-  Mr.T. KESAVAN S/o. P. THATILAPPAN No. F-4, Jumbo vinayak, 21, Leelavathi Ammal Street, Madippakkam Chennai-600 091 Service PAN: AHIPK5560E	M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2 <sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.NO.5081
4.	Sd/-  Mr.D.W.LYONS S/o. Late V.T.LYONS No.63, Foxen Street, Perambur Chennai-600 011 Service PAN: APPLIED FOR	
5	Sd/-  Mr.JOSEPH FULBERT EDWARD S/o Late A. J. EDWARD	



	No.17, 7 <sup>th</sup> Street, Thiruvalluvar Nagar Erukkencheri Chennai-600 118 Service PAN: ADUPJ5877D	
6	Sd/-  Mr. C. ROY SURESH KUMAR S/o. Late S.L. COLUMBUS No.33, N.G.O Colony Sriperumbudur-602 105 Service PAN: APPLIED FOR	Sd/-  M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2 <sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.No. 5081
7	Sd/-  Mr. S. MARIAPPAN S/o. S. SANKARA NARAYANAN No.146, Pandian Street Alwarthiru Nagar Chennai-600 087 Service PAN: AJRPM 9968L	

Place : Chennai

Date : 06.11.2003







\*  
**ARTICLES OF ASSOCIATION**  
**OF**  
**UPDATER SERVICES LIMITED**

**1. Table F Applicable**

No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.

**INTERPRETATION CLAUSE**

- 2.** In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:

**Act**

- (a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.

**Articles**

- (b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.

**Auditors**

- (c) "Auditors" means and includes those persons appointed as such for the time being of the Company.

**Capital**

- (d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.
- (e) "The Company" shall mean UPDATER SERVICES LIMITED

**Executor or Administrator**

- (f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.

**Legal Representative**

- (g) "Legal Representative" means a person who in law represents the estate of a deceased Member.

**Gender**

- (h) Words importing the masculine gender also include the feminine gender.

**In Writing and Written**



*B. Lakshmanan*

- (i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.

**Marginal notes**

- (j) The marginal notes hereto shall not affect the construction thereof.

**Meeting or General Meeting**

- (k) "Meeting" or "General Meeting" means a meeting of members.

**Month**

- (l) "Month" means a calendar month.

**Annual General Meeting**

- (m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.

**Extra-Ordinary General Meeting**

- (n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.

**Office**

- (o) "Office" means the registered Office for the time being of the Company.

**Ordinary Resolution and Special Resolution**

- (p) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.

**Person**

- (q) "Person" shall mean any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union, association, Government or any agency or political subdivision thereof or any other entity that may be treated as a person under applicable law.

**Proxy**

- (r) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.

**Register of Members**

- (s) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act.

**Seal**

- (t) "Seal" means the common seal for the time being of the Company.

**Singular number**

- (u) Words importing the Singular number include where the context admits or requires the plural number



and vice versa.

#### **These presents**

- (v) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.

#### **Variation**

- (w) "Variation" shall include abrogation; and "vary" shall include abrogate.

#### **Year and Financial Year**

- (x) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.

#### **Expressions in the Act to bear the same meaning in Articles**

Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.

### **CAPITAL**

#### **3. Authorized Capital**

The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.

#### **4. Increase of capital by the Company how carried into effect**

The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 61 and Section 64 of the Act.

#### **5. Further Issue of Share Capital**

- (a) Where, at any time, it is proposed to increase the subscribed capital of the company by allotment of further shares then such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date by sending a letter of offer, subject to the following conditions, namely:
- (i) The offer shall be made by a notice specifying the number of Shares offered and limiting a time not less than fifteen (15) days and not exceeding thirty (30) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
  - (ii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) hereof shall contain a statement of this right; provided that the Directors may decline, without assigning any reason to allot any Shares to any person in whose favour any member may, renounce the Shares offered to him.
  - (iii) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the



*B. Kanishka*



Board of Directors may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person.

- (iv) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right.
- (v) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the company.
- (b) Notwithstanding anything contained in subclause (a), the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (i) of sub-clause (a) hereof) in any manner whatsoever.
  - (i) If a special resolution to that effect is passed by the company in general meeting, or
  - (ii) Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the company.
- (c) Nothing in sub-clause (iii) of (a) hereof shall be deemed:
  - (i) To extend the time within which the offer should be accepted; or
  - (ii) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (d) Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debentures issued by the company:
  - (i) To convert such debentures or loans into shares in the company; or
  - (ii) To subscribe for shares in the company

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and
- (b) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the company in General Meeting before the issue of the loans.

#### 6. New Capital same as existing capital

Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.



**7. Non-Voting Shares**

The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.

**8. Redeemable Preference Shares**

Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.

**9. Voting rights of preference shares**

The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.

**10. Provisions to apply on issue of Redeemable Preference Shares**

On the issue of redeemable preference shares under the provisions of Article 8 hereof, the following provisions shall take effect:

- (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;
- (b) No such Shares shall be redeemed unless they are fully paid;
- (c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;
- (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and
- (e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital.

**11. Reduction of capital**

The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce:

- (a) the share capital;
- (b) any capital redemption reserve account; or
- (c) any security premium account

In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.



*B. Hanishenke*



## **12. Debentures**

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

## **13. Issue of Sweat Equity Shares**

The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.

## **14. ESOP**

The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.

## **15. Buy Back of shares**

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.

## **16. Consolidation, Sub-Division and Cancellation**

Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled or the Company in general meeting may also convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.

## **17. Issue of Depository Receipts**

Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.

## **18. Issue of Securities**

Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.

## **19. Register of Members**

The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members Resident in that State or Country.



## **MODIFICATION OF CLASS RIGHTS**

*B. Ravishanker*

**20. Modification of rights.**

(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.

Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.

**New Issue of Shares not to affect rights attached to existing shares of that class.**

(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.

**21. Shares at the disposal of the Directors.**

Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

PROVIDED THAT option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.

**22. Power to issue shares on preferential basis.**

The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.

**23. Shares should be Numbered progressively and no share to be subdivided.**

The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

**24. Acceptance of Shares.**

An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.

**25. Directors may allot shares as full paid-up**





Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.

**26. Deposit and call etc. to be a debt payable immediately.**

The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.

**27. Liability of Members.**

Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.

**28. Registration of Shares.**

Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.

**RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT**

29. The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Section 39 of the Act.

**CERTIFICATES**

**30. Share Certificates.**

- (a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve.

PROVIDED THAT in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holder.

- (b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 46 of the Act.

**31. Issue of new certificates in place of those defaced, lost or destroyed.**

- (a) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back



thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate.

- (b) Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding ₹ 2 for each certificate) as the Directors shall prescribe.

PROVIDED THAT no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer, and that fees will also not be charged for registration of transfer, transmission, succession certificate, certificate of death or marriage.

PROVIDED THAT notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Companies Act, 2013 or rules made under Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable thereof in this behalf.

- (c) The provision of this Article shall mutatis mutandis apply to debentures of the company.

**32. The first named joint holder deemed Sole holder.**

- (a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.

**Maximum number of joint holders.**

- (b) The Company shall not be bound to register more than three persons as the joint holders of any share.

**33. Company not bound to recognise any interest in share other than that of registered holders.**

Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

**34. Instalment on shares to be duly paid.**

If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalment, every such instalment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.

**UNDERWRITING AND BROKERAGE**

**35. Commission**

Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.





**36. Brokerage**

The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.

**CALLS**

**37. Directors may make calls**

(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.

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

(3) A call may be made payable by instalments.

**38. Notice of Calls**

Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.

**39. Calls to date from resolution.**

A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.

**40. Calls on uniform basis.**

Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.

**41. Directors may extend time.**

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.

**42. Calls to carry interest.**

If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 10% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.

**43. Sums deemed to be calls.**

If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or instalment accordingly.

  
B. R. Sankar

**44. Proof on trial of suit for money due on shares.**

On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

**45. Judgment, decree, partial payment motto proceed for forfeiture.**

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

**46. Payments in Anticipation of calls may carry interest**

- (a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.
- (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.
- (c) The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.

**LIEN**

**47. Company to have Lien on shares.**

The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.

**48. Fully paid shares to be free from all lien**

Fully paid shares of the Company shall be free from all lien. In the case of partly paid shares, the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.





**49. As to enforcing lien by sale.**

For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfilment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.

**50. Application of proceeds of sale.**

The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to 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.

**FORFEITURE AND SURRENDER OF SHARES**

**51. If call or instalment not paid, notice may be given.**

If any Member fails to pay the whole or any part of any call or instalment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or instalment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or instalment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or instalment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.

**52. Terms of notice.**

The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or instalment and such interest thereon as the Directors shall determine from the day on which such call or instalment ought to have been paid and expenses as aforesaid are to be paid.

The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

**53. On default of payment, shares to be forfeited.**

If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.

**54. Notice of forfeiture to a Member**

When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.



**55. Forfeited shares to be property of the Company and may be sold etc.**

Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.

**56. Members still liable to pay money owing at time of forfeiture and interest.**

Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.

**57. Effect of forfeiture.**

The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

**58. Evidence of Forfeiture.**

A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.

**59. Title of purchaser and allottee of Forfeited shares.**

The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: 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, re-allotment or other disposal of the shares.

**60. Cancellation of share certificate in respect of forfeited shares.**

Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.

**61. Forfeiture may be remitted.**

In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.

**62. Validity of sale**

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be

  
B. Rajasekhar



in damages only and against the Company exclusively.

**63. Surrender of shares.**

The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.

**TRANSFER AND TRANSMISSION OF SHARES**

**64. Execution of the instrument of shares.**

- (a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.
- (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.

**65. Transfer Form.**

The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.

The instrument of transfer shall be in a common form approved by the Exchange.

**66. Transfer not to be registered except on production of instrument of transfer.**

The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.

**67. Directors may refuse to register transfer.**

Subject to the provisions of Section 58 and 59 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, these Articles and other applicable provisions of the Act, the Directors may, whether in pursuance of any power of the company under these Articles or otherwise, decline to register the transfer of, or the transmission by operation of law of the right to, any shares, or interest of a Member therein, or debentures of the Company. The Company shall, within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.

PROVIDED THAT registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

**68. Notice of refusal to be given to transferor and transferee.**

If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the



*B. Hanumanth*

person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 58 of the Act or any statutory modification thereof for the time being in force shall apply.

**69. No fee on transfer.**

No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.

**70. Closure of Register of Members or debenture holder or other security holders**

The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.

**71. Custody of transfer Deeds.**

The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.

**72. Application for transfer of partly paid shares.**

Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

**73. Notice to transferee.**

For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

**74. Recognition of legal representative.**

- (a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.
- (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.

Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate

- (c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

**75. Titles of Shares of deceased Member**

The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the





name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.

**76. Notice of application when to be given**

Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.

**77. Registration of persons entitled to share otherwise than by transfer. (transmission clause).**

Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the "Transmission Clause".

**78. Refusal to register nominee.**

Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

**79. Board may require evidence of transmission.**

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

**80. Company not liable for disregard of a notice prohibiting registration of transfer**

The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

**81. Form of transfer Outside India.**

In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.



*Ravi Shankar*

**82. No transfer to insolvent etc.**

No transfer shall be made to any minor, insolvent or person of unsound mind.

**NOMINATION**

**83. Nomination**

- i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.
- ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014
- iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.
- iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.

**84. Transmission of Securities by nominee**

A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-

- (i) to be registered himself as holder of the security, as the case may be; or
- (ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;
- (iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;
- (iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

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

**DEMATERIALISATION OF SHARES**

**85. Dematerialisation of Securities**

- 1) Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its shares, debentures and other securities pursuant to the Depositories Act, 1996.
- 2) Every Person subscribing to the Shares offered by the Company shall have the option to receive Share certificates or to hold the Shares with a depository. Where Person opts to hold any Share with the depository, the Company shall intimate such depository of details of allotment of the Shares to

  
B. R. [Signature]



enable the depository to enter in its records the name of such Person as the beneficial owner of such Shares. Such a Person who is the beneficial owner of the Shares can at any time opt out of a depository, if permitted by the Law, in respect of any Shares in the manner provided by the Depositories Act, 1996 and the regulations made thereunder and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of Shares. In the case of transfer of Shares or other marketable securities where the Company has not issued any certificates and where such Shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act shall apply.

- 3) If a Person opts to hold his Shares with a depository, the Company shall intimate such depository the details of allotment of the Shares, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the Shares.
- 4) Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with a depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof.
- 5) All Shares held by a depository shall be dematerialized and shall be in a fungible form.
- 6) Notwithstanding anything to the contrary contained in the Act or the Articles, a depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of Shares on behalf of the beneficial owner.
- 7) Save as otherwise provided in (6) above, the depository as the registered owner of the Shares shall not have any voting rights or any other rights in respect of Shares held by it.
- 8) Every person holding Shares of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be the owner of such Shares and shall also be deemed to be a Shareholder of the Company. The beneficial owner of the Shares shall be entitled to all the liabilities in respect of his Shares which are held by a depository. The Company shall be further entitled to maintain a register of Members with the details of Members holding Shares both in material and dematerialized form in any medium as permitted by Law including any form of electronic medium.
- 9) Notwithstanding anything in the Act or the Articles to the contrary, where Shares are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of disks, drives or any other mode as prescribed by Law from time to time.
- 10) Nothing contained in the Act or the Articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a depository.
- 11) The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Act and the Depositories Act, 1996, containing details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by law(s) including any form of electronic media.
- 12) The Company shall have the power to keep in any state or country outside India a branch register resident in that state or country.

#### JOINT HOLDER

##### 86. Joint Holders

Where two or more persons are registered as the holders of any share, they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.



**87. Joint and several liabilities for all payments in respect of shares.**

- (a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

**Title of survivors.**

- (b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;

**Receipts of one sufficient.**

- (c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and

**Delivery of certificate and giving of notices to first named holders.**

- (d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall be deemed to be service on all the holders.

**SHARE WARRANTS**

**88. Power to issue share warrants**

The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.

**89. Deposit of share warrants**

- (a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.
- (b) Not more than one person shall be recognized as depositor of the Share warrant.
- (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.

**90. Privileges and disabilities of the holders of share warrant**

- (a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.
- (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.



*B. Lenin Shanka*



**91. Issue of new share warrant coupons**

The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

**CONVERSION OF SHARES INTO STOCK**

**92. Conversion of shares into stock or reconversion.**

The Company may, by ordinary resolution in General Meeting.

- a) convert any fully paid-up shares into stock; and
- b) re-convert any stock into fully paid-up shares of any denomination.

**93. Transfer of stock.**

The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation 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.

**94. Rights of stock holders.**

The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

**95. Regulations.**

Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.

**BORROWING POWERS**

**96. Power to borrow.**

Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.

**97. Issue of premium etc. or with special privileges.**

Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.



**98. Securing payment or repayment of Moneys borrowed.**

The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charge, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.

**99. Bonds, Debentures etc. to be under the control of the Directors.**

Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

**100. Mortgage of uncalled Capital.**

If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.

**101. Indemnity may be given.**

Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

**MEETINGS OF MEMBERS**

**102. Distinction between AGM & EGM.**

All the General Meetings of the Company other than Annual General Meetings shall be called Extraordinary General Meetings.

**103. Extra-Ordinary General Meeting by Board and by requisition**

- (a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members.

**Proceedings at General Meeting**

- (b) No business shall be transacted at any general meeting unless quorum of members, as stipulated under the provisions of the Act, is present at the time when the meeting proceeds to business.
- (c) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.

**When a Director or any two Members may call an Extra Ordinary General Meeting**

- (d) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may

  
B. R. [Signature]



call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.

**104. Meeting not to transact business not mentioned in notice.**

No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.

**105. Chairman of General Meeting**

The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Vice Chairman of the Company so shall take the chair and preside the meeting. In the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.

**106. Business confined to election of Chairman or Vice Chairman whilst chair is vacant.**

No business, except the election of a Chairman or Vice Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.

**107. Chairman with consent may adjourn meeting.**

- a) 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.
- b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- c) 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.
- d) 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.

**108. Chairman's casting vote.**

In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.

**109. In what case poll taken without adjournment.**

Any poll duly demanded on the election of Chairman or Vice Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.

**110. Demand for poll not to prevent transaction of other business.**

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

**VOTES OF MEMBERS**

**111. Members in arrears not to vote.**

No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.



**112. Number of votes each member entitled.**

Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.

**113. Casting of votes by a member entitled to more than one vote.**

On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

**114. Vote of member of unsound mind and of minor**

A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor 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.

**115. Postal Ballot**

Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.

**116. E-Voting**

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

**117. Votes of joint members.**

- a) 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. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joint holders thereof.
- b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

**118. Votes may be given by proxy or by representative**

Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles.

**119. Representation of a body corporate.**

A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its



*Bharathkumar*



representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.

**120. Members paying money in advance.**

- (a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.

**Members not prohibited if share not held for any specified period.**

- (b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.

**121. Votes in respect of shares of deceased or insolvent members.**

Any person entitled under Article 77 (transmission clause) 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.

**122. No votes by proxy on show of hands.**

No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.

**123. Appointment of a Proxy.**

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.

**124. Form of proxy.**

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

**125. Validity of votes given by proxy notwithstanding death of a member.**

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.

**126. Time for objections to votes.**

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.



**127. Chairperson of the Meeting to be the judge of validity of any vote.**

Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

**DIRECTORS**

**128. Number of Directors**

Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution. The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of applicable Law. Further, such appointment of such Independent Directors shall be in terms of, and subject to, the aforesaid provisions of applicable Law.

**129. Qualification shares.**

A Director of the Company shall not be bound to hold any Qualification Shares in the Company.

**130. Nominee Directors.**

- (a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the financing company or body or financing corporation or credit corporation or bank or any insurance corporation (each such financing company or body or financing corporation or credit corporation or bank or any insurance corporation is hereinafter referred to as financial institution) out of any loans granted by the financial institution to the Company or so long as the financial institution hold Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the financial institution on behalf of the Company remains outstanding, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement.
- (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.
- (c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.

**131. Appointment of alternate Director.**

The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

**132. Additional Director**

Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.





**133. Directors power to fill casual vacancies.**

Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.

**134. Sitting Fees.**

Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.

**135. Travelling expenses Incurred by Director on Company's business.**

The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.

**PROCEEDINGS OF THE BOARD OF DIRECTORS**

**136. Meetings of Directors.**

- (a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.
- (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

**Quorum**

No business shall be transacted at any Board meeting unless quorum of Directors, as stipulated under the provisions of the Act, is present at the time when the meeting proceeds to business.

**137. Chairman and Vice Chairman**

- a) The Directors may from time to time elect from among their members a Chairperson of the Board as well as a Vice Chairman of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, to the Vice Chairman shall preside at the meeting and in the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.
- b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.

**138. Questions at Board meeting how decided.**

Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman or the Vice Chairman, as the case may be will have a second or casting vote.

**139. Continuing directors may act notwithstanding any vacancy in the Board**

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



*B. Ramakrishna*

summoning a general meeting of the company, but for no other purpose.

**140. Directors may appoint committee.**

Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

**141. Committee Meetings how to be governed.**

The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

**142. Chairperson of Committee Meetings**

- a) A committee may elect a Chairperson of its meetings.
- b) 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.

**143. Meetings of the Committee**

- a) A committee may meet and adjourn as it thinks fit.
- b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

**144. Acts of Board or Committee shall be valid notwithstanding defect in appointment.**

Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.

**145. Power to fill casual vacancy**

Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.

**POWERS OF THE BOARD**

**146. Powers of the Board**

The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General





Meeting. However, no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

#### **147. Certain powers of the Board**

Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say

##### **To acquire any property , rights etc.**

- (1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.

##### **To take on Lease.**

- (2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.

##### **To erect & construct.**

- (3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.

##### **To pay for property.**

- (4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

##### **To insure properties of the Company.**

- (5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.

##### **To open Bank accounts.**

- (6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.

##### **To secure contracts by way of mortgage.**

- (7) To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage



or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.

**To accept surrender of shares.**

- (8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.

**To appoint trustees for the Company.**

- (9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.

**To conduct legal proceedings.**

- (10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.

**Bankruptcy & Insolvency**

- (11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.

**To issue receipts & give discharge.**

- (12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.

**To invest and deal with money of the Company.**

- (13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.

**To give Security by way of indemnity.**

- (14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;

**To determine signing powers.**

- (15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.

**Commission or share in profits.**

- (16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and





such commission or share of profits shall be treated as part of the working expenses of the Company.

**Bonus etc. to employees.**

- (17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.

**Transfer to Reserve Funds.**

- (18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.

**To appoint and remove officers and other employees.**

- (19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.

**To appoint Attorneys.**

- (20) At any time and from time to time by power of attorney, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.

**To enter into contracts.**

- (21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for



*B. R. Sankar*



the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

**To make rules.**

- (22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.

**To effect contracts etc.**

- (23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.

**To apply & obtain concessions licenses etc.**

- (24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.

**To pay commissions or interest.**

- (25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.

**To redeem preference shares.**

- (26) To redeem preference shares.

**To assist charitable or benevolent institutions.**

- (27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.
- (28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.
- (30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.
- (31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.



*B. Karishanka*

- (2) 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.
- (3) 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.

**153. The company in General Meeting may declare Dividends.**

The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.

**154. Transfer to reserves**

- a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.
- b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

**155. Interim Dividend.**

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.

**156. Debts may be deducted.**

The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

**157. Capital paid up in advance not to earn dividend.**

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.

**158. Dividends in proportion to amount paid-up.**

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 dividends as from a particular date such share shall rank for dividend accordingly.

**159. Retention of dividends until completion of transfer under Articles.**

The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.

**160. No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.**

No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share





or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.

**161. Effect of transfer of shares.**

A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.

**162. Dividend to joint holders.**

Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.

**163. Dividends how remitted.**

- a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

**164. Notice of dividend.**

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.

**165. No interest on Dividends.**

No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.

**166. Unpaid or unclaimed dividend**

- a) The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company. If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days, transfer the total amount of dividend, which remained so unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account".
- b) Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investor Education and Protection Fund".
- c) Further, there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

**CAPITALIZATION**

**167. Capitalization.**

- (1) The Company in General Meeting may, upon the recommendation of the Board, resolve:
  - (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the 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 (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:
  - (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or
  - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
- (3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.
- (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

#### 168. Fractional Certificates.

- (1) 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 capitalized thereby and all allotments and issues of fully paid shares, if any, and
  - (b) generally to do all acts and things required to give effect thereto.
- (2) The Board shall have full power -
  - (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also
  - (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 capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.
- (3) Any agreement made under such authority shall be effective and binding on all such members.
- (4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.

#### 169. Inspection of Minutes Books of General Meetings.

- (1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.

Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof





on payment of Rs. 10 per page or any part thereof.

#### 170. Inspection of Accounts

- a) 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.
- b) 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.

### FOREIGN REGISTER

#### 171. Foreign Register.

The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.

### DOCUMENTS AND SERVICE OF NOTICES

#### 172. Signing of documents & notices to be served or given.

Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.

#### 173. Authentication of documents and proceedings.

Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.

### WINDING UP

#### 174. 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

#### 175. Directors' and others right to indemnity.

Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or



about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.

#### 176. Not responsible for acts of others

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

#### SECURITY

#### 177. Secrecy

- (a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

#### Access to property information etc.

- (b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.

\* This Articles of Association has been adopted  
in the extraordinary general meeting held on  
23.08.2023 vide special resolution.



B. Ram Shankar

**THE COMPANIES ACT 1956**  
**COMPANY LIMITED BY SHARES**  
**AMENDED AND RESTATED ARTICLES OF ASSOCIATION**  
**OF**  
**UPDATER SERVICES PRIVATE LIMITED**



**THE COMPANIES ACT 1956**  
**COMPANY LIMITED BY SHARES**  
**AMENDED AND RESTATED ARTICLES OF ASSOCIATION**  
**OF**  
**UPDATER SERVICES PRIVATE LIMITED**

*(Substituted the Existing set of Articles by a new set of Articles vide special resolution passed at the EGM held on January 10, 2006)*

1.
  - (a) Subject as hereinafter provided the regulations contained in Table "A" in the First Schedule to Companies Act 1956 shall apply to the Company.
  - (b) Regulations bearing Nos.23, 24 and 66 of the said table shall not apply to the Company.
2. In these regulations:
  - (a) **"1<sup>st</sup> Tranche Closing"** shall mean the date of issue and allotment of the 1<sup>st</sup> Tranche Shares to New Vernon.
  - (b) **"1<sup>st</sup> Tranche Shares"** shall mean 23810 equity shares at a price of INR 6300 per share constituting Twenty-Three point Eighty-One Percent (23.81%) of the issued and paid-up share capital of Company on the 1<sup>st</sup> Tranche Closing on a Fully Diluted basis.
  - (c) **"2<sup>nd</sup> Tranche Closing"** shall mean the date of issue and allotment of the 2<sup>nd</sup> Tranche Shares to New Vernon.
  - (d) **"2<sup>nd</sup> Tranche Shares"** shall mean 15873 equity shares at a price of INR 6300 per share which, along with the 1<sup>st</sup> Tranche Shares, constitute Thirty Four point Twenty-Five Percent (34.25%) of the issued and paid-up share capital of Company on the 2<sup>nd</sup> Tranche Closing on a Fully Diluted basis.
  - (e) **"3<sup>rd</sup> Tranche Closing"** shall mean the date of issue and allotment of the 3<sup>rd</sup> Tranche Shares to New Vernon.
  - (f) **"3<sup>rd</sup> Tranche Shares"** shall mean (a) 23016 equity shares at a price of INR 6300 per share which, along with the 1<sup>st</sup> Tranche Shares and 2<sup>nd</sup> Tranche Shares, constitute Forty-Five point Fourteen Percent (45.14%) of the issued and paid-up share capital of Company on the 3<sup>rd</sup> Tranche Closing on a Fully Diluted basis if the 3<sup>rd</sup> Tranche Closing is completed on or before 30<sup>th</sup> June 2006, or (b) 17705 equity shares at a price of INR 8190 per share which, along with the 1<sup>st</sup> Tranche

Shares and 2<sup>nd</sup> Tranche Shares, constitute Forty-Two point Ninety-Six Percent (42.96%) of the issued and paid-up share capital of Company on the 3<sup>rd</sup> Tranche Closing on a Fully Diluted basis if the 3<sup>rd</sup> Tranche Closing is completed after 30<sup>th</sup> June 2006.

- (g) **“Act”** means the Companies Act, 1956.
- (h) **“Affiliate”** shall mean, in respect of any Person, any other Person that directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with such first Person.
- (i) **“Annual General Meeting”** means a General Meeting of the Members held in accordance with the provisions of Section 166 of the Act and any adjourned holdings thereof.
- (j) **“Applicable Law”** shall mean any applicable constitution, treaty, statute, rule, regulation, ordinance, order, directive, code, judgment, decree, injunction, or any interpretation, determination, award, permit, license, authorization, directive requirement, ruling or decision of, agreement with, or by a Government Authority.
- (k) **“Best Security Services Private Limited”** shall mean Best Security Services Private Limited a private limited company existing under the Act and having its registered office at 42, Luz Avenue, Mylapore, Chennai – 600 004.
- (l) **“Board”** means the Board of Directors of the Company.
- (m) **“Company”** means UPDATER SERVICES PRIVATE LIMITED.
- (n) **“Control”** shall mean (i) when used with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of Securities, by Contract or otherwise, and (ii) when used with respect to any Security, the possession, directly or indirectly, or the power to vote, or to direct the voting of, such Security or the power to dispose of, or to direct the disposition of, such Security.
- (o) **“Covered Activity”** shall mean direct or indirect participation, whether or not for compensation, in the ownership, management or control of, or the provision of advisory, consulting or any other services to any business or entity engaged in a business or activity identical or similar to or that directly or indirectly competes with the current business of Company or any business or activities that may be commenced by Company after the date of the 1<sup>st</sup> Closing, including but not limited to the business of facility management, building maintenance, project management, logistics management, warehousing management, contract management, contract staffing, contract administration, providing consultancy on

all matters relating to the business, such as, administration, management, organization, staffing, storage, marketing, purchase and production.

- (p) **"Directors"** means the Directors of the Company.
- (q) **"Dividend"** includes bonus paid in cash but does not include any share issued in satisfaction of capital bonus upon capitalization of undistributed profits or share premium account.
- (r) **"Extraordinary General Meeting"** means a General Meeting of the Members other than an Annual General Meeting, duly called and constituted and any adjourned holdings thereof.
- (s) **"Fully Diluted"** shall mean with respect to Securities, all outstanding equity shares and all Securities issuable in respect of, Securities convertible into or exchangeable for equity shares, stock appreciation rights or options, warrants and other irrevocable rights to purchase or subscribe for equity shares or securities convertible into or exchangeable for equity shares.
- (t) **"Funding Notice"** shall have the meaning provided to in Article 11 hereto.
- (u) **"Funding Period"** shall have the meaning provided to in Article 11 hereto.
- (v) **"General Meeting"** means a meeting of Members.
- (w) **"Investment Agreement"** shall mean the Investment Agreement dated December 30, 2005 between the Company, Promoters and New Vernon.
- (x) **"Shareholder" or "Member"** means every person holding shares of the company and whose name is entered in the Register of Members and includes a person holding shares of the company and whose name is entered as Beneficial Owner in the records of the Depository and also includes a subscriber to the Memorandum of Association of the Company but does not include a bearer of a share warrant of the company issued in pursuance of section 114 of the Act."  
***(Amended vide special resolution passed at the EGM held on December 10, 2007)***
- (y) **"Month"** means a calendar month
- (z) **"New Vernon"** shall mean New Vernon Private Equity Limited, a company incorporated and existing under the laws of Mauritius.
- (aa) **"Ordinary Resolution"** shall have the meaning ascribed to it under Section 189 of the Act.
- (bb) **"Paid Up"** includes credited as paid-up

- (cc) **"Promoters"** shall mean Mr. T. Raghunandana and Mrs. T. Shanthi collectively and "Promoter" shall mean any one of them individually.
- (dd) **"Person"** shall mean a human being, labor organization, partnership, association, joint venture, corporation, limited liability company, legal representative, trustee, trustee in bankruptcy, receiver or any other legal entity whatsoever.
- (ee) **"Seal"** means the Common Seal of the Company.
- (ff) **"Section"** means Section of the COMPANIES ACT, 1956
- (gg) **"Securities"** shall have the meaning provided to the term under Section 2(h) of the Securities Contract (Regulation) Act, 1956, and shall include equity shares and preference shares.
- (hh) **"Senior Management"** shall "include Samita Rao, Vivek Phadke and D. Sadasivam.
- (ii) **"Share Capital"** means the Capital for the time being raised or authorized to be raised for the purposes of the Company.
- (jj) **"Special Resolution"** shall have the meaning ascribed to it under Section 189 of the Act.
- (kk) **"Strategic Sale"** shall mean a sale of at least Fifty Percent (50%) and upto One Hundred Percent (100%) of the share capital of Company to a third Person at a price that is not less than:
  - (i) A price not less than 1.75 times the average price at which New Vernon has purchased/acquired shares of Company, if such sale occurs on or prior to the 2<sup>nd</sup> anniversary of the 1<sup>st</sup> Tranche Closing;
  - (ii) A price which shall provide an IRR of Thirty Percent (30%) on the aggregate cost of acquisition of New Vernon, if such sale occurs after the 2<sup>nd</sup> anniversary of the 1<sup>st</sup> Tranche Closing.
- (ll) Words importing the masculine gender include also the feminine gender and vice-versa.
- (mm) "In Writing" and "Written" include printing, lithography and other modes of representing or reproducing words in a visible form.

- (nn) a) **“Beneficial Owner”** shall mean beneficial owner as defined in clause (a) of sub-section (1) of section 2 of Depositories Act, 1996”.
- b) **“Depositories Act, 1996”** shall include any statutory modification or re-enactment thereof.
- c) **“Depository”** shall mean a Depository as defined under clause (e) of sub-section (1) of section 2 of Depositories Act, 1996”.
- d) **“SEBI”** means Securities and Exchange Board of India established under section 8 of the SEBI Act, 1992.  
**(Amended vide special resolution passed at the EGM held on December 10, 2007)**

### **PRIVATE COMPANY**

3. The Company is a Private Company within the meaning of Section 3(1)(iii) of the Companies Act, 1956 and accordingly;

The Minimum paid up Capital of the Company shall be Rs.1,00,000/- or such amount as may be prescribed by its Articles.

- (a) The right to transfer the shares in the Company is restricted in the manner hereinafter appearing;
- (b) The number of members of the Company shall be limited to fifty, not including:
- (1) Persons who are in the employment of the Company, and
- (2) Persons who, having been formerly in the employment of the Company were members of the Company while in that employment and have continued to be members after the employment ceased; and provided that where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this paragraph be treated as a single member.
- (c) Prohibits any invitation to the public to subscribe for any shares in or debentures of the Company.
- (d) Prohibits any invitation or acceptance of deposits from persons other than its members, directors or their relatives.

### **BUSINESS**

4. The Company will carry on the business for which it was incorporated and any other business or businesses or lines of business or activity which the Company is authorized to carry on under its Memorandum of Association.

#### **SHARE CAPITAL**

5.
  - (a) The Authorised Share Capital of the Company is Rs.15,00,000/- (Rupees Fifteen Lakhs only)divided into 1,50,000 Equity shares of Rs.10/- each.
  - (b) The Paid up Capital of the Company shall be a minimum of Rs. 1 lakhs or such higher amount that shall be prescribed.
  - (c) The shares in the Capital of the Company shall be under control of the Directors who may allot or otherwise dispose of the same or any of them to such persons (whether already members or not in such proportion and on such terms and conditions and at such times as the Board may think fit provided however the Board shall comply with the provisions of the Sections 42 and 75 of the Act.
  - (d) The Company shall have power to issue shares at a premium or at par or at a discount against payment of cash or kind and at such time as they may from time to time think fit and proper and it shall comply with the provisions of Sections 78 and 79 of the Act.
  - (e) The Company shall have power to issue at any time preference shares including redeemable preference shares.

#### **ISSUE OTHER THAN FOR CASH**

6. The Directors may from time to time issue shares for consideration received in kind, or otherwise than for cash, in compliance with the provisions of the Act.

#### **LIABILITY OF JOINT HOLDERS**

7. The joint-holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares.

#### **NEW VERNON'S OPTION**

8. Within a period of Eighteen (18) months from the 1<sup>st</sup> Tranche Closing, New Vernon shall have the right and option exercisable in its sole discretion to subscribe for and acquire, and on exercise of New Vernon's option, Company shall and Promoters shall ensure that Company shall issue and allot on a preferential basis to New Vernon at 3<sup>rd</sup> Tranche Closing all of the 3<sup>rd</sup> Tranche Shares at the 3<sup>rd</sup> Tranche Price, free from all Liens and with all rights and benefits appertaining to the 3<sup>rd</sup> Tranche Shares.

9. If New Vernon does not exercise its option within a period of Eighteen (18) months as above, the option shall expire. The exercise by New Vernon of its option on or prior to the expiry of the period of Eighteen (18) months shall render the Company bound to issue and allot the 3<sup>rd</sup> Tranche Shares to New Vernon, even if the specified Eighteen (18) month period expires before the date of issue and allotment of the 3<sup>rd</sup> Tranche Shares to New Vernon.
10. On exercise by New Vernon of its option under this Section, Company shall be bound to issue and allot the 3<sup>rd</sup> Tranche Shares to New Vernon within thirty (30) days of receipt of notice in writing from New Vernon.

#### **ADDITIONAL CAPITAL**

11. Additional Funding. If the Board, in exercise of good faith and in its reasonable judgment, determines that Company requires additional funds and that such funds cannot be obtained from banks or other financial institutions on reasonable arms-length commercial terms (or terms that are more favourable to Company than reasonable arms-length commercial terms) and without guarantees of or recourse to Promoters, the Board may request, by issuance of a notice (the "Funding Notice") to Promoters and New Vernon, to contribute, within Thirty (30) days after the issuance of the Funding Notice (the "Funding Period") additional capital to Company, on a pro-rated basis upon their proportionate holding of the issued and paid-up share capital of Company, by way of subscription for additional equity shares in accordance with section 81(1) of the Act.
12. Determination of price. If additional capital is to be contributed, then the subscription price for such additional equity shares shall be determined by the Board and set out in the Funding Notice. Company shall, promptly upon the receipt of such subscription price, issue the appropriate number of equity shares based upon the payment received by Promoters and New Vernon.
13. Failure to subscribe. In the event of Promoters or New Vernon failing to acquire the additional equity shares offered to it by itself or through its Affiliates within the Funding Period, such equity shares shall be offered to New Vernon or Promoters, as the case may be. In this event, New Vernon or Promoters shall be entitled to acquire all or any of the equity shares offered to it by itself or through its respective Affiliates within Fifteen (15) days of receipt of the offer and irrespective of any change in the equity shareholding pattern of Company.
14. Restriction on renunciation. Promoters and New Vernon shall not renounce the right in respect of equity shares offered for subscription in favor of any other Person (other than an Affiliate of New Vernon or Promoters) without first giving to the other of New Vernon or Promoters a reasonable opportunity to acquire such right to subscribe to equity shares on the same terms and conditions that such right is proposed to be renounced in favor of any other Person (other than an Affiliate of the renouncing Party). The Person in whose



- favor the right is renounced shall execute a deed of adherence undertaking to adhere to the terms and conditions of the Investment Agreement prior to becoming a shareholder in Company. Provided that no such renunciation will be made by Promoters in favor of any Person if such renunciation will be detrimental to the interests of Company or New Vernon.
15. Subscription through Affiliates. Promoters or New Vernon may invest in additional issuance of shares of Company through any of their Affiliates, subject to the prior fulfillment of the following conditions:
- (i) Such Affiliate shall previously sign a deed of adherence in a format agreed upon between New Vernon and Promoters;
  - (ii) Prior to any such Affiliate ceasing to be an Affiliate of Promoters or New Vernon, as the case may be, all of the shares of Company held by such Affiliate shall be transferred to Promoters or New Vernon (as the case may be) or to another Affiliate of Promoters or New Vernon;
  - (iii) Promoters or New Vernon (as the case may be) shall guarantee the performance by such Affiliate of its duties, obligations and liabilities under the Investment Agreement;
16. No default. A failure to provide funds by Promoters or New Vernon pursuant to a Funding Notice shall not make such shareholder in any way liable for the payment of such funds.

## **DIRECTORS**

17. There shall be a minimum of two Directors and a maximum of twelve Directors.
18. The first Directors of the Company are:-
- Mr. T. RAGHUNANDANA
- Mrs. T. SHANTHI
19. New Vernon shall be entitled to nominate directors on the Board of Company in proportion to its holding of the issued and paid up share capital of Company, subject always to a minimum of one (1) director.
20. At the 1<sup>st</sup> Tranche Closing, the Board shall consist of [Three (3)] Directors and shall include [One (1)] director nominated by New Vernon ("New Vernon Director").
21. Within 6 months after the 1<sup>st</sup> Tranche Closing and at all times thereafter, at least One-Third of the Board must comprise independent directors as defined under Applicable Law ("Independent Director").

22. New Vernon Directors shall have all powers and privileges, in line with other Directors on the Board, except such powers and privileges as are enjoyed by the Managing Director of Company.
23. The Board shall have the overall responsibility for management of Company and may appoint and delegate such day to day functions to the chairman, the managing director, the manager or to a committee, as it deems fit and as may be mutually agreed between Promoters and New Vernon.
24. If at any time the Companies Act, 1956 or any other Applicable Law should require an increase or decrease in the number of directors constituting the Board, such increase or decrease shall be effected in a way that preserves the proportional representation on the Board between Promoters and New Vernon in accordance with the provisions of these Articles.
25. One New Vernon Director and one Director appointed by the Promoters on the Board of Company shall be non-retiring directors. All other directors of Company shall be liable to retire by rotation in accordance with the provisions of the Act.
26. The Directors of the Company need not hold any qualification shares.
27. Subject to the provisions of the Act, a Director may resign his office at any time after giving notice to the Board of Directors and the Company.
28. Chairman of the Board. The Board shall appoint a Chairman who shall be a non-executive director. Each meeting of the Board shall be chaired by the Chairman. The Chairman shall not have a casting vote. In the absence of the Chairman at any meeting the Directors shall appoint one of their number to chair the meeting in question.
29. Alternate Director. In the event that any Director (an "Original Director") is away for a continuous period of more than (3) months from the state in which the meetings of the Board are ordinarily held, the Board shall appoint another Director (an "Alternate Director") for and in place of the Original Director. The Board shall only appoint such Alternate Director nominated by the shareholder that nominated the Original Director who shall be deemed to be nominated by the Original Director for this purpose. Such Alternate Director shall be entitled to receive all materials supplied to Directors and shall also be entitled to attend all meetings of the Board and committees thereof in the absence of the Original Director.
30. Vacancies. If any Director resigns, vacates or is removed from office before his term expires, the resulting casual vacancy may be filled by a nominee of the shareholder who originally nominated the Director vacating office, but any person so nominated, shall retain his office only so long as the vacating Director would have retained the same, if no vacancy had occurred.

31. Liability of New Vernon Director.
- (a) New Vernon Directors will be non-executive Directors.
  - (b) New Vernon Directors shall not be in charge of, or responsible for the day to day management of Company and shall not be deemed to be "officers in default" as the term is defined in the Companies Act, 1956 and shall accordingly not be liable for any default or failure of Company in complying with the provisions of any Applicable Laws.
  - (b) New Vernon Directors shall not be identified as officers in default of Company or occupier of any premises used by Company or an employer of the employees of Company.
  - (c) New Vernon and New Vernon Directors shall not be construed as a "promoter" nor as a "person acting in concert" with Promoters and/or Company.
32. Company shall, and Promoters shall ensure that Company shall, procure suitable Director and Officers Liability insurance in favour of New Vernon Directors in respect of claims or liabilities resulting from all actions or omissions of New Vernon Directors as Directors of Company for an amount acceptable to New Vernon.
33. Voting for appointment of Directors. Promoters shall vote their Shares of Company for the election of all persons nominated to be directors of Company by New Vernon.
34. Withdrawal of Nomination. New Vernon shall at any time be entitled to provide written notice to the Board withdrawing its nomination of any New Vernon Director. Such written notice shall take immediate effect. On receipt of such written notice, Promoters shall cause their Directors to vote in favor of the removal of New Vernon Director whose candidature is withdrawn by New Vernon.
35. Every Director shall be paid a sitting fee for each meeting of the Board, committee or General Meeting or other meetings of the Company, attended by him, as may be decided by the Board from time to time.
36. The Directors of the Company shall be paid such remuneration whether as salary and/ or commission and/or share of net profits and in any other form or in one or more the above forms as may be decided by the Board from time to time.
37. The Board may appoint any person by whatever name called as Executive Director, Technical Director, Finance Director or Director in charge of any specific function or functions, upon remuneration or otherwise and delegate all or any powers to all or any of them.

38. A Director of the Company may be or become a Director of any other Company promoted by this Company or in which it may be interested as a member, Shareholder or otherwise and no such Director shall be accountable for any benefits received as a Director or member of such Company
39. The Company may appoint as Director (s) such person or persons as may be nominated to the Board by Financial Institutions either as a part of their lending package or otherwise.

## **PROCEEDINGS OF DIRECTORS**

40. Number of Board Meetings. The Board shall meet at least four (4) times in every calendar year and at least once in every calendar quarter. Meetings of the Board shall ordinarily be held at Chennai, India. A Board meeting may also be held outside Chennai, India at such other places (within India or outside) as may be agreed by a majority of the Directors, including at least one New Vernon Director. All expenses and costs incurred for attending such meetings by New Vernon Directors shall be borne by Company. A Board meeting may also be held by teleconference or video conferencing and/or the presence of a Director at a meeting shall be recorded if he is present over telephone or video conferencing, if such meeting or presence, as the case may be, is not contrary to law.
41. Convening meetings of the Board. Any Director may, and the secretary of Company, if so appointed, shall on the requisition of a Director, summon a meeting of the Board, in accordance with the notice and other requirements set out in these Articles.
42. Notice for Board Meetings. At least ten (10) days prior written notice shall be given to each of the Directors of any meeting of the Board or a committee. Every notice to New Vernon Director shall also be sent to one of its designated addresses in India. A meeting of the Board or a committee may be held at shorter notice with the written consent (which may be signified by letter, facsimile or e-mail with receipt acknowledged) of a majority of directors including at least one (1) New Vernon Director.
43. Contents of the Notice. A reasonably detailed agenda shall be supplied to each Director along with the notice, together with the draft resolutions and other appropriate documentation with respect to agenda items calling for Board action, to adequately inform Directors regarding matters to come before the Board. Any Director wishing to place a matter on the agenda for any meeting of the Board may do so by communicating with the chairman of the Board sufficiently in advance of the meeting of the Board so as to permit timely dissemination to all Directors of information with respect to the agenda items. No business except that which is set out in the agenda shall be transacted by the Board, save that further business may be added to the agenda without notice to the Directors provided that such further business shall be approved by at least one (1) New Vernon Director.

44. Quorum for Board meeting. A quorum of the Board shall be Three (3) directors which shall include at least one (1) New Vernon Director at the commencement and throughout the duration of the meeting.
45. Decisions of the Board. Subject to Article 57, all decisions of the Board shall require the affirmative vote of a majority of the Directors at a duly convened meeting of the Board at which a quorum is present. In the event there is a vacancy on the Board and an individual has been designated to fill such vacancy, the first order of business shall be to fill such vacancy.
46. Circular Resolution. Subject to Article 57, and except for those actions required by the Companies Act, 1956 to be determined at a meeting of the Board, all decisions of the Board may be taken by circular resolution. The notice period for any circular resolution shall be ten (10) days. The draft of the resolution must be circulated to all Directors including New Vernon Director and as regards New Vernon Director a copy shall also be sent to one of its designated addresses in India. Each circular resolution must be in writing and would get passed by majority and only when signed by each and every Director. It is clarified that in case of circular resolution the majority consent of the Board shall be necessary and not of the Directors then in India.
47. Committees of the Board.
- (a) As and when Company constitutes any committee, New Vernon shall have the right to nominate its representative on such committee in proportion to its holding of the issued and paid-up share capital of Company, subject to a minimum of one (1).
  - (b) The Board shall constitute a Capex Committee that shall be responsible inter alia for utilization of the funds invested by New Vernon in Company. New Vernon shall have the right to nominate its representative on the Capex Committee in proportion to its holding of the issued and paid-up share capital of Company, subject to a minimum of one (1).
48. New Vernon shall have the right to attend all review meetings and/or major strategy meetings of the Board or any committee of directors of Company.

## **POWERS OF DIRECTORS**

49. (a) Subject to the provisions of the Article 57, the Board may exercise all such powers of the Company and to do all such acts things as are not by the Act or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act and Applicable Law.

- (b) Subject to the powers of the Companies Act, 1956, the Board of Directors may from time to time, at their discretion, borrow or raise funds for the purpose of the Company. The board of Directors may raise or secure the repayment of such sums may think fit and other security on the under taking of the Company, both present and future, including its uncalled capital for the time being.

## **GENERAL MEETING**

50. General Meetings. An Annual General Meeting of the shareholders of Company shall be held within six (6) months of the end of each financial year of Company. Subject to the foregoing, the Board or the Parties may convene an Extraordinary General Meeting of the shareholders of Company whenever they deem appropriate.
51. Notice for General Meetings. At least Twenty-one (21) days prior written notice of every Annual General Meeting of shareholders shall be given to all shareholders whose names appear on the register of members of Company. In case of New Vernon, a copy of the notice should also be sent to an address in India designated by New Vernon. A meeting of the shareholders may be called by giving shorter notice with the prior written consent of New Vernon.
52. Contents of Notice. The notice to shareholders shall specify the place, date and time of the meeting. Every notice convening a meeting of the shareholders shall set forth in full and sufficient detail the business to be transacted thereat, and no business shall be transacted at such meeting unless the same has been stated in the notice convening the meeting.
53. Chairman for General Meeting. The Chairman of the Board shall be the Chairman for all General Meetings, unless the meeting is called by New Vernon, in which case New Vernon will appoint the Chairman for that meeting. The Chairman shall not have any second or casting vote.
54. Proxies. Any shareholder of Company may appoint another Person as his proxy (and in case of a corporate shareholder, an authorized representative) to attend a meeting and vote thereat on such shareholder's behalf, provided that the power given to such proxy must be in writing.
55. Quorum for General Meetings. To constitute a quorum for a General Meeting of Company the presence in person or through proxy of an authorized representative of New Vernon shall be necessary at the commencement and throughout the duration of the meeting.
56. Decision Making. Except as otherwise required by the Applicable Law and Article 57, all decisions of the shareholders of Company shall be made by simple majority of the shareholders at a duly convened meeting at which a quorum is present.

57. Consent Rights. Notwithstanding anything contained in these Articles and subject to the provisions of the Act:

- (a) The matters specified in Article 57(d) below ("Specified Matters"), shall be decided by Company only through a resolution of its Board or shareholders, as the case may be.
- (b) Whenever a Specified Matter is referred by the Board to a Committee, such Committee shall be formed only with the prior written consent of New Vernon.
- (c) No resolution or decision shall be passed or taken by the Board or the shareholders of Company or by any Committee with respect to any of the Specified Matters unless:
  - (i) Such resolution or decision is approved by a majority of the Board of Company or Committee, which majority includes the affirmative vote of at least one New Vernon Director, or
  - (ii) Such resolution is approved in writing by New Vernon, or
  - (iii) New Vernon, by itself or through proxy, votes in favor of such resolution at a General Meeting of Company.
- (d) Specified Matters:
  - (i) Modifications to capital structure including issue of new shares, creation of options or warrants, creating new classes of shares, buy backs/redemption/repurchase, splits, issuance of convertible debt, bonuses, lien or encumbrances or debt restructuring involving conversion into equity which would be anti-dilutive for New Vernon and/or their rights as equity shareholders;
  - (ii) Any amendment or change of the rights, preferences, privileges or powers of, or the restrictions provided for the benefit of equity shares or preference shares of Company;
  - (iii) Any amendment of the Company's Articles of Association or Memorandum of Association after acquisition or subscription of the shares by New Vernon, which would be anti-dilutive for New Vernon and/or its rights as equity shareholders;
  - (iv) Diversification projects which are not in line with the Company's business plan;



- (v) Any merger, consolidation, acquisition, strategic sale, creation of new subsidiary or similar transaction of the Company including sale of substantial assets/closure of business;
- (vi) Voluntary liquidation or dissolution of the Company;
- (vii) Material deviations from the annual business plan as approved by the Board of Directors of the Company, including:
  - (1) Incurring of any unplanned debt, guarantee or security which shall result in the total debt equity ratio of the Company exceeding 1.25:1
  - (2) Revisions in annual operating plans by more than 20% of the approved budgets;
- (viii) Any increase or decrease in the authorised number of directors of the Company.
- (ix) Creation of subsidiaries, joint ventures, technology transfers, strategic alliances, sole selling or sole buying relationships.
- (x) Transactions with the Promoter and Related Parties whether cash or barter variety for an amount exceeding Rs. 10 million per annum;
- (xi) Appointment or re-appointment of statutory and internal auditors;
- (xii) Any changes to the accounting year and significant changes to accounting policies;
- (xiii) Any amendment to or waiver of any clause of these Articles;
- (xiv) Change in name of the Company;
- (xv) All decisions with respect to listing of the Company whether led by the Company or New Vernon;
- (xvi) Any investment in securities for treasury operation other than bank deposits and government bonds;
- (xvii) The remuneration payable to the Managing Director and other whole-time directors of the Company.
- (xviii) Any decision which has an effect on the technology/brand of the Company

- (xix) Acceptance of contracts which may involve contrary/debatable ethical issues including pollution, child labor, food adulteration, etc.
- 58. Exercise of Voting & Other Rights. Promoters and New Vernon shall ensure that they, their representatives and proxies representing them at the General Meetings of the shareholders of Company shall at all times exercise their votes and through their respective appointed/nominated directors (or alternate directors) at Board meetings and otherwise, act in such manner so as to comply with, and to fully and effectually implement the spirit, intent and specific provisions of these Articles.
- 59. Support of Amalgamation Opportunities. Promoters and Company shall support opportunities that may be proposed by New Vernon for possible mergers, acquisitions and/or amalgamations of/by/into other entities engaged in related lines of activities.

## **TRANSFER OF SHARES**

- 60. Restrictions on Transfer. Promoters shall not do any of the following during the subsistence of the Investment Agreement except (a) if required under the Investment Agreement, or (b) with the prior written consent of New Vernon:
  - (a) Transfer or exchange any Securities of Company at a price lower than the cost of acquisition of shares of New Vernon;
  - (b) Transfer or exchange any Securities other than in compliance with Articles 61 to 67; and
  - (c) Pledge, mortgage, Lien, charge or otherwise encumber any Securities.
- 61. Transfer of shares by Promoters.
  - (a) Notice of Transfer. On Promoters proposing to transfer any of his Securities of Company (the "Offered Shares"), Promoters shall first obtain and provide to New Vernon a bonafide written offer from the proposed third party purchaser (the "Purchaser") to purchase the Offered Shares. Such offer (the "Outside Offer") shall:
    - (i) State the identity of the Purchaser (including the proposed ultimate beneficial owner of such Equity Shares), and any group of companies of which such proposed Purchaser is a part;
    - (ii) Include such financial information concerning such proposed Purchaser as New Vernon may reasonably request;
    - (iii) State price per Share offered ("Offer Price");

- (iv) State the number of Shares to be transferred;
  - (v) State the other material terms and conditions of the Outside Offer; and
  - (vi) Contain an undertaking from the Purchaser that he shall purchase all of the Shares held by New Vernon as of the date of the Outside Offer on the same price and terms as that offered to Promoters.
- (b) Option of New Vernon. Within Thirty (30) days after receipt of the Outside Offer, New Vernon shall have the option, exercisable in its sole discretion to:
- (i) Purchase all of the Offered Shares at the price stipulated at Article 61(a); or
  - (ii) Sell all or any of its shares of Company to the Purchaser, pro-rata to the shares proposed to be sold by Promoters, at the price and substantially in accordance with the terms set out in the Outside Offer.

New Vernon shall notify Promoters in writing (the "Purchase Notice") within Thirty (30) days after receipt of the Outside Offer of the manner of exercise of its option under Article 57(b). If no such Purchase Notice shall have been received by Promoters on expiry of such period of Thirty (30) days, New Vernon shall be deemed to have refused to exercise its option under Article 57(b) above, in which event Promoters may execute the Transfer in favour of the Purchaser at the Offer Price and on the terms set forth in the Outside Offer.

62. Transfer of Shares by New Vernon. New Vernon shall have the right to sell all or any of the Securities of Company as and when it desires subject to compliance with the provisions of this Article.

- (a) Right of First Refusal of Promoters. If New Vernon during a 4-year period commencing on the 1<sup>st</sup> Tranche Closing and expiring on the 4<sup>th</sup> anniversary of the 1<sup>st</sup> Tranche Closing enters into an agreement to sell or otherwise transfer all or any of its shares of Company to any third party (the "Transferee"), Promoters shall have a right of first refusal to buy the shares at the price stipulated at Article 64, whereupon the following procedure shall apply:
- (i) New Vernon shall deliver a written notice (the "Transfer Notice") to Promoters at least Thirty (30) days prior to the planned date of such transfer (the "Transfer Date").
  - (ii) Promoters shall notify New Vernon in writing (the "Purchase Notice") no later than the Transfer Date of his intent to purchase all shares on offer. If no such Purchase Notice shall have been received by New Vernon, Promoters shall be deemed to have refused to exercise his right of first

refusal, in which event New Vernon may execute the Transfer in favour of the Transferee.

- (b) Exempted Transfers. New Vernon shall be entitled to sell or transfer all or any of its shares of Company at such price and on such terms as deemed appropriate by New Vernon, free from any restrictions under Article 62(a) or elsewhere in these Articles, in the following events:
  - (i) Any violation of any labour laws applicable to Company, which results in cancellation of any license or closure of all or any part of the business of Company, or
  - (ii) Company incurs in any financial year the liability to pay penalties, damages, compensation or other similar amounts of an aggregate amount of over Fifteen Percent (15%) of the annual wage bill of Company, or
  - (iii) Company or its directors or Senior Managerial Personnel are convicted for any offence under the Indian Penal Code.
- (c) Assignment of Rights. Any transfer or sale by New Vernon of more than Fifty Percent (50%) in number of the shares acquired by New Vernon shall automatically result in the buyer acquiring all of the rights and privileges of New Vernon under the Investment Agreement to the buyer, and on and after purchase of such shares the buyer shall acquire and thereafter hold rights and privileges similar in all respects to the rights and privileges granted to New Vernon under the Investment Agreement. This shall not affect or reduce in any manner the rights and privileges granted to New Vernon under the Investment Agreement, which may continue to be exercised by New Vernon after such transfer throughout the duration of the Investment Agreement.
- (d) Approval of Company. Company shall be bound to approve and implement any and all transfers of Shares by New Vernon within Thirty (30) days of receipt of the share transfer forms and share certificates from New Vernon. If Company is in default of its obligations under this Article, New Vernon shall be entitled to require Company to buy-back its shares or Promoters to purchase its shares of Company at the then prevailing market price of the Shares, plus fifteen percent (15%) per annum as penalty cost.
- (e) Lock-in.
  - (i) For the purpose of a Initial Public Offering, Promoters shall offer their shares for restriction on transfer and lock-in as applicable to promoters shares under the guidelines of SEBI or any other statutory or regulatory

authority from time to time, whether in India and/or outside India and the Securities of New Vernon shall not be subject to any such restriction.

- (ii) New Vernon shall not be deemed and/or construed and/or referred to in any context and/or mentioned in any context to be a “promoter” of Company in connection with any Initial Public Offering, and accordingly, various requirements and regulations applicable to “promoters” (including requirements in connection with “lock-in” period applicable to the shares) prescribed by Applicable Laws and guidelines in connection with public offerings shall apply only to Promoters and not to New Vernon.

(f) Anti-dilution Rights.

- (i) Notwithstanding anything contained in these Articles, the prior written consent of New Vernon shall be required for Company to make any new issuance of Securities on terms which are more favourable (from the perspective of the new investors) as compared with those provided to New Vernon under these Articles.
- (ii) In the event of Company issuing additional Securities at a price less than that paid by New Vernon for the shares of the Company, Company will issue such additional number of equity shares to New Vernon at such lower price to ensure that the equity valuation of New Vernon's shareholding in Company after such allotment is proportionately the same in the new valuation of Company determined by the price at which such new shares are issued.
- (iii) In the event of Company making any further issue of Securities (including any issuance of employee stock options or similar rights), New Vernon shall have the right, to subscribe, along with and on the same terms as they are offered to any third party, such portion as would result into their percentage ownership to the same level as prior to such issue. The right shall be exercisable within Thirty (30) days from the date of receipt of a notice from Company of any such proposed issue. If New Vernon exercises its right under this Section, Company shall be bound to issue the shares and New Vernon shall subscribe to such shares within a further period of Thirty (30) days from notice by New Vernon to Company that it wishes to exercise such rights.
- (iv) In the event any Person who invests in Company is offered rights, including those relating to voting, dividends, transfer of shares, and further issues of shares, that are more favorable to such Person than those offered to New Vernon, New Vernon shall have the right to require Promoters and Company, and Promoters and Company shall ensure that

New Vernon is entitled to enjoy any and all such rights offered to such other Person.

- (v) If a Strategic Investor is desirous of acquiring equity shares in the Company and the Board, in exercise of good faith and in its reasonable judgment is convinced that the long term benefits that would accrue to the Company from such an investment are significant, then any issue of shares to such a Strategic Investor shall take place only with the mutual consent of the Company and New Vernon.

63. Transfer Procedure.

- (a) The option and/or right as specified in Article 61(b)(i) (New Vernon's Right of First Refusal), Article 61(b)(ii) (Tag Along), Article 62(a) (Promoters' Right of First Refusal) and Article 62(d) (Buy-back) shall be exercised by a written notice ("Transfer Notice") from the party exercising such option/right to the other parties.
- (b) Such other party shall execute the necessary instruments of transfer of shares within fifteen (15) of receipt of the Transfer Notice and deliver the same to the Party exercising such right/option (or its designee) against payment in full of the requisite cash price thereof.
- (c) The option and right of New Vernon under Article 61(b)(ii) (Tag Along) shall be exercised in a proportionate manner. In the event that the Offered Shares plus the shares proposed to be included by New Vernon in the sale in exercise of its Tag Along Rights under Article 61(b)(ii) exceeds the number of shares that the Purchaser is willing to purchase, the number of shares of Promoters and New Vernon to be sold to the Purchaser shall be determined in a proportionate manner based on the percentage shareholding of Promoters and New Vernon in the Company.
- (d) Any shares transferred shall be free from any Liens and with all rights attached to the relevant shares.
- (e) Upon the failure of any other party to comply with the provisions of this Article 63, such other party shall be deemed to have irrevocably appointed the party exercising such right/option as its attorney to deal with the matter. The other party shall abide by the directions of the Party exercising such right/option and do or procure all necessary things and execute all necessary forms, documents and agreements to implement such directions.

64. Transfer Price. The transfer price on any transfer pursuant to Article 61(b)(i) (New Vernon's Right of First Refusal), Article 61(b)(ii) (Tag Along), Article 62(a) (Promoters' Right of First Refusal) and Article 62(d) (Buy-back) shall be as determined below:

- (a) **Right of First Refusal.** The transfer price in respect of New Vernon's right of first refusal under Article 61(b)(i) and Promoters' right of first refusal under Article 62(a) shall be such amount as may be mutually agreed on between New Vernon and Promoters but not lower than the following:
    - (i) A price not less than 1.75 times the average price at which New Vernon has purchased/acquired shares of Company, if such sale occurs on or prior to the 2<sup>nd</sup> anniversary of the 1<sup>st</sup> Tranche Closing;
    - (ii) A price which shall provide an IRR of Thirty Percent (30%) on the aggregate cost of acquisition of the seller on the shares to be sold, if such sale occurs after the 2<sup>nd</sup> anniversary of the 1<sup>st</sup> Tranche Closing.
  - (b) **Tag Along.** The transfer price in respect of New Vernon's tag along right under Article 61(b)(ii) shall be the Offer Price specified under Article 61(a)(iii).
  - (c) **Buy-back/Transfer.** The transfer price for New Vernon's rights under Article 62(d) shall be the prevailing market price of the shares plus fifteen percent (15%) per annum as penalty cost. The prevailing market price of the shares shall be determined by an independent chartered accountant (the "Valuer") (acting as an expert and not as an arbitrator). The Valuer shall be appointed by mutual agreement between Promoters and New Vernon, and failing such agreement within fifteen (15) days, by the President of the Institute of Chartered Accountants of India. The Valuer shall determine the fair price of the shares being sold on a going concern basis between a willing seller and a willing buyer. Any costs of the Valuer shall be borne by Company. The Valuer shall report to New Vernon and Promoters.
- 65. **Invalid Transfers.** Company shall not register any transfer or other disposition of Securities purported to be made by Promoters or New Vernon in breach of any of the Articles contained hereinabove. The Parties shall cause their nominees on the Board to cast their votes in such a manner as to ensure that Company registers all transfers made in accordance with these Articles.
- 66. **Government Approvals.**
  - (a) Any sale or transfer contemplated under the provisions of these Articles relating to Transfer of Shares shall be subject to any necessary government or regulatory approvals;
  - (b) Any time limit imposed by the provisions of these Articles shall be extended in respect of any period reasonably necessary to obtain any government or regulatory approval, provided that, the Promoters and New Vernon shall use all reasonable endeavors to expedite the obtaining of any such approvals; and



- (c) If New Vernon is unable to take up any Securities to be issued or transferred in accordance with the provisions of these Articles due to any Applicable Laws, New Vernon shall be entitled to nominate any other party acceptable under Applicable Law to purchase such Securities or any part thereof.
- 67. Deed of Adherence. In every case of Transfer of Securities by Promoters to any person or entity Promoters shall ensure before transferring its Securities that:
  - (a) Such purchaser shall be bound by the obligations of Promoters under the Investment Agreement. Until compliance by such purchaser, the obligation of Promoters under the Investment Agreement shall not cease. Any such purchaser or transferee of the Securities shall, ipso facto, by virtue of its being such a purchaser/transferee be automatically bound by the obligations of Promoters under the Investment Agreement.
  - (b) Prior to the acquisition of Securities, the purchaser of Securities shall execute a deed of adherence in a format agreed upon between New Vernon and the Promoters. If the purchaser fails to or refuses to sign the said deed of adherence, then Promoters shall not be entitled to Transfer any Securities to the purchaser and any Transfer not in accordance with this Section shall be null and void.

#### **INFORMATION RIGHTS AND REPORTING**

- 68. Discussions with New Vernon. Company shall permit any person designated by New Vernon in writing to discuss the affairs, finances and accounts of Company with Company's officers and other principal executives at such time as may reasonably be requested, and all books, records, accounts, documents and vouchers relating to the business and the affairs of Company shall at such time be open to the inspection of any such person, who may make such copies thereof or extracts there from as such person may deem appropriate.
- 69. Information of Company. Company shall furnish to New Vernon and/or its assignees/nominees the following information as regards Company:
  - (a) Quarterly, semi-annual and unaudited annual financial statements shall be furnished to New Vernon within thirty (30) days of the end of each quarter, half-year and annual period.
  - (b) Audited annual financial statements shall be furnished to New Vernon within ninety (90) days of the end of each financial year of Company.

The financial statements under Articles 69(a) and (b). shall be accompanied by a report from the Managing Director of Company and the discussion of key issues and variances of the budget with a comparative statement of the previous period.

- (c) MIS information/reports (in standard/agreed format) within fifteen (15) days of the end of each month shall be sent to New Vernon.
- (d) New Vernon shall have the right to attend monthly review meetings and/or major strategy meetings of the Board and all committees of Company.
- (e) A fortnightly report on utilization of funds invested by New Vernon.
- (f) A statutory, corporate and secretarial compliance report shall be furnished by Company to New Vernon within thirty (30) days of the end of each calendar quarter;
- (g) All other information reasonably requested by New Vernon or by any New Vernon Directors from time to time.

70. Annual Operating Budget & Business Plan.

- (a) Preparation of Annual Operating Budget & Business Plan. The business of Company will be conducted in accordance with an annual operating budget and business plan. Each annual operating budget and business plan shall be prepared under the direction and supervision of the Managing Director of Company and shall be updated at least Sixty (60) days prior to the beginning of each financial year of Company. The initial annual operating budget and business plan of Company shall be prepared and finalized by Company with Promoters and New Vernon within sixty (60) days after the date of execution of the Investment Agreement.
- (b) Approval of Annual Operating Budget & Business Plan. The annual operating budget and business plan shall be approved by the Board of Company. The annual operating budget and business plan may be amended only by a resolution of the Board of Company.
- (c) Other budgets. Prior approval of the Board shall also be required for the following budgets which shall be prepared by Company:
  - (i) Estimated sources and applications of funds;
  - (ii) Estimated profit and loss account;
  - (iii) Estimated balance sheet; and
  - (iv) Detailed assumptions underlining the forecasts for the above.
- (d) Variances to annual operating budget & business plan. Any proposed variance to the annual operating budget, business plan or estimations stated above along

with reasons for such variance shall be brought to the immediate attention of the Board and shall not be implemented without the prior written consent of New Vernon.

71. Financial and Accounting.

- (a) Financial and accounting records. Company shall maintain true and accurate financial and accounting records of all operations in accordance with Indian GAAP, and in accordance with all relevant Indian statutory and accounting standards and the policies from time to time adopted by the Board. The financial statements and accounts of Company shall be prepared in English and shall be audited on an annual basis.
- (b) Statutory Auditors. For financial year 2005-06 onwards, Company shall appoint an internationally reputed chartered accountancy firm acceptable to New Vernon as its statutory auditors.

72. Indebtedness to Promoters.

- (a) In the event that there is any Indebtedness outstanding by Company to Promoters (or their Affiliates) as of the 1<sup>st</sup> Tranche Closing or at any time thereafter during the subsistence of the Investment Agreement, Company shall and Promoters shall ensure that Company shall: (a) not pay any interest on such loans without the prior consent in writing of New Vernon, and (b) not issue Securities in respect of such loans without the prior consent in writing of New Vernon.
- (b) The obligation of Company to repay any such loans outstanding to Promoters as of the 1<sup>st</sup> Tranche Closing or at any time thereafter during the subsistence of the Investment Agreement shall be subordinate to Company's obligation to repay to New Vernon the amounts invested in Company in the event of insolvency, bankruptcy or liquidation of Company for any reason whatsoever.

73. Dividend Policy. Subject to Applicable Law, for and after the Financial Year ending as on 31<sup>st</sup> March 2007, Company shall declare at least Forty Percent (40%) of its profits after tax as dividend.

74. Transaction with Promoters.

- (a) From the date of the Investment Agreement, Company shall seek prior permission from the Board for all its transactions with Promoters or their Affiliates. All such contracts with Promoters and their Affiliates whether cash or barter shall be entered only on arms length basis. However, no consent shall be required for transactions up to INR 10 million per financial year (on cumulative basis).
  - (b) From the date of the Investment Agreement, the personal accounts (including bank accounts, guarantees, etc.) of the Promoters and that of the Company shall be clearly delineated and shall not be used interchangeably.
75. Inspection & Audit Rights of New Vernon. Company shall, on receiving a request from New Vernon and at Company's expense provide as soon as practicable to New Vernon copies of any documents, secretarial, accounting or other records which are maintained by Company as may be required by New Vernon. New Vernon shall have full and complete access to the premises, records, accounts, documents of Company and its subsidiaries with rights, by itself or through its authorised representatives, to inspect and audit such accounts, records and documents.

#### **PROMOTER AND COMPANY COVENANTS**

76. Non-Competition.

Except as expressly consented to by New Vernon in writing, the Promoters and the Senior Management shall not at any time after the date of the Investment Agreement,

- (a) directly or indirectly (by itself or through its Affiliates, group entities, relatives or associates) engage in or receive any financial benefit from any Covered Activity, whether as an employer, proprietor, partner shareholder, investor, director, officer, employee consultant or agent or otherwise. Security services business shall be carried on solely by Company and not by Best Security Services Private Limited on and after the 1<sup>st</sup> Tranche Closing.
- (b) Except as expressly consented to by New Vernon in writing Promoters and the Senior Management shall not at any time after the date of the Investment Agreement, directly or indirectly (by itself or through its Affiliates, group entities, relatives or associates) engage in any of the following activities:
  - (i) The use or disclosure of any client database of Company or other know-how or other information pertaining to the customer or suppliers of Company;
  - (ii) The solicitation of any customers or suppliers of Company to terminate or otherwise adversely modify their relationship with Company; or

- (iii) The solicitation, engagement or retention in any capacity of any employee of Company or any director, officer or executive of Company.
- (c) In case of a Strategic Sale, each of Promoters and Senior Management, shall not for a period of three (3) year thereafter, directly or indirectly (by itself or through its Affiliates, group entities, relatives or associates) engage in or receive any financial benefit from any Covered Activity, whether as an employer, proprietor, partner shareholder, investor, director, officer, employee consultant or agent or otherwise.

77. Insurance Policy.

- (a) Company shall adequately insure its properties against accidents, thefts, acts of God and service liability.
- (b) Company shall and Promoters shall ensure that Company shall obtain an adequate insurance policy covering life insurance, accident insurance, workman's compensation and employee medical insurance as may be required statutorily for all its employees. In and also in relation to all other acts, omissions and activities of its employees, the Company shall wherever it is considered feasible and prudent obtain adequate insurance cover.
- (c) Company shall procure an acceptable key man insurance policy for its Managing Director.
- (d) The Company shall ensure that within Thirty (30) days after the 1<sup>st</sup> Tranche Closing and at all times thereafter, its aggregate gratuity liability is fully funded through an LIC or other policy acceptable to New Vernon.

78. Pledging of New Vernon Shares. New Vernon shall not be required to pledge their shares or provide other support to any third party, including without limitation lenders of Company.

79. Guarantees. No Guarantee shall be requested from New Vernon or its representative directors on the Board of Company for any loans, financial facilities or otherwise obtained by Company.

80. Compliance with Employment Laws. Company shall comply with all employment laws applicable to it and its employees and workmen, including but not limited to Contract Labour Regulation Act, Payment of Gratuity Act, Industrial Disputes Act, Shops & Establishments Act, Payment of Bonus Act, Minimum Wages Act, Workman's Compensation Act, Employees Provident Fund Act, Industrial Standing Orders Act, etc.

81. Transfer of Licenses. The Company shall complete transfer of all Licenses standing in the name of its erstwhile partnership firm in favour of the Company within six (6) months after the 1<sup>st</sup> Tranche Closing.

## **MODES OF EXIT**

82. Company shall and Promoters shall ensure that Company shall work towards creating liquidity for New Vernon's holding in the following manner:

(a) Initial Public Offering.

Company shall complete an Initial Public Offering within a time-frame and at an issue price mutually agreed between New Vernon, Promoters and Company. A mutually acceptable reputed merchant banker shall be appointed for conducting the Initial Public Offering.

- (b) On Company conducting an Initial Public Offering, New Vernon shall have the right and option, exercisable in its discretion, to sell all or any of its Securities of Company under such Initial Public Offering at a price acceptable to New Vernon which shall under no circumstances be lower than the highest price indicated by at least three (3) merchant bankers acceptable to New Vernon.

83. Consequences of failure to complete IPO.

- (a) 48 months. In the event that Company is unable to complete an Initial Public Offering within Forty Eight (48) months after the 1<sup>st</sup> Tranche Closing, then New Vernon shall have the right exercisable at any time thereafter to conduct or require Company to conduct an initial public offer of Company at any time as advised by independent merchant banker through an offer for sale of New Vernon's shares and/or fresh issue of shares by Company and/or transfer of shares of Promoters. Company and Promoters shall provide as many shares as may be required in addition to New Vernon's shares proposed to be sold under such initial public offering, to fulfill the mandatory minimum offer size requirement for achieving the initial public offering and listing and lock-in provisions.

- (b) 60 months.

- (i) In case Company has not completed an Initial Public Offering and New Vernon is not given the exit as contemplated under Article 83(a) above within Sixty (60) months after the 1<sup>st</sup> Tranche Closing, New Vernon shall have the right to require Company to buy-back all of the shares held by New Vernon in Company.
- (ii) The rights of New Vernon under this Article 83(b)(i) shall be exercised by a written notice ("Transfer Notice") from New Vernon exercising such right to Promoters and Company.
- (iii) On exercise of New Vernon's right under this Article 83(b)(i) above, Company shall implement the buy-back of shares within thirty (30) days of receipt of the Transfer Notice and deliver entire buy-back price to New Vernon (or its designee) against delivery of the shares.
- (iv) Upon the failure of Company to comply with the provisions of this Article 83(b)(i) above, Company shall be deemed to have irrevocably appointed New Vernon as its attorney to deal with the matter. Company shall abide by the directions of New Vernon and shall procure all necessary things and execute all necessary forms, documents and agreements to implement such directions.
- (v) The buy-back of shares under this Article 83(b) shall be implemented in accordance with Applicable Laws. Promoters shall facilitate and ensure the buy-back of shares in accordance with this Article 83(b) and shall not participate in the buy-back scheme in relation to shares of Promoters in Company.
- (vi) The transfer price in respect of New Vernon's right under this Article 83(b) shall be such price as may be agreed between Company and New Vernon but not less than a price that provides to New Vernon an IRR of fifteen percent (15%) on its aggregate investment in Company.
- (vii) General. Promoters and Company shall do and execute all such acts and deeds as may be necessary to facilitate the exercise of New Vernon's rights under Article 83. All costs relating to exercise of New Vernon's rights under Article 83 above shall be borne and paid by Company.

## **CAPITALISATION OF RESERVES**

84. The Company in General Meeting may, upon recommendations of the Board, resolve

- (a) (i) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the



credit of the profit and loss account or otherwise available for distribution and

- (ii) that such sum be accordingly set free for distribution in the manner specified in sub-clause (b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
  - (b) The sum aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in sub-clause (c) either in or towards:-
    - (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
    - (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to amongst such members in the proportions aforesaid; or
    - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
  - (c) A share premium account and a capital redemption reserve account may, for the purpose 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.
  - (d) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
85. (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall
- (i) Make all appropriations and applications of the of the undivided profits resolved to be capitalised thereby and all allotments and issue of fully paid shares, if any, and
  - (ii) authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively credited as fully paid up of any further shares to which they may be titled upon such capitalization or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.

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

## **SEAL**

- 86 The Company shall have a Common Seal and the Board shall provide for the safe custody thereof. The Seal shall not be applied to any instrument except by the authority of a resolution of the Board and in the presence of one Director or such other person aforesaid, shall sign every instrument to which the seal of the Company is so affixed in his presence.

## **WINDING UP**

- 87. If the Company shall be wound up and the assets available for distribution among the members are such as shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding-up on the shares held by them respectively. And if in a winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up paid-up or which ought to have been paid-up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.
- 88. If the Company shall be wound up, whether voluntarily or otherwise the liquidators may with the sanction of a special resolution divide among the contributors, in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trust for the benefit of the contributories, or any of them, as the liquidators, with the like sanction shall think fit.

## **INDEMNITY AND RESPONSIBILITY**

- 89.
  - (a) Subject to the provisions of Section 201 of the Act every Director, manager or officer of the Company shall be indemnified by the Company against all costs, losses and expenses which any such person may incur or become liable to by reason of any contract entered into or act or deed done by him as such director, manager, or officer or in anyway in the discharge of his duties, including traveling allowances, and the amount for which such indemnity is provided shall be immediately attached as a lien on the property of the Company and have priority as between the members over other claims.
  - (b) Without prejudice to the generality of the foregoing it is hereby expressly declared that any filing fee payable on any documents required to be filed with

the Registrar of Companies or any other payment to be made to the Registrar of Companies in respect of any act done or required to be done by any Director or other officer, by reason of his holding the said office, shall be paid and borne by the Company.

90. No Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other director or officer, or for joining in any receipt or other act for conformity, or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the directors or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, Company or corporation with whom any moneys, securities, or effects may be entrusted or deposits, or for any loss occasioned by any error or judgment or oversight on his part, or for any other loss damage or misfortune whatever which shall happen in the execution of the duty of his office or in relation thereto, unless the same happens through his own dishonesty.

#### **SECRECY CLAUSE**

91. (a) Subject to the provisions of the Act, no member shall be entitled to inspect the Company's books without the permission of the Directors, or to require discovery of or any Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process, which may relate to the conduct of the business of the Company which in the opinion of the members of the Company to the communicated to the public.
- (b) Every Director, Manager, Officer, Servant, Agent, Accountant, or any other person employed in the business of the Company, shall if so required by the Directors before entering upon his duties or at any time during his term of Office, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of Accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required to do so by the Board or by a Court of law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions contained in these Articles and by the provisions of the Act.

#### **ARBITRATION**

92. Any dispute, controversy or claim arising out of, relating to or in connection with these Articles (a "Dispute") shall be finally settled by arbitration. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996. The arbitration shall be held at Mumbai and shall be conducted by three (3) arbitrators.

For purpose of appointing such arbitrators, New Vernon, on the one hand, and Promoters, on the other hand, shall each appoint one arbitrator, and the third arbitrator, who shall be the chairperson, shall be selected by the two appointed arbitrators. In the event that either of New Vernon or Promoters fails to appoint an arbitrator within fifteen (15) days after receipt of written notice of the other party's intention to refer a Dispute to arbitration, or in the event of the two appointed arbitrators failing to identify the third arbitrator within fifteen (15) days after the two appointed arbitrators are selected such arbitrator shall be appointed by a Court of competent jurisdiction on an application initiated by either Promoters or New Vernon. An arbitral tribunal thus constituted is herein referred to as a "Tribunal". In the event an appointed arbitrator may not continue to act as an arbitrator of a Tribunal, then the party (or the two appointed arbitrators, in the case of the third arbitrator) that appointed such arbitrator shall have the right to appoint a replacement arbitrator in accordance with the provisions of this Article 92.

93. All submissions and awards in relation to arbitration under these Articles shall be made in English and all arbitration proceedings and all pleadings shall be in English. Original documents in English or any other language may be submitted as evidence in their original language. Witnesses not fluent in English may give evidence in their native tongue (with appropriate translation). Original documents in a language other than English shall be submitted as evidence in English translation accompanied by the original or true copy thereof.
94. Each party to arbitration hereunder shall pay its own legal fees and expenses incurred in connection with the arbitration and the expenses of any witness produced by it. The cost of any stenographic record and all transcripts thereof shall be prorated equally among all parties ordering copies and shall be paid by such parties directly to the reporting agency. All other expenses of the arbitrators and the expenses of any witness or the cost of any proof produced at the request of the arbitrator shall be borne as determined by the Tribunal.
95. Any award in connection with any arbitration proceeding hereunder shall be final, binding and not subject to appeal, and any judgment upon such award may be entered and enforced in any court of competent jurisdiction.

## **TERMINATION**

96. In the event of termination of the Investment Agreement by reason of New Vernon's shareholding in the Company falling below 5% of the paid-up equity share capital of the Company or for any reason whatsoever, the Members of the Company (including New Vernon) shall be obligated to take all necessary action and to vote on their shares of Company to amend these Articles and exclude from these Articles all such provisions as have been included herein exclusively for the purpose of reflecting the provisions of the Investment Agreement.

## DEMATERIALIZATION OF SECURITIES

### 97. (i) Dematerialisation of securities:

Notwithstanding anything contained in these Articles, the company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996.

### (ii) Options for Investors:

Every person subscribing to securities offered by the company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of the securities in respect of his holding.

### (iii) Securities in depositories to be in fungible form.

All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sec.153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of securities held by it on behalf of the beneficial owners.

### (iv) Rights of depositories and beneficial owners:

- (a) Notwithstanding anything contained in these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (c) The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository.

### (v) Transfer of Securities:

Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor both of whom are entered as beneficial owners in the records of a depository.

### (vi) Allotment of securities dealt within a depository:

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the company shall intimate the details thereof to the depository immediately on allotment of such securities.

(vii) Register and Index of Beneficial Owners:

The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of the Members and security holders for the purpose of these Articles and the provision relating to distinctive numbering shall not apply to the shares of the company which have been dematerialised.

***(Amended vide special resolution passed at the EGM held on December 10, 2007)***

S/No.	Signature, Name, Father/ Husband name, Address description, occupation and PAN No. (If any) of each of the subscribers	Signature, Name, Father/ Husband name Address & of Witness
1.	Sd/-  Mr. T. RAGHUNANDANA S/o. Late T.V.S. SHARMA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AADPT0426C	Sd/-  M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2 <sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.NO.5081
2.	Sd/-  Ms. T. SHANTHI W/o. T.RAGHUNANDANA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AAVPS5245C	
3	Sd/-  Mr.T. KESAVAN S/o. P. THATHAPPAN No. F-4, Jumbo vinayak, 21, Leelavathi Ammal Street, Madippakkam Chennai-600 091 Service PAN: AIHPK5560E	
4.	Sd/-	

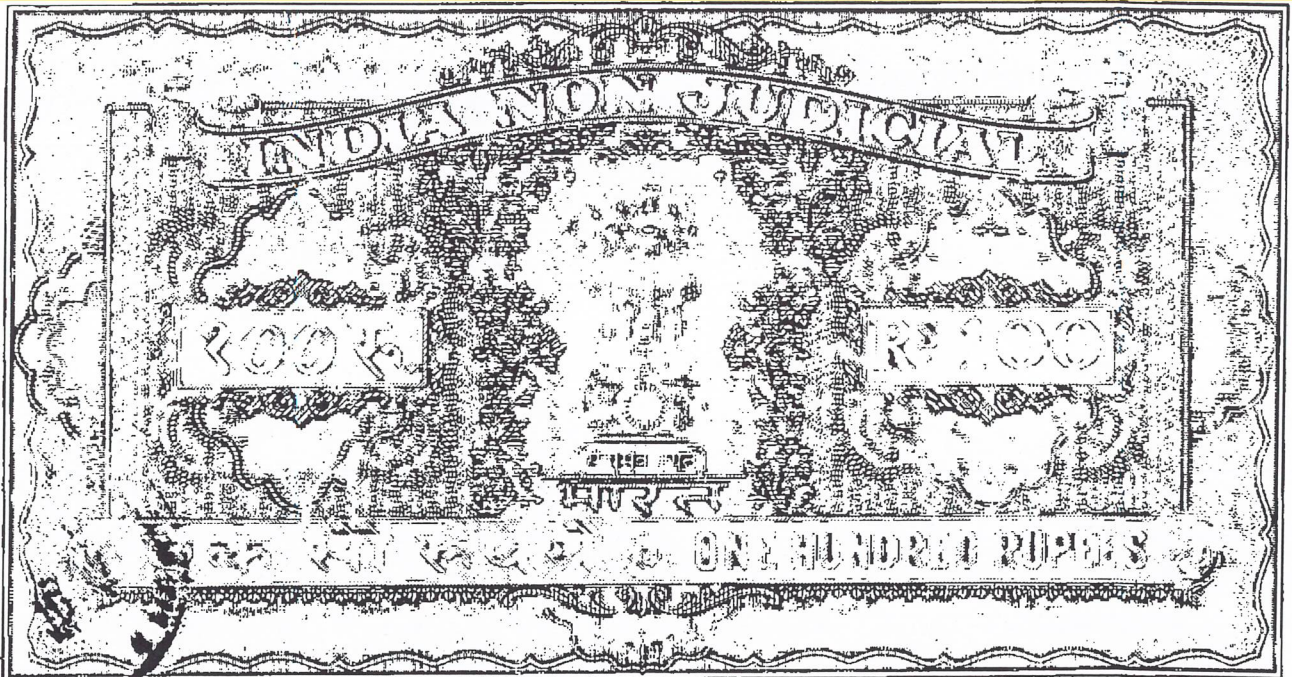
	<p>Mr.D.W.LYONS S/o. Late V.T.LYONS No.63, Foxen Street, Perambur Chennai-600 011 Service PAN: APPLIED FOR</p>	
5	<p>Sd/-</p> <p>Mr.JOSEPH FULBERT EDWARD S/o Late A. J. EDWARD No.17, 7<sup>th</sup> Street, Thiruvalluvar Nagar Errukkencherry Chennai-600 118 Service PAN: ADUPJ5877D</p>	Sd/-
6	<p>Sd/-</p> <p>Mr. C. ROY SURESH KUMAR S/o. Late S.L. COLUMBUS No.33, N.G.O Colony Sriperumbudur-602 105 Service PAN: APPLIED FOR</p>	<p>M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2<sup>nd</sup> Street Mylapore Chennai-600 004</p> <p>Company Secretary C.P.No. 5081</p>
7	<p>Sd/-</p> <p>Mr. S. MARIAPPAN S/o. S. SANKARA NARAYANAN No.146, Pandian Street Alwarthiru Nagar Chennai-600 087 Service PAN: AIRPM 9968L</p>	











5132  
04.07.2003

Updater Services

N.A. Ramakrishna  
N. A. RAMAKRISHNA  
STAMP VENDOR  
L NO 38 B3 2000  
45/23, WHEEMANNAMUDA  
BHEEMANNANPEI  
CHENNAI - 600 018

(h) "Share Capital" means the Capital for the time being raised or authorized to be raised for the purposes of the Company.

(i) Members' has the meaning assigned thereto by Section 41 of the Act.

(j) 'Dividend' includes bonus paid in cash but does not include any share issued in satisfaction of capital bonus upon capitalization of undistributed profits or share premium account.

(k) 'General Meeting' means a meeting of Members.

(l) 'Annual General Meeting' means a General Meeting of the Members held in accordance with the provisions of Section 166 of the Act and any adjourned holdings thereof.

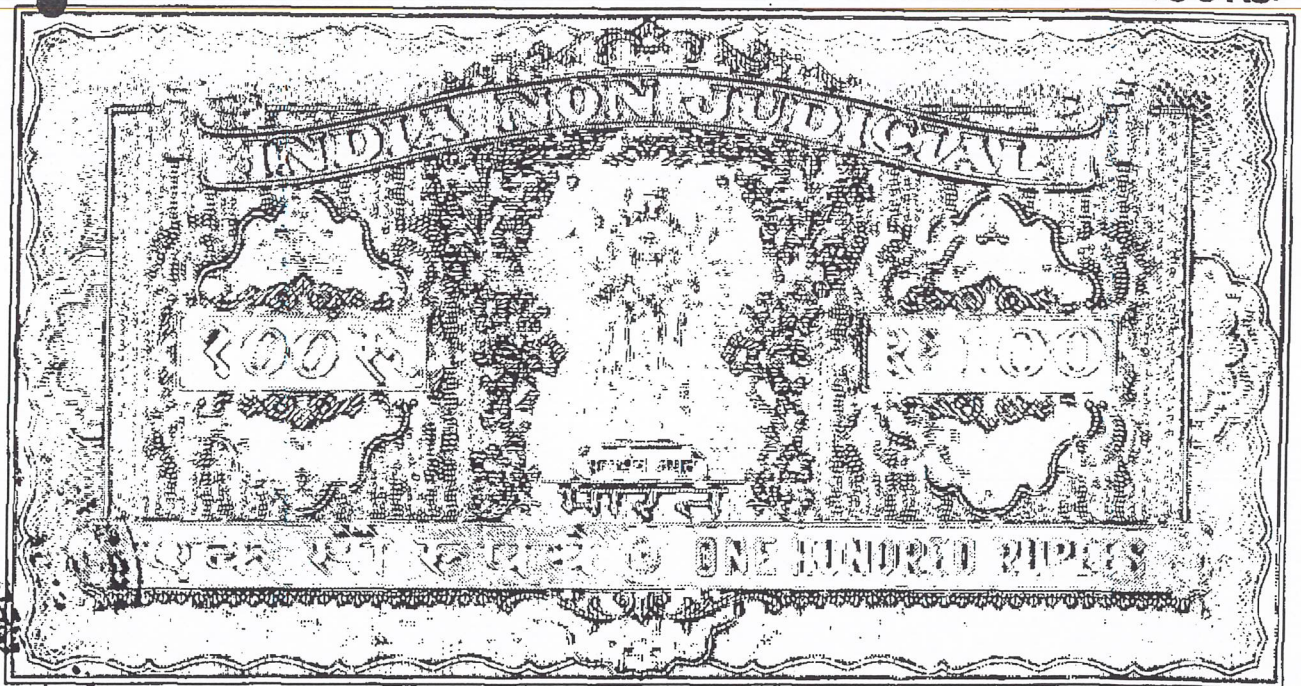
(m) 'Extraordinary General Meeting' means a General Meeting of the Members other than Annual General Meeting duly called and constituted and any adjourned holdings thereof.

(n) 'Ordinary Resolution' and 'Special Resolution' have the meanings assigned thereto respectively by Section 189 of the Act.

T. Shanthi  
[T. Shanthi]

[T. Raghuram]





5133

Updater Services

04.07.2003

N.A. Ramakrishnan

N. A. RAMAKRISHNAN

STAMP VENDOR

L NO 36 B3 2000

15/23 SHEEMANNAMUDAI ST.

SHEEMANNANPET.

CHENNAI - 600 012.

(o) 'Month' means a Calendar Month.

(p) 'Paid-up' includes credited as paid-up.

(q) 'In Writing' and 'Written' include printing, lithography and other modes of representing or reproducing words in a visible form.

### PRIVATE COMPANY

3. The Company is a Private Company within the meaning of Section 3(1) (iii) of the Companies Act, 1956 and accordingly.

The Minimum paid up Capital of the Company shall be Rs.1,00,000/- or such amount as be Prescribed AND *by its articles*

*m. Dadev.*

(a) The right to transfer the shares in the Company is restricted in the manner hereinafter appearing;

*T. S. Lenth.*  
[T. S. Lenth.]

*T. S. Lenth.*  
[T. S. Lenth.]

*one correction*  
*(m. Dadev.)*



(b) The number of members of the Company shall be limited to fifty; not including:

- 1) Persons who are in the employment of the Company; and
- 2) Persons who, having been formerly in the employment of the Company were members of the Company while in that employment and have continued to be members after the employment ceased; and provided that where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this paragraph be treated as a single member.
- (c) Prohibits any invitation to the public to subscribe for any shares in or debentures of the Company.
- (d) prohibits any invitation or acceptance of deposits from persons other than its members, directors or their relatives.

### BUSINESS

4. The Company will carry on the business for which it was incorporated and any other business or businesses or lines of business or activity which the Company is authorized to carry on under its Memorandum of Association.

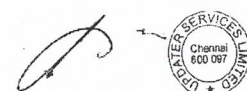
### SHARE CAPITAL

5. (a). The Authorized Share Capital of the company is Rs. 15,00,000/- (Rupees Fifteen Lakhs Only) divided into 1,50,000 Equity Shares of Rs.10/- each.
- (b) The Paid up Capital of the Company Shall be minimum of Rs.1 lakhs or such higher amount shall be prescribed.
- (c) The shares in the Capital of the Company shall be under control of the Directors who may allot or otherwise dispose of the same or any of them to such persons (whether already members or not in such proportion and on such terms and conditions and at such times as the Board may think fit provided however the Board shall comply with the provisions of the Sections 42 and 75 of the Act.
- (d) The Company shall have power to issue shares at a premium or at par or at a discount against payment of cash or kind and at such time as they may from time to time think fit and proper and it shall comply with the provisions of Sections 78 and 79 of the Act.
- (e) The Company shall have power to issue at any time preference shares including redeemable preference shares.

### ISSUE OTHER THAN FOR CASH

6. The Directors may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods, or machinery and appliances supplied, or for services rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business, and any shares which may be so allotted, may be issued as fully paid-up shares and if so issued shall be deemed to be fully paid-up shares.

Altered vide special resolution passed in the EGM held on December 29, 2005



### LIABILITY OF JOINT HOLDERS OF SHARES

7. The joint-holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share.

### TRANSFER OF SHARES

8. (a) The Directors may in their absolute and uncontrolled discretion and without assigning any reason decline to register or acknowledge any transfer of shares.
- (b) No share shall be transferred to any person who is not a member of the Company so long as any member or any persons selected by the Directors is willing to purchase the same at a value determined by the Directors in their absolute discretion to be fair.

### INCREASE AND REDUCTION OF CAPITAL

9. The Company in General Meeting may, from time to time by Special Resolution increase the capital by the creation of new shares of such amount as may be deemed expedient.

### DIRECTORS

10. There shall be a minimum of two Directors and a maximum of twelve Directors.

11. (a) The first Directors of the Company are :-

1. Mr. T.RAGHUNANDANA.
2. Mrs. T.SHANTHI

- (b) The First Directors shall hold office for life until they resign on their own accord.

12. The Directors of the Company need not hold any qualification shares.
13. Additional Directors or Alternate Directors or Directors in the Casual vacancy may be appointed by the Board of Directors subject to the maximum number of Directors prescribed in Article No.16.
14. Subject to the provisions of the Act, a Director may resign his office at any time after giving notice to the Board of Directors and the Company.
15. Every Director shall be paid a sitting fee for each meeting of the Board, committee or General meeting or other meetings of the Company, attended by him, as may be decided by the Board from time to time.
16. The Directors of the Company shall be paid such remuneration whether as salary and /or commission and/or share of net profits and in any other form or in one or more the above forms as may be decided by the Board from time to time.
17. The Board may appoint any person by whatever name called as Executive Director, Technical Director, Finance Director or Director in charge of any specific function or functions, upon remuneration or otherwise and delegate all or any powers to all or any of them.



18. A Director of the Company may be or become a Director of any other Company promoted by this Company or in which it may be interested as a member, Shareholder or otherwise and no such Director shall be accountable for any benefits received as a Director or member of such Company.
19. The Company may appoint as Director(s) such person or persons as may be nominated to the Board by Financial Institutions either as a part of their lending package or otherwise.

### PROCEEDINGS OF DIRECTORS

20. The Board shall meet at least once every three calendar months for the dispatch of business in accordance with the provisions of Section 285 of the Act and may adjourn and otherwise regulate its meetings and proceedings as it thinks fit provided that at least four such meetings shall be held every year. Notices in writing of every meeting of the Board shall be given to every director for the time being in India and at his usual address in India to every other Directors.
21. A director may, at any time, and the Manager or Secretary shall, upon the request of a Director made at any time, convene a meeting of the Board.
22. The Board may appoint one of their body to be the Chairman of the Board and determine the period for which he is to hold office.
23. (a) If no such Chairman of the Board is appointed or if at any meeting of the Board the Chairman is not present within 15 minutes after the time appointed for holding the same, the Directors present may choose one of their members to be Chairman of that Meeting.  
  
 (b) If a Director who is neither a Whole time Director nor a Managing Director is appointed as Chairman, the Board may request the said Chairman to be whole time Chairman and perform any special duties and confer on him such powers on such terms and conditions as they may deem fit.  
  
 (c) The Chairman shall exercise all such powers and perform all such duties subject to the supervision and directions of the Board of Directors and subject to such conditions and restrictions as the Board may from time to time impose.
24. A meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by or under these Articles or the Act for the time being vested in or exercisable by the Board.

The Board may, subject to the provisions of the to Act, from time to time and at any time delegate any of its powers to a committee consisting of such Director or Directors as it thinks fit, and may from time to time, revoke such delegation. Any Committees formed shall, in the exercise, of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the Board.

25. The meeting and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto, and are not superseded by any regulations made by the Board under the last preceding Article.



## POWERS OF DIRECTORS

26. (a) The Board may exercise all such powers of the Company and to do all such acts things as are not, by the Act or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

(b) Subject to the powers of the Companies Act, 1956, the Board of Directors may from time to time, at their discretion, borrow or raise funds for the purpose of the Company. The board of Directors may raise or secure the repayment of such sums may think fit and other security on the under taking of the Company, both present and future, including its uncalled capital for the time being.

## GENERAL MEETING

27. (a) A General Meeting of the Company may be called by giving not less than seven day notice in writing.

(b) Provisions contained in section 171 and section 173 of the Companies Act, 1956 shall not apply to the Company.

## CAPITALISATION OF RESERVES

28. The Company in General Meeting may, upon recommendations of the Board, Resolve  
(a)(i) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account, or otherwise available for distribution and

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

(b) The sum aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in sub-clause (c) either in or towards :-

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

(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or

(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).

(c) A share premium account and a capital redemption reserve account may, for the purpose 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.

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

29. (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall
- (i) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issue of fully paid shares, if any, and
  - (ii) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively credited as fully paid up of any further shares to which they may be entitled upon such capitalization or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.
- (b) Any agreement made under such authority shall be effective and binding on all such members.

### VOTING

30. Subject to any right or restrictions for the time being attached to shares:
- (a) On a show of hands, every member holding Equity Shares or share and present in person shall have one vote;
  - (b) On a poll every member shall have the same number of votes as the number of Equity Shares held by him.

### BOOKS AND DOCUMENTS

31. The Board shall cause proper books of accounts to be kept in accordance with Section 209 of the Act.
32. The books of account shall be kept at the office or such other place in India as the Board may decide and when the Board so decides, the Company shall, within seven days of the decision, file with the Registrar of Companies the notice in writing giving the full address of that other place.
33. (a) The Books of Accounts shall be open to inspection by any Director during business hours.
- (b) The Board shall, from time to time, determine whether and to what extent, and at what times and places, and under what conditions or regulations, the books of accounts and books and documents of the Company, other than Minute Books relating to Board Meeting and General Meetings shall be open to the inspection of the members not being Directors and no member (not being a Director) shall have any right of inspecting any books of accounts or books or documents of the Company except as conferred by Law or authorized by the Board or by the Company in General Meeting.

### BALANCE SHEET AND ACCOUNTS

34. At every Annual General Meeting the Board shall lay before the Company a Balance Sheet and Profit and Loss Account made up in accordance with the provisions of Section 210 of the Act and such Balance Sheet and Profit and Loss Account shall comply with the requirements of Sections 210, 211, 212, 215, and 216 and of Schedule VI to the Act so far as they are applicable to the Company, but, save as aforesaid, the Board shall not be bound to disclose greater details of the result or extent of the trading and transactions of the Company than it may deem expedient.



35. There shall be attached to every Balance sheet laid before the Company in General Meeting a report by the Board complying with Section 217 of the Act.

#### AUDIT

36. Once at least in every year the books of all accounts of the Company shall be examined by one or more Auditor or Auditors.
37. The appointment, powers, rights, remuneration and duties of the Auditors shall be regulated by Sections 224 to 229 of the Act.

#### SEAL

38. The Company shall have a Common Seal and the Board shall provide for the safe custody thereof. The Seal shall not be applied to any instrument except by the authority of a resolution of the Board and in the presence of one Director or such other person aforesaid, shall sign every instrument to which the seal of the Company is so affixed in his presence.

#### WINDING UP

39. If the Company shall be wound up and the assets available for distribution among the members are such as shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding-up on the shares held by them respectively. And if in a winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up paid-up or which ought to have been paid-up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.
40. If the Company shall be wound up, whether voluntarily or otherwise the liquidators may with the sanction of a special resolution divide among the contributors, in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trust for the benefit of the contributories, or any of them, as the liquidators, with the like sanction shall think fit.

#### INDEMNITY AND RESPONSIBILITY

41. (a) Subject to the provisions of Section 201 of the Act every Director, manager or officer of the Company shall be indemnified by the Company against all costs, losses and expenses which any such person may incur or become liable to by reason of any contract entered into or act or deed done by him as such director, manager, or officer or in anyway in the discharge of his duties, including traveling allowances, and the amount for which such indemnity is provided shall be immediately attached as a lien on the property of the Company and have priority as between the members over other claims.

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


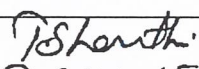

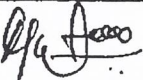
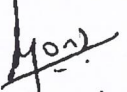
42. No Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other director or officer, or for joining in any receipt or other act for conformity, or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the directors or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, Company or corporation with whom any moneys, securities, or effects may be entrusted or deposits, or for any loss occasioned by any error or judgment or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duty of his office or in relation thereto, unless the same happens through his own dishonesty.

#### SECURITY CLAUSE

43. (a) Subject to the provisions of the Act, no member shall be entitled to inspect the Company's books without the permission of the Directors, or to require discovery of or any Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process, which may relate to the conduct of the business of the Company which in the opinion of the members of the Company to be communicated to the public.

(b) Every Director, Manager, Officer, Servant, Agent, Accountant, or any other person employed in the business of the Company, shall if so required by the Directors before entering upon his duties or at any time during his term of office, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of Accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required to do so by the Board or by a Court of law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions contained in these Articles and by the provisions of the Act.



Sl. No.	Signature, Name, Father /Husband name, address description, occupation and PAN No. of each of the subscribers	Signature, Name, Father /Husband name, Address & of Witness
1.	 T. RAGHUNANDANA. 42, Luz Avenue, My lapore, Chennai - 600 004. PAN: AADPT 0426C /	All Subscribers Signed Before me
2.	 T-SHANTHI W/o. T-RAGHU NANDANA 42- LU2 AVENUE MYLAPORE - CHENNAI - 600 004 PAN: AA VPS 5245-C /	 M. DAMODARAN. K. Munusamy. 28, Barua Road, 11th Street, mylapore, Chennai - 600 004. Company Secretary. C.P.No. 5081.
3.	 T. KESAVAN S/o. P. THATHAPPAN FA. JUMBO VINAYAK 21 LEELAVATHY AMMAL STREET, MADIPAKKAM - CHENNAI - 91 PAN : AIHPK 5560 E	
4.	 J. W. LYONS S/o Mr. V.T. Lyons (Late) 63 Foxen Street PERAMBUR - CHENNAI - 600 011 PAN - Applied For.	

12

5.	<u>H. Edward</u> JOSEPH FULBERT EDWARD S/O Late A.J. EDWARD No 17, 7th STREET, THIRUVALLUVAR NAGAR. ERRUKKENCHERRY CHENNAI - 600 118 PAN No: ADUPJ 5877D	1 ONE	At 7 subscribers Signed before in down. in D. Amudaran. 28, Pandian road 11th Street myself Chennai - 600 004 C. P. No: 5081.
6.	<u>Roy.</u> C. Roy SURBEN KUMAR., S/O Late S.C. COLUMBUS., No 33 N.G.O. COLONY, SRIPERUMBUDUR. 602 105. PAN: APPLIED FOR	1 ONE	
7.	<u>S. Mariappan</u> S. MARIAPPAN S/O S. SANKARANARAYANAN 146, PANDIAN STREET, ALWARTHIRU NAGAR, CHENNAI - 600 087 PAN. NO: AIRPM 9968 L	1 ONE	
Total			

Place : Chennai

Date : 6.11.03.

<b>LCRES</b>	
51955	S. No: 12
Reg. No: 11/11/03	
Entered by	
Kav ADDL/ASST. ROC.	

E

**THE COMPANIES ACT, 2013**  
**(OR ANY REENACTMENT THEREOF)**  
**COMPANY LIMITED BY SHARES**  
**AMENDED AND RESTATED ARTICLES OF ASSOCIATION**  
**OF**  
**\*\*\*UPDATER SERVICES LIMITED**  
**(Previously known as Updater Services Private Limited)**

**PART - A**

**PRELIMINARY**

The regulations contained in Table "F" in Schedule I to the Companies Act, 2013, so far as the same, may be applicable to a Public Company as defined in the Act, shall except, otherwise and to extent provided in these Articles, apply to this Company, in the same manner as if all such regulations of Table F are specifically contained in these Articles.

**Part-A**

**INTERPRETATION**

1. In these regulations:

- a) "The Act" means the Companies Act, 2013
- b) "The Company" or "this Company" means **\*\*\*UPDATER SERVICES LIMITED**
- c) "Directors" means the Directors for the time being of the Company or as the case maybe Directors assembled at a Board.
- d) "Board of Directors Meeting" or "Board Meeting" means a meeting of the Directors duly called and constituted or as the case may be, Directors assembled at a Board.
- e) "Person" includes Corporation.
- f) "The Office" means the registered office for the time being of the company.
- g) "Month" shall mean calendar month.
- h) "Proxy" includes attorney duly constituted under a Power of Attorney

(*\*\*\*The word "PRIVATE" has been deleted vide special resolution passed at the Extra-ordinary general meeting of the Company held on 19.10.2021 for conversion of the Company from Private Limited to Public Limited*)

**For Updater Services Pvt Ltd.**

  
**T. Raghunandana**  
**Managing Director**



i) "The seal" means the Common Seal of the Company.

j) "Executed" includes any mode of execution.

k) "holder" in relation to shares means the member whose name is entered in the register of members as the holder of the shares.

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.

3.\*\*\*

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

4. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

5. (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 be under the seal and 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 The Restrictions related to Private Company has been deleted vide Special Resolution passed at the Extra-ordinary general meeting of the Company held on 19.10.2021 for conversion of the Company from Private Limited to Public Limited)*

**For Updater Services Pvt Ltd.**

  
**T. Raghunandana**  
Managing Director

6. (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:-

7. Except as required by law, no person shall be recognized 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 recognize (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.

8. (i) The company may exercise the powers of paying commissions conferred by subsection(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 rules made there under.

(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.

9. (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 to 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.

10. 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 shares ranking paripassu therewith.

11. 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.

### **TRANSFER OF SHARES**

12. (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.

13. The Board may, subject to the right of appeal conferred by section 58 declines 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.

14. The Board may decline to recognize any instrument of transfer unless-

(a) the instrument of transfer is in the form as prescribed in rules made under subsection (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

15. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, 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**

16. (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 sole holder, 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.

17. (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.

(ii) 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.

18. (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.

19. 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 been complied with.

#### **ALTERATION OF CAPITAL**

20. 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.

21. 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.

22. 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.

23. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law, -

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

#### **BUYBACK OF SHARES**

24. 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**

25. All general meetings other than annual general meeting shall be called extra-ordinary general meeting.

26. (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**

27. (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.

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

29. 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.

30. 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**

31. (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.

### **BOARD OF DIRECTORS**

32. The first directors of the Company shall be the following

**Mr. T. RAGHUNANDANA**

**Mrs. T. SHANTHI**

33. (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.

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

35. 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.

36. 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.

37. 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.

38. (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.

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

39. 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.

40. 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.



## **DEMATERIALIZATION OF SECURITIES**

### **41. (i) Dematerialisation of securities:**

Notwithstanding anything contained in these Articles, the company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996.

#### **(ii) Options for Investors:**

Every person subscribing to securities offered by the company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of the securities in respect of his holding.

#### **(iii) Securities in depositories to be in fungible form.**

All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sec.153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of securities held by it on behalf of the beneficial owners.

#### **(iv) Rights of depositories and beneficial owners:**

(a) Notwithstanding anything contained in these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner.

(b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(c) The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository.

#### **(v) Transfer of Securities:**

Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor both of whom are entered as beneficial owners in the records of a depository.

#### **(vi) Allotment of securities dealt within a depository:**

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the company shall intimate the details thereof to the depository immediately on allotment of such securities.

#### **vii) Register and Index of Beneficial Owners:**

The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of the Members and security holders for the purpose of these Articles and the provision relating to distinctive numbering shall not apply to the shares of the company which have been dematerialised.

### **THE SEAL**

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

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

### **Dividends and Reserve**

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

43. 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.

44. (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.

45. (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.

46. 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.

47. (i) Any dividend, interest or other monies payable in cash in respect of shares maybe 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.

48. 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.

49. 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.

51. No dividend shall bear interest against the company.

## **ACCOUNTS**

52. (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 authorized by the Board or by the company in general meeting.

## **WINDING UP**

53. Subject to the provisions of Chapter XX of the Act and rules made there under –

(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**

54. 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.

## **CAPITALISATION OF RESERVES**

55. The Company in General Meeting may, upon recommendations of the Board, resolve

- (a) (i) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and

- (ii) that such sum be accordingly set free for distribution in the manner specified in sub-clause (b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
  - (b) The sum aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in sub-clause (c) either in or towards:-
    - (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
    - (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to amongst such members in the proportions aforesaid; or
    - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
  - (c) A share premium account and a capital redemption reserve account may, for the purpose 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.
  - (d) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
56. (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall
- (i) Make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue of fully paid shares, if any, and
  - (ii) authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively credited as fully paid up of any further shares to which they may be titled upon such capitalization or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.
- (b) Any agreement made under such authority shall be effective and binding on all such members.

## ISSUE OF SECURITIES UNDER EMPLOYEE STOCK OPTION SCHEME OR ANY OTHER SCHEME\*\*

\*\*57. Subject to the provision of these Articles and in accordance with the provisions of Section 54 of the Companies Act, 2013 and of various other laws governing the issue, the Board may issue and allot Securities under Employees Stock Option Schemes or any other scheme to Employees including its Directors other than independent directors and such other persons as the rules may allow from time to time

*\*\*Clause 57 adopted by Special Resolution passed by the members of the Company at the Extra – Ordinary General Meeting held on 17 April, 2019.*

### Part-B

#### 1. Additional Definition

- 1.1.1 **“Additional Funding Requirement”** means: (i) additional funding requirements as per the Business Plan; and, or, (ii) the Board determining that such additional funding is required from time to time in terms of this Agreement, in compliance with Clause 5;
- 1.1.2 **“Agreement”** means the Investment Agreement dated 19.01.2017 entered into between Investor I & Investor II, Promoter I, Promoter II & Promoter III and the Company;
- 1.1.3 **“Business Plan”** means, in relation to any Financial Year, the annual business plan of the Company as approved by the Board, including the budget for the relevant Financial Year in relation to the sales budget, revenue and operating expenditure, cash flow, capital expenditure and key financial ratios;
- 1.1.4 **“Financial Year”** means the period commencing from the 1<sup>st</sup> day of April of every calendar year and ending on the 31<sup>st</sup> day of March of the next calendar year;
- 1.1.5 **“Securities”**, in regard to the Company, means any form of securities and shares of the Company, including the Equity Shares and Dilution Instruments;
- 1.1.6 **“Equity Shares”**, means the equity shares of the Company having a face value of INR 10 (Indian Rupees ten) each per share;
- 1.1.7 **“Dilution Instruments”**, in regard to a company, means and includes preference shares, debentures, bonds, warrants, options or other securities or instruments which are convertible into or exercisable or exchangeable for or which carry a right to subscribe to or purchase equity shares or equity capital of such a company or any instrument or certificate or right representing a legal or beneficial ownership interest in equity shares or equity capital of such a company;
- 1.1.8 **“Board”** means the board of directors of the Company as constituted from time to time in accordance with the provisions of the Constitutional Documents and Applicable Laws;

- 1.1.9 **"Shareholding Percentage"** means the respective percentage proportions in which the Share Capital is held by the Shareholders from time to time on Fully Diluted Basis. It is clarified that for the purposes of Clause 2, any calculation of the Shareholding Percentage for determining the entitlement of a Shareholder in any proposed issuance shall be undertaken based on the Share Capital held by such a Shareholder immediately prior to such proposed issuance on Fully Diluted Basis;
- 1.1.10 **"Shareholder(s)"** means the shareholder(s) of the Company from time to time;
- 1.1.11 **"Applicable Laws"** means relevant and applicable central, state and local laws of India, including all statutes, enactments, acts of legislature, laws, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, administration, directions, directives, decisions, orders, executive orders, decrees, judicial decisions, orders of any Governmental Authority or other similar directives made pursuant to such laws, whether in effect on the date of this Agreement or at any time thereafter;
- 1.1.12 **"Person"** means and includes any natural person, limited or unlimited liability company, corporation, limited or unlimited liability partnership firm, proprietorship firm, Hindu undivided family, trust, union, association or any other entity that may be treated as a person under Applicable Laws;
- 1.1.13 **"Affiliate(s)"**, with respect to a Person, means (i) in the case of a Person other than a natural person, any other Person that either directly or indirectly through one or more Persons, Controls, is controlled by or is under common Control with such Person and any investment funds managed or advised by such specified Person, and (ii) in relation to a natural person, any Relative of such a natural person and any other Person, either directly or indirectly, controlled by such a natural person. In case of the Investors, the term 'Affiliate' shall be deemed to include any pooled investment fund(s) and, or, juristic entity managed by the same manager, managing member, limited partner / investor of pooled investment fund(s) of Investor I and, or, Investor II, general partner or management company or by an entity Controlling, Controlled by, or under common Control with such manager, managing member, general partner or management company, or any other pooled investment fund(s);
- 1.1.14 **"Deed of Adherence"** means a deed in the form set out in **Schedule 13** of the Agreement;
- 1.1.15 **"Approvals"** means approvals, permissions, consents, validations, confirmations, waivers, permits, notices, filings, grants, concessions, certificates, registrations, exemption orders, licenses and, or, other authorisations required to be obtained from any Person, including Governmental Authorities, under Applicable Laws, contracts or equity;
- 1.1.16 **"Conflicting Business"** has the meaning assigned to such term in Clause 9.1.1(i) of the Agreement;
- 1.1.17 **"Subscription Cut-Off Period"** has the meaning assigned to such term in Clause 2.2.2 of the Agreement;
- 1.1.18 **"Share Capital"**, in regard to the Company, means the total issued, subscribed and paid up share capital of such the Company determined on a Fully Diluted Basis;
- 1.1.19 **"Non-Subscribing Shareholder"** has the meaning assigned to such term in Clause 2.2.4 of the Agreement;



- 1.1.20 **"Business Day(s)"** means any day other than Saturday, Sunday or any day on which banks in Chennai (India) or Mumbai (India) or Ebene (Mauritius) are closed for regular banking business;
- 1.1.21 **"Subscribing Shareholder(s)"** has the meaning assigned to such term in Clause 2.2.4 of the Agreement;
- 1.1.22 **"Third Party"** means any Person other than the Parties to the Agreement;
- 1.1.23 **"Dilutive Issuance"** has the meaning assigned to such term in Clause 2.3.2 of the Agreement;
- 1.1.24 **"Dilution Price"** has the meaning assigned to such term in Clause 2.3.2 of the Agreement;
- 1.1.25 **"ESOP"** means the Employee Stock Option Plan;
- 1.1.26 **"Bonus Issue"** has the meaning assigned to such term in paragraph (v) of **Schedule 6** of the Agreement;
- 1.1.27 **"Management"** has the meaning assigned to such term in Clause 9.5.1 of the Agreement;
- 1.1.28 **"Constitutional Documents"** means the Memorandum of Association of the Company and Articles from time to time;
- 1.1.29 **"Committees"** has the meaning assigned to such terms in Clause 3.9 of the Agreement;
- 1.1.30 **"Director(s)"** means a director on the Board, as constituted from time to time;
- 1.1.31 **"Investor Directors"** has the meaning assigned to such term in Clause 3.2.1 of the Agreement;
- 1.1.32 **"Promoter Director"** has the meaning assigned to such term in Clause 3.2.1 of the Agreement;
- 1.1.33 **"Tranche A Closing Date"** has the meaning assigned to such term in Clause **Error! Reference source not found.**(i) of the Agreement;
- 1.1.34 **"Independent Director"** has the meaning assigned to such term in the 2013 Act;
- 1.1.35 **"Tranche B Closing"** means completion of all the actions contemplated under Clause **Error! Reference source not found.** of the Agreement;
- 1.1.36 **"Observer"** has the meaning assigned to such term in Clause 3.3 of the Agreement;
- 1.1.37 **"Shareholders Meeting"** has the meaning assigned to such term in Clause 4.1.1 of the Agreement;
- 1.1.38 **"Original Director"** has the meaning assigned to such term in Clause 3.5.1 of the Agreement;
- 1.1.39 **"Alternate Director"** has the meaning assigned to such term in Clause 3.5.1 of the Agreement;

- 1.1.40 **“Chairman”** has the meaning assigned to such term in Clause 3.6 of the Agreement;
- 1.1.41 **“Board Meeting”** means a meeting of the Board duly convened in accordance with the Companies Act, the Constitutional Documents and the Agreement;
- 1.1.42 **“Affirmative Vote Matters”** has the meaning assigned to it in Clause 5.1 read with **Schedule 12** of the Agreement;
- 1.1.43 **“Transfer”** means, whether directly or indirectly, any transfer, including any sale, assignment, pledge, hypothecation, creation of security interest in or lien or Encumbrance on, placing in trust (voting or otherwise), exchange, gift or transfer by operation of law or in any other way, whether or not voluntarily. Correlative terms such as “transferred”, “transferring” and “transferability” shall be construed in accordance with this definition.
- 1.1.44 **“Control”**, in relation to any Person, means (i) the beneficial ownership, directly or indirectly, of more than 50% (fifty per cent.) of the voting rights or paid-up share capital of such a Person, (ii) the right to nominate a majority of the directors or members on the board of directors or other such governing body of that Person, and, or, (iii) the possession of power to cause direction of the management or policies of such a Person; Correlative terms such as “controlling” and “controlled” shall be construed in accordance with this definition;
- 1.1.45 **“Encumbrance(s)”** means all kinds of charges and encumbrances, including mortgage, pledge, lien, hypothecation, title defect, attachment in the decree of any court, court injunction, assignment by way of security, restriction or limitation of any nature whatsoever, including restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, or any other agreement or arrangement which has the effect of conferring security of any kind whatsoever; For the avoidance of doubt, it is hereby clarified that, insofar as any shares or securities are concerned, the term “encumbrances” includes any voting agreement, interest, option, right of pre-emption or transfer restriction in favour of any Person;
- 1.1.46 **“Execution Date”** means the date of execution of the Agreement;
- 1.1.47 **“Permitted Investor Transferee”** has the meaning assigned to such term in Clause 6.2.1 of the Agreement;
- 1.1.48 **“Exit Trigger Event”** has the meaning assigned to such term in Clause 7.3.1 of the Agreement;
- 1.1.49 **“ROFO Eligible Shareholders”** has the meaning assigned to such term in Clause 6.3.2 of the Agreement;
- 1.1.50 **“Transferring Shareholder”** has the meaning assigned to such term in Clause 6.3.2 of the Agreement.
- 1.1.51 **“ROFO Notice”** has the meaning assigned to such term in Clause 6.3.2 of the Agreement;
- 1.1.52 **“ROFO Period”** has the meaning assigned to such term in Clause 6.3.3 of the Agreement;

- 1.1.53 **“ROFO Response Period”** has the meaning assigned to such term in Clause 6.3.4 of the Agreement;
- 1.1.54 **“ROFO Transfer Period”** has the meaning assigned to such term in Clause 6.3.5 of the Agreement;
- 1.1.55 **“Transfer Securities”** has the meaning assigned to such term in Clause 6.3.2 of the Agreement;
- 1.1.56 **“Fully Diluted Basis”**, in regard to the Company, means that the calculation is to be made assuming that all outstanding Dilution Instruments (whether or not by their terms currently convertible, exercisable or exchangeable), options, warrants, outstanding commitments to issue Equity Shares or Dilution Instruments at a future date, whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged in accordance with their respective terms;
- 1.1.57 **“Indication of Interest”** has the meaning assigned to such term in Clause 6.3.3(i) of the Agreement;
- 1.1.58 **“Indication of Non Acceptance”** has the meaning assigned to such term in Clause 6.3.3(ii) of the Agreement;
- 1.1.59 **“Offer Price”** has the meaning assigned to such term in Clause 6.3.3(i) of the Agreement;
- 1.1.60 **“ROFO Acceptance Notice”** has the meaning assigned to such term in Clause 6.3.4 of the Agreement;
- 1.1.61 **“Transferring Promoter”** has the meaning assigned to such term in Clause 6.4.2 of the Agreement;
- 1.1.62 **“Tag Exercise Notice”** has the meaning assigned to such term in Clause 6.4.3 of the Agreement;
- 1.1.63 **“Tag Request Notice”** has the meaning assigned to such term in Clause 6.4.2 of the Agreement;
- 1.1.64 **“Tag Response Period”** has the meaning assigned to such term in Clause 6.4.3 of the Agreement;
- 1.1.65 **“Tag Right”** has the meaning assigned to such term in Clause 6.4.2 of the Agreement;
- 1.1.66 **“Tag Securities”** has the meaning assigned to such term in Clause 6.4.3 of the Agreement;
- 1.1.67 **“Taxes”** means any and all forms of taxation, imposts, duties, and levies, whether direct or indirect, deductible at source or otherwise, together with any interest, penalties, surcharges or fines relating thereto, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction. It is clarified that the term “Taxes” shall include any interest, surcharges, penalties or additional taxes payable in connection therewith; Correlative terms such as “tax” and “taxation” shall be construed in accordance with this definition;
- 1.1.68 **“IPO”** has the meaning assigned to such term in Clause 7.1.1 of the Agreement;

- 1.1.69 **"Offer of Existing Securities"** has the meaning assigned to such term in Clause 7.1.1 (ii) of the Investment;
- 1.1.70 **"Exit Trade Sale"** means any transaction apart from an IPO that provides each of the Investors a complete exit from the Company and includes the following: (i) a strategic sale to any Person (including a Person engaged in a Conflicting Business) through either a sale of more than 51% (fifty one per cent.) of the Share Capital of the Company or less than 51% (fifty one per cent.) of the Share Capital of the Company that results in a change in Control; or (ii) a secondary sale of the Investor Shares to any Person;
- 1.1.71 **"Strategic Sale Closing Date"** has the meaning assigned to such term in Clause 7.3.3 ) of the Investment;
- 1.1.72 **"Strategic Sale Exercise Notice"** has the meaning assigned to such term in Clause 7.3.2 ) of the Investment;
- 1.1.73 **"Strategic Sale Right"** has the meaning assigned to such term in Clause 7.3.1 ) of the Investment;
- 1.1.74 **"Strategic Sale Securities"** has the meaning assigned to such term in Clause 7.3.2 ) of the Investment;
- 1.1.75 **"Strategic Transferee"** has the meaning assigned to such term in Clause 7.3.1 ) of the Investment;
- 1.1.76 **"IRR" or "Internal Rate of Return"**, in regard to each Investor, means the specified rate of return to be received by each Investor and pursuant to the investment amount (whether through subscription to Securities and, or, through purchase of such Securities), sufficient to cause such an Investor to have received, as of the date of determination, an aggregate internal rate of return or such specified rate per annum on the aggregate of the amounts invested by the Investor. For such purposes, the IRR shall be calculated using the "xIRR" function in Microsoft Excel and using the investment amount and any other amounts invested by the relevant Investor as the investment "out-flows", with dividends, redemption value, interest, all receipts in cash including any secondary or sale consideration (other than any payments related to indemnity), monetary value (which monetary value shall be determined by the Investors and Promoter I through mutual agreement) of all non-cash consideration, and liquidation proceeds of the Company distributed to such an Investor as "in-flows"; The Parties agree that the IRR calculated shall be net of any expenses directly incurred by the relevant Investor in course of exercise or ensuring an exit including but not limited to any such direct expenses incurred towards appointment of any merchant banker(s), manager(s), arranger(s), banker(s), legal or tax advisor(s) and, or, obtaining indemnity insurance. Further, the IRR shall be calculated from: (i) the Tranche A Closing Date for Investor I Tranche A Subscription Consideration and Investor II Tranche A Subscription Consideration; and (ii) 31 July 2017 for Investor I Tranche B Consideration and Investor II Tranche B Consideration;
- 1.1.77 **"Investor Excess"** has the meaning assigned to such term in Clause 7.4.1 of the Agreement;
- 1.1.78 **"Investor I Shares"** means the Investor I Tranche A Shares and Investor I Tranche B Shares together;

- 1.1.79 **"Investor II Shares"** means the Investor II Tranche A Shares and Investor II Tranche B Shares together;
- 1.1.80 **"Tranche B Closing Date"** has the meaning assigned to such term in Clause **Error! Reference source not found.**(ii) of the Agreement;
- 1.1.81 **"Investor I Tranche B Shares"** means, the Investor I Tranche B Sale Shares, or the Investor I Tranche B Subscription Shares, as the case may be;
- 1.1.82 **Investor II Tranche B Shares"** means the Investor II Tranche B Sale Shares or the Investor II Tranche B Subscription Shares, as the case may be;
- 1.1.83 **"Primary Transaction"** has the meaning assigned to such term under Clause **Error! Reference source not found.****Error! Reference source not found.** of the Agreement;
- 1.1.84 **"Permitted Recipients"** means the following: (i) funds under the management / advised / sub-advised by the respective managers of the Investors and their respective Affiliates and their respective directors, officers, employees, agents and advisors; and, or, (ii) valuation agencies undertaking the valuation of the Investors' portfolio, etc.;
- 1.1.85 **"Accounting Standards"** means the applicable accounting standards in force in India from time to time, consistently applied during the relevant period, including the generally accepted accounting principles and standards, Indian Accounting Standard (Ind AS), and all pronouncements including the guidance notes and other authoritative statements of the Institute of Chartered Accountants of India;
- 1.1.86 **"Financial Statements"**, in regard to the Company, means the audited financial statements comprising an audited balance sheet as of the end of the relevant Financial Year and the related audited statement of income and statement of cash flows for such a Financial Year, together with the auditor's report thereon and notes thereto prepared in accordance with Applicable Laws and Accounting Standards;
- 1.1.87 **"Assets"**, in regard to the Company, means all properties and assets of such the Company, including movable, immovable, tangible or intangible assets belonging to the Company or used or held for use in connection with, necessary for the conduct of, or otherwise material to the business and, or, operations of the Company, including the Intellectual Property Rights;
- 1.1.88 **"Key Managerial Personnel"** has the meaning assigned to such term in sub-section (51) of section 2 of the 2013 Act;
- 1.1.89 **"Role"** means any investment / arrangement whereby the Promoters, either directly or indirectly, have or attain: (i) any shareholding /economic interest / investment in any business or any Person, (ii) a right to nominate management positions, (iii) a right to appoint / select persons on the board / governing body of such business or Person, or (iv) a role as an employee, director, lender, observer, consultant or advisor;
- 1.1.90 **"Transaction Documents"** means the Agreement and all other agreements and documents executed or furnished or exchanged between the Parties and, or, their respective Affiliates to give effect to the transactions contemplated under the Agreement or any other document that may be designated as a Transaction Document by the Parties;

- 1.1.91 **“Interested Entities”** has the meaning assigned to such term in Clause 9.1.2 of the Agreement;
- 1.1.92 **“Protective Covenants”** has the meaning assigned to such term in Clause 9.1.6 of the Agreement;
- 1.1.93 **“Business”** means the business of providing facilities management, production support services, staffing services, staffing solutions and other business support services, as carried on by the Company on the Execution Date and as supplemented / expanded from time to time;
- 1.1.94 **“Relative(s)”** in connection with (i) Promoter I or Promoter II, means the children of Promoter I and Promoter II, and (ii) any other natural person, has the meaning assigned to such a term in the 2013 Act;
- 1.1.95 **“Best Security Services Private Limited”** shall mean Best Security Services Private Limited a private limited company existing under the Act and having its registered office at 42, Luz Avenue, Mylapore, Chennai – 600 004.
- 1.1.96 **“Subsidiary”** has the meaning assigned to such term in sub-section (87) of section 2 of the 2013 Act;
- 1.1.97 **“Related Party”** has the meaning assigned to such term in sub-section (76) of section 2 of the 2013 Act and, or, as per applicable Accounting Standards;
- 1.1.98 **“FCPA”** has the meaning assigned to such term in Clause 9.2.1(iii) of the Agreement;
- 1.1.99 **“PMLA”** has the meaning assigned to such term in Clause 9.2.1(iii) of the Agreement;
- 1.1.100 **“Government Official”** has the meaning assigned to such term in Clause 9.2.1(iv) of the Agreement;
- 1.1.101 **“Governmental Authority”** means any competent governmental, regulatory, statutory or administrative authority, agency, department, commission or instrumentality (whether local, municipal, national or otherwise), court, board or tribunal of competent jurisdiction or other law, rule or regulation making entity having jurisdiction on any of the Parties or the transactions contemplated by the Agreement;
- 1.1.102 **“Material Adverse Effect”** means any event, occurrence, fact, condition, change, development or effect that, individually or in the aggregate, has had or may reasonably be expected to have a material and adverse effect on: (i) the ability of the Company and, or, the Promoters to perform its obligations hereunder; and, or, (ii) the condition (financial or otherwise and including any material increase in provisions), operations, results of operations, prospects, Assets, liabilities or Business of the Company;
- 1.1.103 **“OFAC”** has the meaning assigned to such term in Clause 9.2.1(vi) of the Agreement;
- 1.1.104 **“Ordinary Course”** as applied to any Person, means an action taken by or on behalf of such a Person that is consistent with past customs of such a Person and prudent business practices as per best industry standards, including with respect to quantity and frequency;
- 1.1.105 **“Company Representative”** has the meaning assigned to such term in Clause 9.2.2(i) of the Agreement;

- 1.1.106 **"Sanctionable Practice"** means any Corrupt Practice, Fraudulent Practice, Coercive Practice, Collusive Practice, or Obstructive Practice, as those terms are interpreted in accordance with the Anti-Corruption Legislation and Anti-Corruption Guidelines provided at **Schedule 10** of the Agreement;
- 1.1.107 **"Integrity Requirements"** means the integrity-related obligations including but not limited to obligations related to anti money laundering/countering of financing of terrorism, "know-your-customer" and fraud, corruption and Sanctionable Practices of the Company under (i) Applicable Laws and relevant codes of conduct and similar requirements, rules and codes conduct issued by industry self-regulatory organizations and similar trade associations, (ii) Clause 9.2, and (iii) **Schedule 10** of the Agreement;
- 1.1.108 **"Dividend Policy"** means a policy formulated determining the distribution of dividends of the Company to the Shareholders in accordance with Applicable Law which is acceptable to the Investors;
- 1.1.109 **"Statutory Auditor"** means the statutory auditor of the Company from time to time;
- 1.1.110 **"Indebtedness"** as applied to any Person, means any indebtedness of any kind (other than current trade accounts incurred or payable in the Ordinary Course), whether secured or unsecured, including any liability or financial obligation pertaining to borrowed money, any liability or financial obligation evidenced by a note, bond, debenture, letter of credit, draft or similar instrument, any obligation owed for all or any part of the deferred purchase price of property or services, any guarantee, warranty or indemnity extended by such Person to any other Person;
- 1.1.111 **"Associate"**, in regard to a Person, means another Person in which such a Person and, or, its Affiliates have Significant Influence and includes partnerships and private trusts where such Person and its Affiliates is a partner, beneficiary and, or, trustee;
- 1.1.112 **"Significant Influence"** means the possession of power to cause or prevent any actions pertaining to the management or policies of a Person, through the ownership or control or benefit of at least 20% (twenty percent) of total share capital or voting interest or economic interest of such a Person or the ability to nominate or have elected 1 (one) or more members of a governing body of such person or the ability to direct, restrict or otherwise influence any management decision of such Person, whether through debt arrangements, contract, voting interest, membership to governing bodies such as a board of director, or otherwise;
- 1.1.113 **"Indemnified Parties"** has the meaning assigned to such term in Clause 10.1.1 of the Agreement;
- 1.1.114 **"Indemnifying Party"** has the meaning assigned to such term in Clause 10.1.1 of the Agreement;
- 1.1.115 **"Claim Notice"** has the meaning assigned to such term in Clause 10.2 of the Agreement;
- 1.1.116 **"Claims"** means all direct or indirect losses, damages, costs, expenses, liabilities of whatever nature or kind including all legal and professional fees and costs except for any lost profits;
- 1.1.117 **"Promoter & Company Warranties"** has the meaning assigned to such term in Clause **Error! Reference source not found.** of the Agreement;



- 1.1.118 **"Disclosure Letter"** means a disclosure letter, in Agreed Form, that is to be furnished in regard to the Promoter & Company Warranties by the Company and the Promoters to the Investors on the Execution Date, as supplemented or amended on account of circumstances arising after the Execution Date, and as a Promoter & Company Condition Precedent in terms of paragraphs (iv) of **Schedule 3A, Schedule 3B and Schedule 3C** of the Agreement;
- 1.1.119 **"Acceptance Notice"** has the meaning assigned to such term in Clause 10.3.1(i) of the Agreement;
- 1.1.120 **"Objection Notice"** has the meaning assigned to such term in Clause 10.3.1(ii) of the Agreement;
- 1.1.121 **"Third Party Claims"** has the meaning assigned to such term in Clause 10.4.1 of the Agreement;
- 1.1.122 **"Non-Controlling Party"** has the meaning assigned to such term in Clause 10.4.3 of the Agreement;
- 1.1.123 **"Controlling Party"** has the meaning assigned to such term in Clause 10.4.3 of the Agreement;
- 1.1.124 **"Investor Shares"** means the Investor I Shares and Investor II Shares together;
- 1.1.125 **"De Minimis Threshold"** has the meaning assigned to such term in Clause 10.6.1 of the Agreement;
- 1.1.126 **"Investment Amount"** means the Investor I Tranche A Subscription Consideration, Investor I Tranche B Consideration, Investor II Tranche A Subscription Consideration and Investor II Tranche B Consideration collectively to the extent actually invested by the Investors;
- 1.1.127 **"FMV"** means the fair market value of the Securities held by the Investors computed in accordance with Applicable Laws by a Big Four Firm to be appointed by the Company with the consent of the Investor;
- 1.1.128 **"Promoter Indemnity Item"** has the meaning assigned to such term under Clause 10.9 of the Agreement;
- 1.1.129 **"Event of Default"** has the meaning assigned to such term in Clause 11.1 of the Agreement;
- 1.1.130 **"Secondary Transaction"** has the meaning assigned to such term in Clause **Error! Reference source not found.** of the Agreement;
- 1.1.131 **"Agreed Form"** means, in relation to any document, the form of that document which has been approved by each of the Investors and Promoter I and initialled by them for the purpose of identification as being the form in which the document in question shall be executed in accordance with the provisions of the Agreement;
- 1.1.132 **"Promoter & Company Conditions Precedent"** has the meaning assigned to such term in Clause **Error! Reference source not found.** of the Agreement;

- 1.1.133 **"Big Four Firm"** shall mean KPMG, PricewaterhouseCoopers, Ernst & Young or Deloitte Touche Tohmatsu or such firm of Chartered Accountants associated with any of them and their respective successors;
- 1.1.134 **"1956 Act"** means the Companies Act, 1956 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto;
- 1.1.135 **"2013 Act"** means the Companies Act, 2013 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto and, or, any re-enactment thereof;
- 1.1.136 **"Additional Securities"** has the meaning assigned to such term in Clause 2.2.1;
- 1.1.137 **"Articles"** or **"Articles of Association"** means the articles of association of the Company, as amended from time to time; It is clarified that on and from the Tranche A Closing Date, the "Articles" or "Articles of Association" means the Restated Articles;
- 1.1.138 **"Chartered Accountants"** means chartered accountant(s) as defined in clause (b) of sub-section (1) of Section 2 of the Chartered Accountants Act, 1949 and who have obtained certificates of practice under sub-section (1) of Section 6 of the Chartered Accountants Act, 1949;
- 1.1.139 **"Investor I"** shall mean **INDIA BUSINESS EXCELLENCE FUND – II**, a unit scheme of Business Excellence Trust II, a trust created under the Indian Trust Act, 1882, whose trustee is Vistra ITCL (India) Limited (formerly known as **IL&FS TRUST COMPANY LIMITED**), a public company incorporated under the provisions of the 1956 Act and having its registered office at the IL&FS Financial Centre, C-22, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, India, acting through its investment manager, **MOPE INVESTMENT ADVISORS PRIVATE LIMITED**, a company registered in India under the 1956 Act having its registered office at Motilal Oswal Tower, Junction of Gokhale & Sayani Road, Prabhadevi, Mumbai – 400 025;
- 1.1.140 **"Investor II"** shall mean **INDIA BUSINESS EXCELLENCE FUND – IIA**, a public limited company incorporated under the laws of Mauritius and having its office at Suite 304, Third Floor, NG Tower, Cyber City, Ebene, Mauritius;
- 1.1.141 **"Promoter I"** shall mean **MR. RAGHUNANDANA TANGIRALA**, aged 56 years, s/o Mr. T.V. Subbiah Sarma, citizen of India having PAN AAPDPT0426C and permanent residence at No.7 D'Silva Road, Mylapore, Chennai- 600 004;
- 1.1.142 **"Promoter II"** shall mean **MRS. SHANTHI TANGIRALA**, aged 48 years, d/o Mr. Karunakaran Chathukutty Nair, citizen of India having PAN AAVPS5245C and permanent residence at No.7 D'Silva Road, Mylapore, Chennai- 600 004;
- 1.1.153 **"Promoter III"** shall mean **TANGI FACILITY SOLUTIONS PRIVATE LIMITED**, a private limited company with CIN – U74900TN2014PTC097603, established under the laws of India, having its registered office at Old No.42, New No. 2, Luz Avenue Mylapore, Chennai – 600 004

- 1.1.154 **"Investors"** shall mean Investor I & Investor II collectively
- 1.1.155 **"Promoters"** shall mean Promoter I, Promoter II & Promoter III collectively
- 1.1.156 **"Parties"** shall mean the Investors, the Promoters and the Company collectively
- 1.1.157 Each Investor, Promoter and the Company individually are referred to as **"Party"**

## **2. FURTHER FUNDING REQUIREMENTS**

### **2.1 Furnishing of guarantees and securities to meet Additional Funding Requirements.**

- 2.1.1 Upon occurrence of an Additional Funding Requirement, additional funds shall be raised on terms approved, and from sources identified, by the Board. For the avoidance of doubt, it is hereby clarified that the Investors shall not be obligated to provide any such guarantees or securities, whether directly or indirectly, to any banks or other financial institutions for any reason whatsoever.
- 2.1.2 The Parties agree that the Investors do not have any obligation to provide additional funding in terms of this Clause to the Company and they shall be entitled to provide such additional funding at their sole discretion.

### **2.2 Fresh issue of Securities.**

- 2.2.1 If the Business Plan contemplates the issuance of fresh Securities to Shareholders or if the Board determines, subject to the provisions of Clause 5 of the Agreement, that an Additional Funding Requirement is to be met through issuance of fresh Securities to the Shareholders of the Company, then the Company shall issue fresh Securities to the Shareholders (**"Additional Securities"**), proportionate to their respective Shareholding Percentage in the Company. Such Additional Securities to be issued to the Shareholders shall be fully paid-up by the respective Shareholder in cash. Notwithstanding anything to the contrary contained in the Agreement, any issuance of Additional Securities shall be on such terms and conditions as the Board may, subject to the provisions of Clause 4 of the Agreement, determine at its sole discretion.
- 2.2.2 Not less than 30 (thirty) days before the date of proposed issuance of the Additional Securities, the Company shall deliver to each Shareholder notice / letter of offer for the proposed issuance setting forth: (i) the aggregate number of Additional Securities proposed to be issued and the Shareholding Percentage of the relevant Shareholder; (ii) the price at which such Additional Securities are proposed to be issued and other terms of issuance, if any; and (iii) such other relevant details as the Board may deem fit or as may be required as per Applicable Laws. Within 15 (fifteen) days following delivery of the notice referred to in this Clause (**"Subscription Cut-Off Period"**), each Shareholder electing to exercise its rights to subscribe to its Shareholding Percentage entitlement in the Additional Securities shall give a notice to the Company specifying the number of Additional Securities basis its Shareholding Percentage that it is willing to subscribe to and if such a subscription is being undertaken, in case of the Investors through any other Person (except a Person engaged in a Conflicting Business) and in case of the Promoters through an Affiliate, then all documents that are required to be furnished in terms of Clause 6.2.1 or Clause 6.1.3 of the Agreement as the case may be,

such as a duly executed Deed of Adherence and copies of all Approvals and consents required to be obtained under Applicable Laws, shall be furnished to the Board by the Investors and, or, the Promoters, as the case may be.

- 2.2.3 The Investors may indicate their willingness to subscribe to any unsubscribed portion of the Additional Securities offered, either directly or through any Person (except a Person engaged in a Conflicting Business) including their Affiliates. The Shareholders electing to exercise their rights shall, within a period of 15 (fifteen) days from the Subscription Cut-Off Period, remit the requisite funds towards the Additional Securities, which they have agreed to subscribe to, and the Company shall allot such Additional Securities to the Shareholders on the issuance date specified in the notice / letter of offer in regard to such Additional Securities. Failure by any Shareholder to give such a notice within the Subscription Cut-Off Period or remit the fund in the manner set forth above shall be deemed to be a waiver by such Shareholder of its rights under this Clause with respect to the proposed issuance in question. The Promoters will be entitled to renounce the right to subscribe to Additional Securities in the Company in favour of any Affiliate, which comply with the provisions of the Agreement, including by executing a Deed of Adherence. Provided that the Shareholding Percentage of Promoter I shall not fall below 25% (twenty five per cent.) of the Share Capital for any reason whatsoever.
- 2.2.4 In the event that a Shareholder ("**Non-Subscribing Shareholder**") does not subscribe or is not desirous of subscribing to its Shareholding Percentage of the Additional Securities entirely, then within a period of 3 (three) Business Days from the date of expiry of the Subscription Cut-Off Period; the Board shall send a written intimation to the other Shareholder(s) (for the purposes of this Clauses 22.2.4 and 2.2.5 "**Subscribing Shareholder(s)**", which term specifically excludes every Non-Subscribing Shareholder), giving them an opportunity to subscribe to the unsubscribed portion of the Additional Securities offered to such Non-Subscribing Shareholder, either by themselves or, in case the Subscribing Shareholders are Investors, then through their Affiliates.
- 2.2.5 In the event that the Subscribing Shareholder(s) sends a notice to the Company, within a period of 7 (seven) days from the date of intimation by the Board as aforesaid, agreeing to subscribe to any or all of the unsubscribed Additional Securities and remits the requisite funds towards subscription to such unsubscribed Additional Securities within a period of 15 (fifteen) days from the Subscription Cut-Off Period, then the Board shall allot such unsubscribed Additional Securities to such willing Subscribing Shareholder(s). It is clarified that if more than 1 (one) Subscribing Shareholder notifies the Board of its intention to subscribe to unsubscribed Additional Securities as above, and the unsubscribed Additional Securities are less than the aggregate number of unsubscribed Additional Securities, then the unsubscribed Additional Securities shall be issued to such Subscribing Shareholders proportionate to their respective Shareholding Percentage in the Company.

## 2.3 **Anti-dilution.**

- 2.3.1 The Investors shall have a right, whether exercisable through itself or any other Person nominated in this regard (except a Person engaged in a Conflicting Business), to subscribe to any issuance by the Company of any Equity Shares or Dilution Instruments to any Third Party in proportion to their respective Shareholding Percentage in the Company.

- 2.3.2 Upon each issuance by the Company of any Equity Shares or Dilution Instruments at a price per Equity Share less than the price ("**Dilution Price**") at which the Investors subscribed to the Investor Shares ("**Dilutive Issuance**"), the Investors shall be entitled to, and the Company shall provide and the Promoters shall procure the Company to provide to the Investors, dilution protection on weighted average basis.
- 2.3.3 The anti-dilution mechanism set forth in this Clause shall be accomplished by issuance by the Company or transfer by the Promoters of such number of Equity Shares to the Investors and, or, any other Person nominated by the Investors for this purpose (except a Person engaged in a Conflicting Business) at the lowest price possible under Applicable Laws, so as to give full effect to the weighted average anti-dilution right of the Investors.
- 2.3.4 Upon each Dilutive Issuance, the Company and the Promoters shall take all necessary acts to put Investor I and Investor II in the position that they would have if the adjustment to the Dilution Price had been made, by issuance by the Company or transfer by the Promoters to Investor I and Investor II or any Person nominated by the Investors in this regard (except a Person engaged in a Conflicting Business) of such number of Equity Shares, whereby Investor I and Investor II or any Person nominated by the Investors in this regard (except a Person engaged in a Conflicting Business) are not required to pay any additional amounts for the issuance of such new Equity Shares or the transfer of Equity Shares. The above arrangement shall be implemented in accordance with Applicable Laws.
- 2.3.5 It is clarified that nothing in this Clause shall apply to any issuance by the Company of any Equity Shares or Dilution Instruments as Additional Securities to the Shareholders pursuant to Clause 2.2 of the Agreement or an ESOP plan, in each case as approved by the Board in accordance with Clause 5 of this Agreement, or a Bonus Issue.

### 3. **BOARD AND BOARD MEETINGS**

#### 3.1 **Management of the Company.**

The property, business and affairs of the Company shall be managed by and under the direction of the Board, and the Board shall be responsible for the overall management, supervision, direction and control of the Company. Subject to the provisions of the Agreement, the Board may exercise all such powers of the Company and do all such lawful acts and things as are permitted under the Constitutional Documents and Applicable Laws. The Board shall manage the Company in the overall, general, and strategic sense and shall ensure proper organization of the business of the Company and shall appoint / dismiss the members of the Management. The Board shall be entitled to delegate its powers to such persons and such Committees that the Board may create to assist it in developing and meeting its business strategy and objectives. The approval of the Shareholders shall be obtained on such matters as may be required under the provisions to this Agreement, the Constitutional Documents and, or, Applicable Laws.

#### 3.2 **Composition of the Board.**

- 3.2.1 The Board shall not exceed 7 (seven) Directors that will be appointed in terms of Clause 3.2.2, or such other number of Directors as may be mutually agreed between the Parties in writing, from time to time. The Investors shall be entitled to nominate Directors in proportion to their respective Shareholding subject to a minimum of 2 (two) Directors (collectively, the "**Investor Directors**" and each, an "**Investor Director**") and the

Promoters shall be entitled to nominate Directors in proportion to their respective Shareholding subject to a minimum of 3 (three) Directors (collectively, the “**Promoter Directors**”, and each, a “**Promoter Director**”) in accordance with the terms and conditions set out in this Clause . Provided that Promoter I shall at all times during the subsistence of the Agreement be a Promoter Director.

3.2.2 Unless otherwise agreed between the Parties in writing and subject to Clause 5 of the Agreement, the Board shall be constituted in the following manner:

- (i) on and from the Tranche A Closing Date, the Board shall be composed of 2 (two) Investor Directors and 3 (three) Promoter Directors;
- (ii) on and from 6 (six) months from the Tranche A Closing Date, the Board shall be composed of 2 (two) Investor Directors, 3 (three) Promoter Directors and 1 (one) Independent Director identified by Investor I and Investor II and acceptable to the Promoters on the Board; and
- (iii) on and from 12 (twelve) months from the Tranche A Closing Date, the Board shall be composed of 2 (two) Investor Directors, 3 (three) Promoter Directors and 2 (two) Independent Directors, out of such 2 (two) Independent Directors, 1 (one) will be identified by the Promoters and acceptable to Investor I and Investor II on the Board.

Provided that subject to the proviso to this Clause 3.2.3and Clauses 9.16 and **Error! Reference source not found.** of the Agreement, the number of Investor Directors on the Board shall not, at any time during the subsistence of the Agreement fall below 2 (two) Directors.

3.2.3 The Investors may at any time remove from office any Investor Director(s) and, if desired, appoint another in his / her place. The Promoters may at any time remove from office any Promoter Director(s) and, if desired, appoint another in his / her place. Provided that in the event the Tranche B Closing does not occur in terms of the Agreement due to any regulatory reasons, the Investors shall have the right to appoint only 1 (one) Investor Director.

3.2.4 Subject to Clause 3.2.2, the Board shall appoint such number of Independent Directors on the Board, as per the requirements of Applicable Laws. All such Independent Directors shall be acceptable to the Investors and Promoter I.

3.2.5 The Promoters and the Investors agree to exercise all powers and rights available to them so as to fix the number of Directors in accordance with this Clause and to ensure that the persons nominated by the Investors and the Promoters are expeditiously appointed or removed (as the Investors and the Promoters may specify in accordance with this Clause ) as a Director and the appointments and removals referred to in this Clause result in the persons nominated / appointed or removed becoming or ceasing to be Directors, as applicable.

### 3.3 **Observer.**

On and from the Tranche A Closing Date, the Investors shall be entitled to appoint 1 (one) person as an observer to attend all Board Meetings in a non-voting capacity (“**Observer**”). The Observer shall have the right to receive all notices, documents and information provided to the Directors and be entitled to attend all meetings of the Board or Committees thereof, subject to the Observer being bound to confidentiality

obligations as applicable to Directors. The Observer shall not be considered for quorum, and the Observer shall not be entitled to vote with respect to any resolution proposed to be passed at a Board meeting. The Company shall reimburse all out of pocket expenses incurred by the Observer in attending Board Meetings or otherwise perform its duties and functions as Observer.

### **3.4 Appointment, removal and retirement of Directors.**

#### **3.4.1 Any appointment or removal of Directors shall be implemented in the following manner:**

- (i) Appointment of Directors: Subject to the provisions of Clause 3.2, each Shareholder shall have the right to, from time to time, issue a notice specifying their intention to nominate a Person as a Director on the Board. Such a notice shall be addressed to the Board and delivered to the Managing Director at the registered office of the Company or presented directly before the Board during a Board Meeting. The aforementioned notice should be accompanied by consent letter and such other documents which are required in terms of Applicable Laws from the prospective nominee. If any such notice along with the accompanying documents is delivered at a Board Meeting, the Board shall at the same meeting pass necessary resolutions in respect of appointment of such person as an additional director. If such a notice along with the accompanying documents is delivered to the Company, then the relevant officers of the Company shall, immediately and in any case within a period of 7 (seven) days from the date of receipt of such notice, either convene a meeting of the Board to pass necessary resolutions in respect of appointment of such Director(s) as additional director(s), or if it is not practicable to convene such Board Meeting, initiate, subject to Applicable Laws, the process for appointment of such Director(s) through a circular resolution in terms of Applicable Laws. Notwithstanding anything to the contrary contained in the Agreement, any such nominee shall only be appointed as a Director if such a Person fulfils all criteria prescribed under Applicable Laws.
- (ii) Removal / replacement of Directors: Each Shareholder shall have the right to, from time to time, issue a notice specifying that they wish to remove all or any of the Directors appointed by them on the Board. Such a notice shall be addressed to the Board and delivered at the registered office of the Company or presented directly before the Board during a Board Meeting. The aforementioned notice should be accompanied by a resignation letter to this effect from the relevant Director(s) in the form prescribed by the Companies Act, and if no such form is prescribed then as per standard secretarial practice. If any such notice along with the accompanying resignation letter is delivered at a meeting of the Board, the Board shall at the same meeting pass necessary resolutions in respect of such removal. If such a notice along with the accompanying resignation letter is delivered to the Company, then the relevant officers of the Company shall, immediately and in any case within a period of 7 (seven) days from the date of receipt of such notice, either convene a meeting of the Board to pass necessary resolutions in respect of removal of such Director(s), or if it is not practicable to convene such Board Meeting, initiate, subject to Applicable Laws, the process for removal of such Director(s) through a circular resolution in terms of Applicable Laws. If the relevant Shareholder wishes to replace a Director nominated by it in on the Board with another Person and provides consent letter and such other documents which are required in terms of Applicable Laws from the prospective nominee, then the



Company shall, subject to such a nominee fulfilling all criteria prescribed under Applicable Laws, appoint the relevant Person as an additional director on the Board in the same Board Meeting where the other nominee Director of such a Shareholder is being removed. If the removal is being carried out through a circular resolution then another circular resolution shall be passed concurrently for appointment of the new nominee Director of such a Shareholder.

- (iii) Approval by Shareholders: If any appointment or removal of a Director, as the case may be, has to be approved by the Shareholders in a Shareholders Meeting as per Applicable Laws, then the Board shall convene an extraordinary general meeting of the Company promptly to approve the appointment or removal of such Director(s). All relevant actions in regard to appointment or removal of such Director(s) by the Shareholders shall be completed within a period of 30 (thirty) days from the date of receipt of notice mentioned in Clause 3.4.1(i) or (ii), as the case may be.
- (iv) Retirement of Directors: It is clarified that the Investor Directors shall not be liable to retire by rotation.

3.4.2 The Shareholders and Company shall co-operate with each other in convening a meeting of the Board and, or, Shareholders to effect: (i) appointment of Director(s) so nominated; or (ii) removal of Director so requested, and to exercise its voting rights in any meeting of the Company, and shall cause any Director nominated by it exercise his voting rights in any Board Meetings, so as to give effect to the such appointment/removal.

3.4.3 Subject to the provisions of Applicable Laws and the Agreement, no Director shall be removed during the term for which such Director was elected without the consent of the Shareholder, if any, who nominated such Director on the Board. Notwithstanding the foregoing, a Shareholder may ask for removal, substitution or recall for any reason, of any of the Directors nominated by such Shareholder by serving a notice in terms of Clause 3.4.1.

3.4.4 The Directors shall not be required to hold qualification shares.

3.4.5 At any point in time, in the event the number of Directors nominated and appointed by the Investors or Promoters, as the case may be, is less than their entitlement under Clause 3.2.2 (including for reason such as death, disqualification, inability to act or removal), then the Investors or Promoters, as the case may be, shall be entitled to nominate such Directors at their sole discretion at any time thereafter. No other Shareholder shall have the right to fill-in such vacancy.

### 3.5 **Alternate Director.**

3.5.1 Any Director nominated by any Shareholder and appointed to the Board (“**Original Director**”) shall be entitled, in accordance with Applicable Laws, to nominate an alternate (and such nominee shall be appointed by the Board as an “**Alternate Director**”) to attend and vote at Board Meetings in his / her absence. Prior to the Original Director exercising any such rights, such Alternate Director appointee shall be required to be approved in writing by the Shareholder who nominated the Original Director. An Alternate Director shall be entitled to receive notice of all meetings of the Board, to attend and vote at any such meeting at which the Original Director appointing him is not personally present and at the meeting to exercise and discharge all the

functions, powers and duties of his appointee or as a Director. An Alternate Director shall automatically vacate his office as an Alternate Director if the Original Director who appointed such an alternate is personally present or if such Original Director ceases to be a Director, in terms of the Agreement and, or, Applicable Laws. Notwithstanding anything to the contrary contained in the Agreement, Promoter I shall not be entitled to appoint an Alternate Director, except in case of his incapacitation due to ill health or if otherwise agreed between the Parties.

- 3.5.2 All references to 'Directors' in this Agreement shall be deemed to include a reference to their respective 'Alternate Director'. For the avoidance of doubt, it is clarified that all provisions applicable to an Investor Director shall equally apply to the Alternate Director appointed / proposed to be appointed in accordance with this Clause and all actions taken by such Alternate Director shall be deemed to be actions taken by the relevant Original Director.

**3.6 Chairman.**

At every Board Meeting, the chairman of the Board for such a Board Meeting ("Chairman") shall be Promoter I. The Chairman shall not have a casting vote or extra vote.

**3.7 Board Meetings.**

- 3.7.1 Frequency and Location: The Board Meetings shall be held as often as circumstances require, including upon the written request of at least 1 (one) Director, and all such meetings should be held as soon as reasonably possible and in any event not later than 7 (seven) days from the date that such a request for convening a Board Meeting is received by the Chairman. Not less than 4 (four) Board Meetings shall be held in each year in a manner such that not more than 120 (one hundred and twenty) days elapse between 2 (two) consecutive Board Meetings. All Board Meetings shall be conducted in English.

- 3.7.2 Notice: A Board Meeting may be called by the Chairman or a Director by giving notice in writing to the company secretary, or any other Person nominated in this regard by the Board, specifying the date, time and agenda for such meeting; provided, however, any agenda for a Board Meeting shall be provided to each Investor at least 2 (two) days prior to the notice of the Board Meeting being issued to the Directors unless such right is waived by each Investor in writing. The company secretary (or such nominated person) shall upon receipt of such notice, give a copy of such notice to all Directors at their respective address registered with the Company and such notice shall be sent by hand delivery or by post or by email, accompanied by a written agenda specifying the business of such meeting and copies of papers relevant for such meeting. The Company shall ensure that sufficient information is included within such notice to the Directors to enable each Director to make a decision on the issue in question at such meeting. Every notice convening a meeting of the Board shall set forth in full and sufficient detail each item of the business to be transacted thereat, and no item or business shall be transacted at such meeting, unless the same has been stated in full and in sufficient detail in the notice convening the meeting, except as otherwise consented to by all the Directors or their respective Alternate Directors. Not less than a minimum 7 (seven) days' prior written notice shall be given to each Director for any Board Meeting, accompanied by the agenda for the Board Meeting; provided, however, a Board Meeting may, subject to the Applicable Laws, be called at shorter notice to transact urgent business subject to the condition that at least 1 (one) Investor Director and least 1 (one) Promoter Director shall have consented to the shorter notice and be present

at/throughout such Board Meeting and, or, waived their presence. All documents presented or circulated to the Directors in regard to a Board Meeting shall be in English.

- 3.7.3 Quorum: The quorum for a meeting of the Board shall be 2 (two) Directors, provided, however the quorum shall not be valid without the presence, in person or otherwise, of at least 1 (one) Investor Director, or his/her duly appointed Alternate Director throughout the relevant Board Meeting and Promoter I, unless waived by the Investors and, or, Promoter 1, as the case may be. If the quorum is not present within 30 (thirty) minutes from the time when the meeting should have begun, or if during the meeting there is no longer a quorum, the meeting shall be adjourned for 1 (one) Business Day and shall be reconvened at the same place and time, or at such other date, place and, or, time as may be agreed to by the majority of the Directors (including at least 1 (one) Investor Director), with the same agenda. If at 2 (two) consecutively adjourned Board Meetings, the quorum is not present within 30 (thirty) minutes of the time appointed for the meeting, then, subject to the Companies Act, the Directors present, in person or through Alternate Directors, at such meeting shall constitute the quorum and the Board Meeting shall proceed with respect to the business stated in the agenda for the Board Meeting; provided, however, even in such a reconvened/adjourned Board Meeting no Affirmative Vote Matter shall be discussed and, or, no resolution pertaining to an Affirmative Vote Matter shall be passed unless 1 (one) Investor Director is present during such a Board Meeting.
- 3.7.4 Voting: Each Director is entitled to cast 1 (one) vote at any Board Meeting.
- 3.7.5 Decisions of the Board: A decision shall be validly made and, or, a resolution validly passed at a Board Meeting only if passed at a validly constituted Board Meeting and, subject to the provisions of the Agreement in regard to Affirmative Vote Matters, by a simple majority of the Directors present and voting at the relevant Board Meeting. A resolution in writing of the Board shall be as valid and effective as if it had been a resolution passed at a meeting of the Board duly convened and held, if the resolution is signed in support thereof by a majority of the Directors for the time being. Without affecting the generality of the foregoing, where the resolution is with respect to, or includes, an Affirmative Vote Matter, then it shall require the written consent of the Investors for only such matter. Any such resolution bearing the signature of any Director and dispatched by email shall constitute a valid document for the purpose of this clause. It is hereby clarified that where a resolution of the Board has been approved by a Promoter Director and, or, the Investor Director in respect of a specific matter, the Promoters and, or, the Investors, as the case may be, shall vote in accordance with such resolution in case that particular matter is taken up at a Shareholders' meeting of the Company.
- 3.7.6 Electronic Participation: The Board has the power to allow electronic or remote participation and voting in Board Meetings, subject to compliance with the relevant requirements under the Companies Act. A Director may make a request for electronic or remote participation to the Board and the Board shall consider such a request favourably and provide such facility in accordance with the requirements of the Companies Act. Accordingly, a reference to the presence of any Director for a meeting of the Board, shall include either physical presence or through video conferencing or electronic or remote means.
- 3.7.7 Maintenance of minutes: The Board shall record the minutes of its meetings as prescribed under the Companies Act, provided that such minutes shall be subject to the written approval of the Investors.

### **3.8 Resolution by Circulation.**

Except for resolutions which the Companies Act requires to be passed at a physical meeting of the Board, a resolution of the Board may be passed by the Directors by circulation (provided that it has been circulated in draft form by hand delivery or by post or by email, together with the relevant papers, if any, to all the Directors in accordance with the requirement of the Agreement, the Constitutional Documents and Companies Act), which resolution shall be valid and effective if, subject to the provisions of the Agreement in regard to Affirmative Vote Matters, it is approved by a majority of Directors.

### **3.9 Committees of the Board.**

Subject to the provisions of the Agreement, the Constitutional Documents and Applicable Laws, the Board shall have the power and right to constitute and disband, if necessary, committees or sub-committees and delegate such of the Board's powers to the aforesaid committees as the Board may deem fit ("**Committees**"). Only the Board can appoint a committee of Directors or delegate its powers to any Persons. Unless agreed in writing by the Investors, the Board shall, while forming such Committees, ensure that 1 (one) Investor Director and Promoter I is a member of each such Committee. The provisions relating to Board and Board Meetings contained herein (including relating to notice, quorum, quorum at adjourned meetings and Affirmative Vote Matters) shall apply *mutatis mutandis* to all the Committees and their respective meetings. All resolutions passed by the Committees shall have to be necessarily ratified by the Board.

### **3.10 Record keeping.**

The Company shall keep a book of all resolutions and the minutes of all meetings of the Board in which there shall be recorded the time and place of such meeting, whether regular or special, and if special, however called, the notice thereof given, the names of those present and the processing thereof.

### **3.11 Directors' Access.**

Any Director shall be entitled to examine the books, accounts and records of the Company and shall have, during normal business hours of the Company and with prior reasonable written notice, the right to reasonably inspect the properties and facilities of the Company. The Company shall provide such information relating to its business affairs and financial position as the relevant Director may require. Subject to the Applicable Laws, any Director may provide such information to the Shareholder who has nominated such a Director. The relevant Director and Shareholder would be bound by the confidentiality obligations under this Agreement in relation to such information received.

### **3.12 Fees and Expenses of Directors.**

Subject to Applicable Laws, all expenses and costs incurred in connection with the convening and conduct of the Board Meetings shall be borne by the Company. The Company shall reimburse all out of pocket expenses incurred by the Investor Directors and the Promoter Directors (subject to any cap prescribed for whole-time directors in terms of Applicable Laws if applicable) in attending Board Meetings or business review meetings or otherwise perform their duties and functions as Directors. However, no sitting fees shall be paid to the Investor Directors and the Promoter Directors by the

Company. Any reimbursements and sitting fees payable to Independent Directors shall be governed by the specific agreement between the Company and the Independent Director in this regard.

### **3.13 Indemnification of Directors.**

3.13.1 The Company shall, subject to Applicable Laws, indemnify and keep indemnified the Directors against any:

- (i) act, omission or conduct of or by the Company or its employees or agents as a result of which any Director is made, in whole or in part, a party to, or otherwise incurs any loss or damage pursuant to, any proceedings arising out of or relating to any such conduct;
- (ii) action or omission by any Director at the request of or with the consent of the Company; and
- (iii) contravention of any of the Applicable Laws including, without limiting the generality of the foregoing, laws relating to provident fund, gratuity, labour, environment, pollution, the anti-bribery laws, and any action or proceedings taken against such Director in connection with any such contravention or alleged contravention.

### **3.14 No Liability of Investor Director**

3.14.1 The Company recognizes that the Investor Directors shall not have any day-to-day managerial powers and that they will not be whole time, managing or executive directors of the Company and will not, subject to applicable Law, be held responsible for any default or failure of the Company in complying with the provisions of any applicable Law. 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 Investors and/or the Investor Directors.

3.14.2 Notwithstanding anything to the contrary contained in this Agreement, no Investor Director shall be deemed to be an 'occupier' or 'officer in charge' or 'officer in default' for the purposes of the Companies Act or any other Applicable Laws, as the Investor Directors are non-executive directors and do not have the power to and are not responsible for overall management, supervision, direction and control of the Company. Further, the Promoters and the Company undertake to ensure that the Investor Directors are not nominated as compliance officers, occupiers and/or employers and/or persons-in-charge, as the case may be, in order to ensure that, to the maximum extent permitted by Applicable Law, the Investor Directors do not incur any liability for any default or failure of the Company in complying with the provisions of any Applicable Laws.

3.14.3 In the event that any notice or proceedings have been filed against the Investor Directors by virtue of being Directors of the Company, the Company and the Promoters shall take all necessary steps to ensure that name of such Investor Directors is excluded/ deleted and the charges/proceedings against such Investor Directors are withdrawn and shall also take all steps to defend such Investor Directors against such proceedings and the Company shall pay all costs, damages, fines, levies etc. that may be levied against such Investor Director in such proceedings. The Investor Directors shall also be entitled to appoint any counsel at his/her own discretion, to defend any proceedings instituted against the Investor Directors by virtue of being Directors of the

Company. All reasonable expenses borne by the Investor Directors in this regard shall be borne by the Company.

#### 4. **SHAREHOLDERS AND SHAREHOLDERS MEETINGS**

##### 4.1 **Shareholders Meetings.**

4.1.1 Frequency of Shareholders Meeting: An annual general meeting of the Shareholders shall be held as per the provisions of the Companies Act. Subject to the foregoing, the Board, on its own or at the request of either of the Investors, may convene an extraordinary general meeting of the Shareholders, whenever it may deem appropriate (each such meeting, a “**Shareholders Meeting**”). All such Shareholders Meetings shall be held at such place as the Board may determine from time to time. Shareholders Meetings shall be called at such times as may be required to procure any consent of the Shareholders in terms of the provisions of the Agreement, the Constitutional Documents and, or, the Companies Act, and in any event at least once in each financial year. Subject to the provisions of the Companies Act, the Shareholders shall be entitled to participate in Shareholders Meetings through their respective duly authorized representative(s), duly constituted proxies or attorneys, as the case may be. English shall be the language used at all Shareholder meetings.

4.1.2 Notice: In accordance with provisions of the Companies Act a minimum 21 (twenty one) days’ prior written notice shall be given to all the Shareholders of any Shareholders Meeting, accompanied by the agenda for such meeting; provided, however, any agenda for a Shareholders Meeting shall be provided to each Investor at least (two) days prior to the notice of the Shareholder Meeting being issued to the Shareholders unless such right is waived by each Investor in writing. The aforesaid notice may be waived or a Shareholders Meeting may be called by giving a shorter notice with at least 95% (ninety five per cent.) of all the Shareholders entitled to vote at such meeting providing their written consent for such shorter notice. Subject to the Companies Act, the notice of each general meeting shall include an agenda approved by the Board setting out the business proposed to be transacted at the meeting, together with copies of all relevant papers connected therewith and, or, proposed to be placed before or tabled at the Shareholders Meeting, and no item or business other than as set out in the agenda shall be transacted or discussed at any Shareholders Meeting unless agreed to / approved by the Investors and the Promoters in advance. The notice shall specify the place, date and time of the meeting. All documents presented or circulated to the Shareholders in regard to a Shareholders Meeting shall be in English.

4.1.3 Quorum: The quorum for any Shareholders Meeting shall be at least 2 (two) Shareholders present in person or through their respective duly authorized representative(s), duly constituted proxy(s) or attorney(s), as the case may be, 1 (one) of which shall be one of the Investors and the other Promoter I, at the beginning of the meeting and throughout the meeting (unless waived by the Investors and, or, the Promoter 1, as the case may be). If the quorum is not present within 30 (thirty) minutes from the time when the meeting is scheduled to begin or if during the meeting there is no longer a quorum, the meeting shall be adjourned for 2 (two) Business Days and shall be reconvened at the same place and time, or at such other day, date, place and, or, time as the Board may determine, with the same agenda.

4.1.4 Proxies and Authorised Representatives: Any Shareholder of the Company may appoint another Person as his proxy (and in case of a corporate Shareholder, its authorized representative) to attend a meeting and vote thereat on such Shareholder’s behalf, provided that the power given to such proxy or representative must be in

writing. Any Person possessing a proxy or other such written authorization with respect to any Securities shall be able to vote on such Securities, as the case may be, and participate in meetings as if such Person were a Shareholder, subject to Applicable Laws.

- 4.1.5 Chairman for Shareholders Meeting: The Chairman of Board shall be the chairman for the Shareholders Meeting. The chairman of the Shareholders Meetings shall not have any second or casting vote.
- 4.1.6 Voting: Subject to the Applicable Laws, voting on all matters to be considered at a Shareholders Meeting shall be by way of show of hands unless a poll is demanded in accordance with provisions of the Companies Act.
- 4.1.7 Decisions of the Shareholders: Subject to the provisions of the Agreement in regard to Affirmative Vote Matters, a decision shall be validly made and, or, a resolution validly passed at a Shareholders Meeting only if the requisite majority approves the relevant decision / resolution in compliance with the provisions of the Companies Act.
- 4.1.8 Electronic Participation: The Shareholders may participate and vote in the Shareholders Meeting through electronic or remote participation and voting in the manner permitted under the Companies Act, from time to time. A Shareholder may make a request for electronic or remote participation to the Board and the Board shall consider such a request favourably and provide such facility in accordance with the requirements of the Companies Act. Accordingly, subject to Applicable Laws, a reference to the presence of any Shareholder for a meeting of the Shareholders, shall include either physical presence or through video conferencing or electronic or remote means, and the process that is to be followed in regard to Board Meetings for presence and voting through video conferencing or electronic or remote means under the 2013 Act shall be followed in regard to such Shareholders Meeting.

## 5. **AFFIRMATIVE VOTE MATTERS**

- 5.1 Notwithstanding any other provision of the Agreement or any power conferred upon the Board by the Agreement, the Companies Act or the Constitutional Documents, with effect from the Tranche A Closing Date, neither the Company nor any Shareholder, Director, Committee member, or any of their respective delegates or representatives shall take any decisions or actions in relation to any of the matters set forth in **Schedule 12** of the Agreement (“**Affirmative Vote Matters**”) with respect to the Company, in any meeting, forum, circular resolution or in any other manner whatsoever, without the affirmative prior written consent or approval of the Investors. It is agreed that any discussions pertaining to Affirmative Vote Matters shall necessarily be included in the agenda papers in relation to the relevant meeting in advance and shall not be taken up in a Board Meeting, meeting of any Committee or Shareholders Meeting, unless specifically agreed to, in writing, by the Investor.
- 5.2 The Parties agree that the principle set out in this Clause 5 is fundamental to the governance of the Company and each Party undertakes not to commit any act or omission that would violate this Clause.
- 5.3 It is clarified that any consent by the Investors in relation to any of the Affirmative Vote Matters shall apply only in relation to the particular Affirmative Vote Matters and only in the context specified in the relevant notice and shall not constitute, or be deemed to constitute in any manner, a general consent for any other Affirmative Vote Matters, or a consent for the same Affirmative Vote Matters in any other context.



5.4 If any other provision of the Agreement conflicts with the provisions of this Clause, the provisions of this Clause shall prevail and be given effect.

## 6. TRANSFER OF SECURITIES

### 6.1 Restrictions on Transfer of Promoter Securities.

6.1.1 Subject to the other provisions of this Clause 6.1 of the Agreement, the Promoters shall not, and shall ensure that all other Shareholders, if any (other than the Investor), shall not, Transfer in any way or manner, directly or indirectly, any of the Securities held by them from time to time to any Person (including a Promoter, a Third Party, Shareholder or another Party), without the prior written consent of the Investors. This restriction shall not be circumvented in any manner, including by change of ownership or Control of the Shareholder (including Promoter III), any merger, consolidation or recapitalization of the Shareholder (including Promoter III), or any Transfer or issuance of securities or ownership rights of the Shareholder (including Promoter III) and the Board shall not acknowledge, approve or register such merger, consolidation, recapitalization, Transfer or issuance.

6.1.2 After issuing a 30 (thirty) day prior written notice referred to in Clause 6.1.3 of the Agreement:

- (i) the Promoters may, sell and Transfer Securities representing not more than 5% (five per cent.) of the Share Capital of the Company to a Third Party identified by it. For the avoidance of doubt, it is hereby clarified that the aforesaid option to sell Securities to a Third Party shall be (a) utilised by the Promoters only once, (b) at price per Security not lesser than the per share price reflected in Clause **Error! Reference source not found.** of this Agreement, and (c) subject to the rights of Investor I and Investor II under Clause 6.3 of this Agreement. Irrespective of whether all the Promoters participated in such a sale and irrespective of the quantum of Securities sold in such a sale, this exemption shall expire immediately upon sale and Transfer of Securities by any of the Promoters and thereafter the Promoter shall not be permitted to Transfer the Securities held by it. Notwithstanding the foregoing, the Promoters and all other Shareholders (other than the Investors) shall only be entitled to Transfer the Securities held by them subject to the right of first offer as set out in Clause 6.3 of the Agreement but not the tag along right in Clause 11.4 of the Agreement; and
- (ii) the relevant Promoter may, sell and, or, Transfer Securities representing not more than 20% (twenty per cent.) of the Share Capital of the Company to Promoter I, Promoter II, their children and, or, a trust with Promoter I, Promoter II and, or, their children as the sole and exclusive beneficiaries, for the purposes of estate planning whether through a standalone transaction or through a series of transactions,

provided, however, pursuant to any of the aforesaid Transfers or otherwise, the Shareholding Percentage in the Company of (i) Promoter I or (ii) a trust with Promoter I as the sole and exclusive beneficiary during the lifetime of Promoter I, shall not reduce below 25% (twenty five per cent.) of the Share Capital.

6.1.3 At least 30 (thirty) days prior to the permitted transfers specified Clauses 6.1.2(i), as specified above, the Promoters shall send a written notice to the Investors stating the date on which the intended Transfer is to occur, the name and other relevant details of

the Transferee / ultimate beneficiary / trustees, the number and class of Securities involved and attaching: (i) a completed and duly executed Deed of Adherence from such a transferee, and (ii) copies of all Approvals, consents and filings required to be obtained / filed under the Agreement or Applicable Laws, if any. The Company shall after the expiry of the aforesaid 30 (thirty) day period and upon being presented with the relevant documents required as per Applicable Laws, register / take on record such a Transfer of Securities.

- 6.1.4 The Promoters shall not create any Encumbrance on the Securities held by them in the Company, from time to time, whether directly or indirectly by creating an Encumbrance on the shares and securities of Promoter III or any Affiliates that are holding Securities in the Company from time to time, without the prior written consent of the Investors. As on the Execution Date, the Promoters represent and warrant that the share capital of Promoter III is wholly legally and beneficially owned by Promoter I and Promoter II and is free and clear of any and all Encumbrances.
- 6.1.5 Notwithstanding anything else contained herein the Promoters shall not, without the Investor's prior written consent, take any action, which has the effect of undermining the underlying beneficial interest in the Share Capital of the Company and, or, obligations of the Promoters under this Agreement. The Company and Promoters shall undertake all acts, deeds and omissions to prevent Transfer of any Securities in violation, breach of or non-compliance with the provisions of this Clause , and all such Transfers shall be null and *void ab initio*. Notwithstanding the generality of the foregoing, the Company shall refuse to register any Transfer or other disposition of Securities purported to be made by any Promoter or any other Shareholder in breach of any of the provisions herein contained. The Parties shall cause their nominees on the Board to cast their votes in such a manner as to ensure that the Company registers all Transfers made in accordance with the Agreement, and refuses to register a Transfer that is not in accordance with the Agreement.

## 6.2 Affiliate Transfers by Investors and restrictions on Transfer.

- 6.2.1 Notwithstanding the restrictions set forth in this Clause 6, each of the Investors may Transfer Securities held by it to its Affiliates (each a **"Permitted Investor Transferee"**) provided such Permitted Investor Transferee executes the Deed of Adherence prior to such Transfer. At least 30 (thirty) days prior to the permitted Transfer under this Clause, the Investors shall send a notice to the other Shareholders and the Company stating the date on which the intended Transfer is to occur, the name and other relevant details of the Permitted Investor Transferee, the number and class of Securities involved and attaching: (i) a completed and duly executed Deed of Adherence and (ii) copies of all Approvals, consents and filings required to be obtained / filed under the Agreement or Applicable Laws, if any. The Company shall after the expiry of the aforesaid 30 (thirty) day period and upon being presented with relevant documents required as per Applicable Laws, register / take on record such a Transfer of Securities to a Permitted Investor Transferee.
- 6.2.2 Until the occurrence of an Exit Trigger Event the Investors (i) shall only be entitled to Transfer any and, or, all the Securities held by them subject to the right of first offer as set out in Clause 6.3; and (ii) shall not Transfer any of the Securities held by the Investors from time to time to a Person (including an Affiliate of such a Person) engaged in a Conflicting Business, without the prior written consent of the Promoters.

### 6.3 Right of First Offer.

- 6.3.1 Subject always to Clauses 6.1 and 6.2, if any Shareholder (for clarity, including the Promoters and Investors) proposes to Transfer any Securities in the Company, either directly or indirectly, to any Person (including a Third Party, Shareholder or another Party), then the other Party(s), i.e., either of the Investors or Promoters as the case may be, shall have a right of first offer in respect of such Transfer. It is hereby clarified that, notwithstanding anything to the contrary contained in this Clause, in case a Promoter is a Transferring Shareholder then none of its Affiliates and the other Promoters and their respective Affiliates shall be treated as ROFO Eligible Shareholders and such Persons shall not be entitled to exercise the right of first offer vested in terms of this Clause. It is hereby clarified that, notwithstanding anything to the contrary contained in this Clause, in case one of the Investors is a Transferring Shareholder then none of its Affiliates shall be treated as ROFO Eligible Shareholders and such Persons shall not be entitled to exercise the right of first offers vested in terms of this Clause. The process to be followed for the exercise of the right of first offer is set out in this Clause.
- 6.3.2 A Shareholder proposing to Transfer any Securities ("**Transferring Shareholder**") to any Person (including a Third Party, Shareholder or another Party), shall first give a written notice (hereinafter referred to as "**ROFO Notice**") to all the other Parties (hereinafter referred to as the "**ROFO Eligible Shareholders**") specifying the number of Securities proposed to be Transferred (hereinafter referred to as the "**Transfer Securities**") and the number and class of Securities the Transferring Shareholder owns at that time on a Fully Diluted Basis.
- 6.3.3 Within a period of 30 (thirty) days from the date of receipt of the ROFO Notice ("**ROFO Period**"), each ROFO Eligible Shareholder shall have the option to either:
- (i) serve a written notice on the Transferring Shareholder ("**Indication of Interest**") indicating whether they wish to purchase all, but not less than all, of the Transfer Securities and the price ("**Offer Price**") at which they are offering to purchase the Transfer Securities on a delivery against cash basis; or
  - (ii) serve a notice on the Transferring Shareholder stating that they are not offering to purchase the Transfer Securities in full ("**Indication of Non Acceptance**").

Provided that if the ROFO Eligible Shareholders fail to deliver the Indication of Interest within the ROFO Period, they shall be deemed on the last day of such period to have served an Indication of Non Acceptance on the Transferring Shareholder.

- 6.3.4 If the ROFO Eligible Shareholders have delivered an Indication of Interest that contains an offer to purchase the Transfer Securities (including the Offer Price) and the Transferring Shareholder finds the Offer Price (as set forth in the Indication of Interest) acceptable, the Transferring Shareholder shall within 15 (fifteen) days from the date of receipt of the Indication of Interest ("**ROFO Response Period**") issue a notice ("**ROFO Acceptance Notice**") to the concerned ROFO Eligible Shareholder indicating its willingness to sell the Transfer Securities to the ROFO Eligible Shareholder who has provided the Indication of Interest. If more than 1 (one) ROFO Eligible Shareholder has provided an Indication of Interest, at the same Offer Price, the Transferring Shareholder shall issue a ROFO Acceptance Notice to each such ROFO Eligible Shareholder in regard to Transfer Securities proportionate to the *inter se* shareholding calculated on Fully Diluted Basis, of such ROFO Eligible Shareholders.

- 6.3.5 Pursuant to delivery of the ROFO Acceptance Notice to the ROFO Eligible Shareholder(s), the completion of Transfer of the Transfer Securities to the concerned ROFO Eligible Shareholder(s) shall be effected within a period of 60 (sixty) days from the date of delivery of the ROFO Acceptance Notice to the ROFO Eligible Shareholders ("**ROFO Transfer Period**"). If more than 1 (one) ROFO Eligible Shareholder has been issued a ROFO Acceptance Notice, in terms of Clause 6.3.4, the Transfer Securities shall be Transferred to the ROFO Eligible Shareholders in the proportion determined on the basis of their *inter se* shareholding calculated on Fully Diluted Basis and as specified in the respective ROFO Acceptance Notice.
- 6.3.6 If completion of the sale and Transfer of Transfer Securities to the concerned ROFO Eligible Shareholder does not take place within the ROFO Transfer Period, the provisions of Clause 6.3 shall once again apply to the Transfer Securities.
- 6.3.7 Where any ROFO Eligible Shareholder requires prior legal, governmental, regulatory or its shareholders' consent for acquiring the Transfer Securities pursuant to this Agreement, then, notwithstanding any other provision of this Agreement, such ROFO Eligible Shareholder shall only be obliged to acquire the Transfer Securities once such consent or Approval is obtained, and the ROFO Transfer Period shall automatically stand extended beyond the aforesaid 60 (sixty) day period. The Parties shall use their reasonable endeavours to obtain any such required Approvals.
- 6.3.8 Upon occurrence of an Exit Trigger Event, notwithstanding anything to the contrary contained in this Clause and other provisions of the Agreement, the Investors shall not be obligated to provide a right of first offer to the Promoters or any other Person in terms of this Clause and the Investors shall be free to Transfer the Securities held by them in the Company to any Person as they may deem fit.
- 6.4 **Tag Along Right of the Investor.**
- 6.4.1 Subject to Clause 6.4.2, if no ROFO Acceptance Notice is issued by the Transferring Shareholder within the ROFO Response Period or if the ROFO Eligible Shareholder delivers or is deemed to have delivered an Indication of Non Acceptance on the Transferring Shareholder under Clause 6.3, the Transferring Shareholder shall be permitted to Transfer the Transfer Securities to any Person at a price equal to or higher than the Offer Price within a period of 90 (ninety) days from the expiry of the ROFO Period, failing which any subsequent Transfer of the Transfer Securities shall again be subject to the provisions of Clause 6.3.
- 6.4.2 In case the Transferring Shareholder is a Promoter ("**Transferring Promoter**") and such a Transferring Promoter has identified a Person for sale and Transfer of the Transfer Securities then such a Transferring Promoter shall simultaneous with the ROFO Notice, issue a written notice to each of the Investors ("**Tag Request Notice**") requesting it to confirm if it wishes to exercise its right under this Clause ("**Tag Right**") to sell in proportion to their Shareholding Percentage in the Company except in case the Transfer by the Transferring Promoter results in a change in Control in which case the Investor can sell up to all the Securities held by such Investor, in the proposed Transfer by the Transferring Promoter at the same price per Security (which shall not be less than the Offer Price) and on the same terms on which the Transferring Promoter proposes to Transfer the Transfer Securities. The Tag Request Notice shall clearly state the details of the proposed transferee, the price per Transfer Security (which shall not be less than the Offer Price) and the other relevant terms and conditions on which the Transferring Promoter proposes to Transfer the Transfer Securities.

- 6.4.3 Unless an Investor has responded with a ROFO Acceptance Notice, if an Investor desires to exercise its Tag Right, it shall within, 30 (thirty) days following receipt of the Tag Request Notice ("**Tag Response Period**") exercise its Tag Right by giving the Transferring Promoter a written notice ("**Tag Exercise Notice**") to that effect, specifying the number of Securities held by it with respect to which it has elected to exercise its Tag Right ("**Tag Securities**") and upon giving such Tag Exercise Notice, each Investor shall be deemed to have effectively exercised its Tag Right.
- 6.4.4 In the event an Investor decides to exercise the Tag Right, the Transferring Promoter shall cause the proposed transferee to purchase from the relevant Investor, the Tag Securities at the same price per Security at which the Transfer Securities are being purchased from the Transferring Promoter. The relevant Investor shall not be required to make any representation, provide any covenants or undertakings, grant any indemnifications or incur any obligations to the proposed transferee or any other Person (other than representations and indemnities on the clear title of the Tag Securities, or relating to authority to effect such transfer or Tax related representations relating to the sale of the Tag Securities held by such an Investor). The Transferring Promoter shall ensure that all of the terms of the proposed Transfer offered by the proposed transferee are also offered to the Investors exercising their respective Tag Right for the same consideration.
- 6.4.5 If for any reason, the proposed transferee acquiring the Transfer Securities hereunder is unable to or refuses to acquire the Tag Securities in respect of which an Investor has exercised its Tag Right (or any part thereof) within 90 (ninety) days from the expiry of the ROFO Period (or such other period as may be agreed in writing between the Investors, Transferring Promoter and proposed transferee), then the Transferring Promoter shall not be entitled to Transfer any of the Transfer Securities held by it to such a proposed transferee, and the provisions of Clauses 6.3 and 6.4 shall once again apply to the Transfer Securities.

## 6.5 **Void Transfers.**

The Shareholders shall not, make a sale or Transfer of their shareholding other than in the manner as set out in Clauses 6.1 to 6.4 and if purported to be made, such sale or Transfer shall be *void ab initio* and shall not be binding on the Company and shall be deemed to be a material breach of the terms of the Agreement. Additionally, all such sales or Transfers shall be subject to the transferee, whether an Affiliate of the Promoter or Investors or a Third Party, executing the Deed of Adherence.

## 6.6 **Investor Securities.**

Subject to Clause 6.2, 6.3 and 6.5, all Securities of the Company acquired or held by each of the Investors from time to time and rights, subject to Clause **Error! Reference source not found.** of the Agreement, of the Investors attached thereto or detailed hereunder shall be freely transferable and assignable by the Investors and their successors in interest to their Affiliates and to Third Parties and such Affiliates or Third Parties shall be subject to the conditions and restrictions on the relevant Investors under the Agreement. Notwithstanding anything to the contrary contained in the Agreement, upon occurrence of an Exit Trigger Event, the restrictions / conditions set out in Clauses 6.3 shall fall away insofar as the Investors are concerned and the Investors shall not be obligated to provide a right of first offer to the Promoters or any other Person in terms of Clause 6.3 and each Investor shall be free to Transfer the Securities held by them in the Company to any Person as it may deem fit.

## 7. EXIT RIGHTS

### 7.1 IPO.

7.1.1 The Company shall, and the Promoters shall ensure that the Company shall, consummate an IPO involving all of the Securities held by the Investors in the Company at any time after 36 (thirty six months) but in any event before 48 (forty eight) months from the Tranche A Closing Date. For the purposes of this Agreement, an “**IPO**” means a firm underwritten initial public offering of the Equity Shares or such other Securities (including depository receipts) as may be agreed to by the Investors in writing, either domestic or overseas, of the Company and consequent listing of the Securities of the Company on domestic or internationally recognised stock exchanges, either:

- (i) through a public issue of fresh Securities, or
- (ii) an offer of existing Securities by some or all the Shareholders (an “**Offer of Existing Securities**”); or
- (iii) a combination of (i) and (ii).

Provided that the Parties may mutually agree in good faith to extend the aforementioned time periods on account of any delays attributable to regulatory requirements under Applicable Laws.

7.1.2 The Board shall decide on the following matters:

- (i) the price, and other terms and conditions of the IPO;
- (ii) the timing of the IPO;
- (iii) the stock exchanges on which the Securities are to be listed;
- (iv) the firm of independent merchant banker(s), manager(s), arranger(s) of the IPO, who shall advise the Company on matters relating to such IPO, including but not limited to matters set out under (i) and (ii) above; and
- (v) any other matters related to the IPO,

with the consent of the Investors in the manner stated under Clause 5 of the Agreement in respect of each of the aforementioned matters, and subject to such statutory guidelines as may be in force.

7.1.3 In the event of the IPO which entails an Offer of Existing Securities, each Investor shall have the right (but not the obligation) to offer any or all of its Securities for sale in the IPO, in priority to any other Shareholders of the Company, including the Promoters. In the event that further Securities are required to be offered by way of such Offer of Existing Securities under Applicable Laws, or if the Investors do not offer sufficient Securities as are required to be offered in terms of Applicable Laws, the Investors and Promoters shall offer such number of Securities that are in proportion to their Shareholding Percentage.

7.1.4 The Promoters hereby agree to vote in favour of and to do all acts and deeds necessary for effecting the IPO. The Promoters agree that, in the event of an IPO, they shall offer such number of their Securities for a lock-in as may be required to meet the minimum

promoter contribution or similar lock-in requirements under Applicable Laws. The Investors shall not be required to call themselves and the Company shall not refer to any of the Investors as “founder” or “promoter” in the offer documents, nor shall be required to offer any of the Securities held by the Investors for such lock-in.

7.1.5 All fees and expenses (including payment of all costs relating to the listing and sponsorship, underwriting fees, listing fees, merchant bankers fees, bankers fees, brokerage, commission, reasonable legal fees of the Investors and any other costs that may be incurred due to the changes to Applicable Laws for the time being in force) required to be paid in respect of the IPO, shall be borne and paid by the Company and all intermediaries, agents and managers shall be appointed by the Company in consultation with the Investors.

7.1.6 The Company shall indemnify the Investors to the maximum extent permitted under Applicable Laws, against any loss, claim, damage, liability (including reasonable attorneys’ fees), cost or expense arising out of or relating to any misstatements and omissions of the Company in any registration statement, offering document or preliminary offering document, and like violations of Applicable Laws by the Company or any other error or omission of the Company in connection with a public offering hereunder, other than with respect to information provided by the Investors, in writing, expressly for inclusion therein.

## 7.2 **Exit Trade Sale.**

7.2.1 The Company shall, and the Promoters shall ensure that the Company shall, consummate an Exit Trade Sale involving all of the Securities held by the Investors in the Company at any time after the date that is 48 (forty eight) months from the Tranche A Closing Date in the event that the IPO is not consummated by such date.

Provided that the Parties may mutually agree in good faith to extend the aforementioned time periods on account of any delays attributable to regulatory requirements under Applicable Laws.

7.2.2 The Board shall, with the consent of the Investors in the manner stated under Clause 5 of the Agreement, and subject to such statutory guidelines as may be in force, decide on:

- (i) the nature of the Exit Trade Sale;
- (ii) the identity of the purchaser (as applicable);
- (iii) the price or valuation; and
- (iv) all other matters related to the Exit Trade Sale.

7.2.3 Any such Exit Trade Sale shall be subject to the approval of the Investors.

7.2.4 The Promoters and the Investors hereby agree to vote in favour of and to do all acts and deeds necessary for effecting the Exit Trade Sale.

7.2.5 All fees and expenses (including *inter alia* payment of all costs relating to merchant bankers fees, bankers fees, brokerage, commission, reasonable legal fees of the Investors and any other costs that may be incurred due to the changes to Applicable Law for the time being in force) required to be paid in respect of the Exit Trade Sale,



shall be borne and paid by the Company and all intermediaries, agents and managers shall be appointed by the Company in consultation with the Investors.

### 7.3 **Strategic Sale Right of the Investor.**

- 7.3.1 In case the Company does not successfully consummate an IPO in the manner contemplated in Clause 7.1 before the expiry of 48 (forty eight) months from the Tranche A Closing Date and, or if the Exit Trade Sale is not consummated within 54 (fifty four) months from the Tranche A Closing Date, in each case for any reason whatsoever including due to the Investors not approving the IPO and, or, the Exit Trade Sale in terms of Clause 5 of the Agreement (“**Exit Trigger Event**”), then the Investors shall have the right, but not an obligation, exercisable jointly in accordance with this Clause to sell the Securities held by such Investors in the Company to any Person (“**Strategic Transferee**”) and to require all or any of the Promoters to immediately sell all or any part of their respective Securities to the Strategic Transferee on terms and conditions, no less favourable to the Promoters than those offered to the Investors by the Strategic Transferee (“**Strategic Sale Right**”). In consideration of the mutual covenants of the Parties contained in this Agreement, the Promoters hereby irrevocably grant the Investors an option to exercise the aforesaid Strategic Sale Right and to negotiate the terms and conditions for sale of the Strategic Sale Securities to the Strategic Transferee, including the price at which the Strategic Sale Securities shall be purchased by such a Strategic Transferee. Provided that pursuant to exercise of such Strategic Sale Right, the Investors should have divested all the Securities held by them in the Company.
- 7.3.2 In the event the Investors elect to exercise their Strategic Sale Right, they shall deliver a written notice of such election to the Promoters (a “**Strategic Sale Exercise Notice**”). The Strategic Sale Exercise Notice shall specify: (i) the name and address and identity of the Strategic Transferee, (ii) the number of Securities that the Promoters shall be required to sell to the Strategic Transferee (“**Strategic Sale Securities**”), and (iii) the amount in cash of the proposed consideration for such sale. The Strategic Sale Exercise Notice shall be irrevocable and shall constitute a binding agreement by the Promoters to sell and Transfer the Strategic Sale Securities to the Strategic Transferee without the requirement of any further acceptance or acknowledgement of the Strategic Sale Exercise Notice by the Promoters.
- 7.3.3 Within 30 (thirty) days of the receipt of the Strategic Sale Exercise Notice or such other date as may be specified in the Strategic Sale Exercise Notice (“**Strategic Sale Closing Date**”), the Promoters shall take all steps necessary to give effect to the provisions of this Clause and to the Strategic Sale Right of the Investors. The Company and the Promoters shall take all necessary and desirable actions in connection with the consummation of the transactions contemplated in this Clause, including passing of all necessary resolutions and obtaining all necessary consents to give effect to the Strategic Sale Right, the timely execution and delivery of such agreements and instruments and other actions reasonably necessary to cooperate with the Strategic Transferee, to provide such access and information as may be requested by the Strategic Transferee, participate in meetings with the Strategic Transferee, permit the Strategic Transferee to conduct a due diligence on the Company, and to provide the representations, warranties, indemnities, covenants, and other provisions and agreements customary to such sale. The Parties agree and acknowledge that the Investors shall not be required to make any representations and, or, provide indemnities in connection with the Securities that are transferred by the Promoters to the Strategic Transferee.

- 7.3.4 The closing of any purchase of the Strategic Sale Securities by the Strategic Transferee from the Promoters shall take place on the Strategic Sale Closing Date and simultaneous with the closing of the purchase of Securities by the Strategic Transferee from the Investors. On the Strategic Sale Closing Date, the Promoters shall deliver all documents and instruments as may be required in accordance with the Applicable Laws to effect a Transfer of the Strategic Sale Securities free from and clear of any or all Encumbrances, including duly executed transfer instructions to the relevant depository participant, as applicable. The Strategic Sale Securities that are to be sold pursuant to the Strategic Sale Right shall be free and clear of any Encumbrance.
- 7.3.5 The Strategic Transferee purchasing the Strategic Sale Securities shall make payment in full for the Strategic Sale Securities to the relevant bank accounts of the Promoters, the details of which shall be intimated in writing by the Promoters to the Investors. On the Strategic Sale Closing Date, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale and transfer of the Securities held by the Investors and the Strategic Sale Securities to the Strategic Sale Transferee.
- 7.3.6 If the Promoters do not, on the Strategic Sale Closing Date provide duly executed transfer instructions in accordance with the requirements of Applicable Laws to the relevant depository participant, in regard to all the Strategic Sale Securities, the Promoters shall be deemed to have irrevocably authorized any Person nominated by the Investors to be the Promoters' agent and attorney to execute all necessary sale and Transfer(s) documents on their behalf and against receipt by the Company (on trust for the Promoters) and in accordance with the requirements of this Clause and deliver such documents to the Strategic Transferee and the Directors shall forthwith register the Strategic Transferee as the holder thereof. After the Strategic Transferee has been registered as the holder, the validity of such proceedings shall not be questioned by the Promoters or any Person.
- 7.3.7 On the Strategic Sale Closing Date, the Investors shall cause each of the Directors nominated by them to resign from the Board, and the Promoters shall cause such number of Directors nominated by them to resign from the Board, such that the Strategic Sale Transferee gets the right to nominate a majority of Directors on the Board with immediate effect. Provided that, if required by the Strategic Transferee, the Promoters shall ensure that Promoter I is retained in his present position in the management of the Company for a reasonable transition period as determined by such Strategic Transferee pursuant to such Strategic Sale.
- 7.3.8 If the Strategic Transferee refuses to consummate the transaction contemplated by this Clause then the Investors and the Promoters shall not have any liability whatsoever in regard to such a Strategic Transferee, and such failure shall not preclude the right of the Investors to exercise their Strategic Sale Right at a future date.
- 7.3.9 Upon occurrence of an Exit Trigger Event, without prejudice to the right of the Investors to explore options to exercise their Strategic Sale Right, the Promoters shall have the obligation to identify prospective Strategic Transferee(s) and procure non-binding offers from such Persons and present it to the Investors to facilitate the Strategic Sale Right of the Investors. The Investors shall have the sole discretion to accept or reject such offers procured by the Promoters and if the Investors reject any of the offers procured by the Promoters then the obligation of the Promoters to continue to explore and identify other Strategic Transferee(s) shall continue and shall not fall away or stand diluted in any manner.

## 7.4 Sharing of Investor Excess.

### 7.4.1 If an Investor:

- (i) prior to an IPO being undertaken in terms of Clause 7.1, receives from the sale of all (but not less than all) Securities held by such an Investor in the Company, pursuant to any sale (except an Exit Trade Sale undertaken in terms of Clause 7.2 or exercise of Strategic Sale Right in terms of Clause 7.3), an amount which exceeds 24.5% (twenty four and half per cent.) IRR on the aggregate amount of the investment (both primary or secondary investments) made by such an Investor in the Company;
- (ii) receives from the sale of all (but not less than all) Securities held by such an Investor in the Company, pursuant to an Exit Trade Sale undertaken in terms of Clause 7.2 or exercise of Strategic Sale Right in terms of Clause 7.3, an amount which exceeds 24.5% (twenty four and half per cent.) IRR on the aggregate amount of the investment (both primary or secondary investments) made by such an Investor in the Company; or
- (iii) pursuant to an IPO undertaken in terms of Clause 7.1, achieves liquidity in regard to all the Securities held by it in the Company as on such date, and the price realised for the relevant Securities of the Company in such an IPO is such that the Investor, assuming a sale of all the relevant Securities held by the Investor in the Company as on the date of consummation of the IPO, shall be deemed to have received an amount which exceeds 24.5% (twenty four and half per cent.) IRR on the aggregate amount of the investment (both primary or secondary investments) made by the Investor in the Company,

the excess amount beyond 24.5% (twenty four and half per cent.) IRR on the aggregate amount of investment made by the Investor in the Company, actually received or deemed to have been received, as the case may be, being the “**Investor Excess**”, shall be shared between the Promoters and the relevant Investor in the ratio 50:50.

7.4.2 If an Investor, prior to an IPO being undertaken in terms of Clause 7.1, receives from the sale of a part (and not all) of the Securities held by such an Investor in the Company, an amount which exceeds 24.5% (twenty four and half per cent.) IRR on the aggregate amount of the investment (both primary or secondary investments) made by such an Investor in the Company, then the Investor Excess shall be shared between the Promoters and the relevant Investor in the ratio 50:50. Further, in any subsequent sale of Securities held by such an Investor or upon an IPO being undertaken in terms of Clause 7.1, the relevant Investor shall again share Investor Excess arising as a consequence of such actions with the Promoter in the ratio 50:50 and in the manner set out in Clauses 7.4.1 or 7.4.2, as case may be, and for calculating the IRR for the purposes of such subsequent sharing of Investor Excess, the Investor Excess already shared with the Promoters shall be taken into account.

7.4.3 In the event the Investors and Promoter I mutually agree that the Exit Trade Sale or the Strategic Sale Right is to be exercised by the Investors by way of sale of a part (and not all) of the Securities held by the Investors in the Company, then Investor Excess shall be shared between the Promoters and the Investors in accordance with the principles set forth in Clause 7.4.2.

- 7.4.4 The obligations of the Investors under this Clause 7.4 shall be subject to, and shall be implemented in accordance with, Applicable Laws as in effect on the date of sharing of such Investor Excess.
- 7.4.5 The Parties shall, within 6 (months) of the Tranche A Closing Date, agree to a tax and costs efficient mechanism to share the Investor Excess on the basis of this Clause 7.4, including the nature of the instruments that are to be issued to the Promoters in the Company for sharing the Investor Excess.
- 7.4.6 All Taxes arising out of, or in relation to receipt by the Promoters of their proportion of the Investor Excess, shall be borne and payable by the respective Promoter. The Investors shall not have any liability in relation to the Taxes payable by the Promoters in respect of the Investor Excess, and the Promoters jointly and severally hereby agree to indemnify and save harmless the Investors and their respective Affiliates and its respective officers, directors, employees and agents against any and all such Taxes.
- 7.4.7 The Parties shall make all reasonable efforts to give effect to the provisions of this Clause 7.4.
- 7.4.8 This Clause 7.4 shall survive automatic termination of the Agreement in terms of Clause **Error! Reference source not found.** of the Agreement to the limited extent that any share of the Investor Excess is due to the Promoters in terms of this Clause 7.4.
- 7.4.9 The rights of the Promoter in this Clause 7.4 to receive a share of the Investor Excess shall not be available in case of Transfer of any and all Securities by the Investor to any of Affiliates; provided, however, such Affiliates shall be obligated to comply with the obligation to share Investor Excess in terms of this Clause 7.4 in case they sell and Transfer the Securities held by them in the Company to a Third Party who is not an Affiliate.

Notwithstanding anything to the contrary contained herein, any exit provided to the Investor pursuant to this Clause 7 that entails sale of the Securities held by the Investor should necessarily require payment of consideration for such Securities in cash, unless otherwise agreed by the Investors in writing.

## **8. INFORMATION RIGHTS AND INSPECTION**

### **8.1 Information Rights.**

- 8.1.1 So long as the Investors, along with their Affiliates, holds any Securities in the Company, the Company shall provide to the Investors and Permitted Recipients:
- (i) monthly information statements in a format prescribed by the Investors pursuant to discussions with the Promoters, containing such information as is required to understand the business (including details of significant events impacting or expected to impact the Company), by not later than 20 (twenty) days following the end of the month to which they relate;
  - (ii) un-audited quarterly financial statements, within 30 (thirty) days from the end of the period to which they relate, duly certified by the managing director and

chief financial officer (if any) as having been prepared in accordance with Accounting Standards;

- (iii) un-audited half-yearly financial statements, within 45 (forty five) days from the end of the period to which they relate, duly certified by the managing director and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (iv) annual audited financial statements, within 90 (ninety) days from the end of the period to which they relate, duly certified by the Promoters and chief financial officer (if any) as having been prepared in accordance with Accounting Standards;
- (v) a copy of the auditors' report, within 120 (one hundred and twenty) days from the end of the period to which it relates;
- (vi) minutes of all Board Meetings, Shareholders Meetings and any meetings of the Committees, as soon as practicable, and in any case within 15 (fifteen) days of the date of the relevant meeting; and
- (vii) projection of any debt and equity requirements for each of the next (two) financial quarters, as soon as practicable.

8.1.2 The Financial Statements delivered under this Clause 8.1 shall at least include a balance sheet, a statement of profit or loss, and a statement of cash flows for the relevant period and shall be prepared in English in accordance with Accounting Standards consistently applied with past practice for prior periods.

8.1.3 All information and documents to be provided by the Company under this Clause 8.1 shall be prepared and provided in English.

## **8.2 Right of Inspection.**

8.2.1 So long as the Investors, along with their Affiliates, holds any Securities in the Company, the Investors shall, by giving a notice of at least 7 (seven) days, be entitled to carry out inspection of site, stores, accounts, documents, records, premises, and equipment and all other Assets of the Company during normal working hours through its authorized representatives and, or, agents at its own cost, and the Company shall use reasonable efforts to provide such information, data, documents, evidence as may be required for the purpose of and in the course of such inspection in connection therewith. The Investors shall have the right to make copies of, all books of account, records, including the corporate and the financial records, audited accounts and management accounts. The Company shall provide all possible assistance to the Investors or their respective authorised representatives (including legal advisors, accountants and other professional advisors) in this regard. In the event that any concerns are raised pursuant to such inspection and audit, the Company shall address and resolve such concerns promptly to the satisfaction of the relevant Party. The Investors shall also be entitled to consult and discuss matters concerning the Company or its business with the Directors, Key Managerial Personnel, employees, statutory auditors, accounting advisors and legal advisers of the Company. It shall be the responsibility of the Promoters to ensure that the obligations under this Clause 8.2 are given full effect. The reasonable costs of any such inspection including appointment of any auditors for this purpose shall be borne by the Company.

- 8.2.2 The Investors shall be entitled to standard information, inspection and visitation rights, in compliance with the requirements of Applicable Laws.

All inspection, auditing or other activities conducted by a Shareholder, pursuant to this Clause 8.2 shall be conducted in a manner so as not to interfere unreasonably with the conduct of the business of the Company.

## 9. OTHER COVENANTS

### 9.1 Protective Covenant.

- 9.1.1 The Promoters agree that they shall not, and shall ensure that their Affiliates and Associates do not (except, where relevant, through the Company and its Subsidiaries), directly or indirectly,:

- (i) set up, solicit business on behalf of, render any services to, engage in, guarantee any obligations of, extend credit to or have any ownership interests, in any Conflicting Business. For the purposes of this Agreement “**Conflicting Business**” means the business of providing facilities management services, production support services, staffing solutions and other business support services that, directly competes with the business of the Company as carried on from time to time;
- (ii) assume any Role in any Person engaged in, or proposed to be engaged in, any Conflicting Business;
- (iii) solicit and render services to or for, or accept from, anyone who is a client or customer of the Company (whether present or future), any Conflicting Business, or persuade or attempt in any manner to persuade any client or customer of the Company to cease to do business or to reduce the amount of business which any such client or customer has customarily done or is reasonably expected to do with the Company;
- (iv) interfere or seek to interfere or take such steps as may interfere with the continuance of supplies to the Company (or the terms relating to such supplies) from any suppliers who have been supplying goods or services to the Company; and
- (v) employ as an employee or retain as a consultant any Person (including an individual, firm, corporation or other form of entity) who is then, or at any time during the 6 (six) month period prior to the date of the purported solicitation, was an employee of, or exclusive consultant to the Company, or persuade or attempt to persuade any employee of, or exclusive consultant to, the Company, to leave the employment of the Company or to become employed as an employee or retained as a consultant by any other Person.

- 9.1.2 Notwithstanding anything to the contrary contained in the Transaction Documents and without prejudice to restrictions contained in Clause 9.1.1, the Promoters shall not, individually or together, at any time, have any Role or have any interest, directly or indirectly, in any Persons / businesses, irrespective of the nature of the business / operations (“**Interested Entities**”) which is not in compliance with this Clause 9.1. As on the Execution Date, the Interested Entities are set forth in **Schedule 9** of the Agreement. As and when a Promoter acquires / assumes any Role / interest in any new

Person / business, the relevant Promoter shall issue a written intimation to the Investors and upon a Promoter acquiring / assuming such a Role / interest in the manner aforesaid, the relevant Person / Business shall be treated as an Interested Entity for the purposes of this Agreement. Further, each Promoter shall, as and when it ceases to have any Role / interest in any Interested Entity issue a written intimation to the Investors as soon as practicable. As and when a Promoter acquires / assumes any additional Role / interest or enhancing its shareholding or interest in any Interested Entity, the relevant Promoter shall issue a written intimation to the Investors.

- 9.1.3 Notwithstanding anything to the contrary contained herein, the restrictions contained in this Clause 9 shall not be circumvented by the Promoters indirectly including through its Affiliates, Associates or any other Person.
- 9.1.4 The restrictions contained in Clause 9.1.1 shall not apply to any financial / passive investments made by the Promoters subject to the Promoters having sought the prior written consent of the Investor for any investment exceeding INR 25,00,00,000 (Indian Rupees twenty five crores). Provided that for any financial / passive investment made by the Promoters not exceeding INR 25,00,00,000 (Indian Rupees twenty five crores), the Promoters shall intimate the Investors immediately after having made such investment.
- 9.1.5 The Parties acknowledge that (i) the type and periods of restriction imposed in the provisions of this Clause 9.1 are fair and reasonable and are reasonably required in order to protect and maintain the legitimate business interests and the goodwill associated with the business carried on by the Company; and (ii) the time, scope and other provisions of this Clause 9.1 have been specifically negotiated by parties and have been agreed to, in light of the investments made by the Investors in the Company, either directly or indirectly.
- 9.1.6 If any of the restraints contained in this Clause 9.1 or any part thereof, is held to be unenforceable in a jurisdiction by reason of it extending for too great a period of time, or by reason of it being too extensive in any other respect, the Parties agree for only that particular jurisdiction that (i) such restraint shall be interpreted to extend only over the maximum period of time, geographic area or extent to which it may be enforceable, as determined by the court or arbitration panel making such determination, and (ii) in its reduced form, such restraint shall then be enforceable. Each of the restraints and agreements contained in this Clause 9.1 (collectively, the **"Protective Covenants"**) is separate, distinct, and severable.
- 9.1.7 The unenforceability of any portion of the Protective Covenant shall not affect the validity or enforceability of any other portion of the Protective Covenant or any other provision or provisions of this Agreement.
- 9.1.8 The Promoters undertake that:
- (i) Promoter I shall devote all of his time, energy and efforts to the activities of Company and the promotion of the Business.
  - (ii) except with the prior written consent of the Investors, all new projects and businesses relating to the Conflicting Business, shall only be undertaken by the Company, and not through any other Affiliates or Associates of any of the Promoters or the Company or through the Relatives of Promoter I and Promoter II. Provided that the security business that is currently being carried



on through Best Security Services Private Limited can be carried on by such an entity subject to the preceding portion of this Clause 9.1.8(ii).

- (iii) all opportunities for new projects and businesses relating to the Conflicting Business that are developed or sourced by, or offered to, the Promoters shall be referred exclusively to the Company.

## 9.2 **Conduct of Business.**

9.2.1 The Company and the Promoters hereby agree and undertake, and agree to cause the Company, Promoters and their respective Affiliates (present or future) to agree and undertake, that:

- (i) the Company and its Subsidiaries shall devise and implement appropriate mechanisms and reporting systems to ensure:
  - (a) compliance with all Applicable Laws and Accounting Standards, including requisite corporate governance practices; and
  - (b) that all agreements, dealings and arrangements with any of the Shareholders, their Affiliates or other Related Parties and other transactions with a Related Party are on an arm's length basis with full disclosures to the Board;
- (ii) the Company and its Subsidiaries shall conduct its business in accordance with all Applicable Laws, terms and conditions of the Transaction Documents, the Constitutional Documents and the Business Plan;
- (iii) they and, or, their Affiliates shall not engage, by themselves directly or by authorizing any Person to do so, in any offering, giving, receiving, or soliciting, any money, gifts, gratifications or any other thing of value to any Government Official or any other Person, that will amount to a violation of the U.S. Foreign Corrupt Practices Act; 15 U.S.C. §78dd-1, et seq. as amended (the "**FCPA**"), and the Prevention of Money Laundering Act, 2002 ("**PMLA**") and other equivalent laws applicable to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, notwithstanding the applicability or non-applicability of the FCPA and, or, the PMLA to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, in relation to such conduct;
- (iv) they shall not and further undertake to ensure that their respective directors, officers, representatives, employees, advisors and agents do not, make any offer, payment, promise to pay or authorise the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any government official (including without limitation, any tax or customs official, any employee of a government owned or controlled company, or of a public international organization, or any person acting in an official capacity on behalf of a government, government owned or controlled company, or public international organization), or to any arbitration tribunal, or to any political party or an employee of any political party, domestic or foreign (or official thereof) ("**Government Official**") or to any other Person who was or is in a position to help or hinder the business of the Company, the Promoter and, or, their respective Affiliates: (a) with the intent or purpose of influencing such Government Official or other Person in his official capacity, inducing such

Government Official to do or omit to do any act in violation of the lawful duty of such official, or securing any improper advantage; (b) inducing such Government Official to use his influence with a government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality; (c) that would cause the Company, the Promoters and, or, their respective Affiliates and their respective directors, and employees to violate or be in violation of any applicable laws (including without limitation the FCPA, as amended from time to time, notwithstanding the applicability of the FCPA and, or, the PMLA to the Company, Promoters, their respective Affiliates and, or, any Persons authorized by them, in relation to such conduct) or subject it or them to damages or penalties in a civil or criminal proceeding; or (d) that could reasonably be expected to have a Material Adverse Effect, if not discontinued;

- (v) the Company, the Promoters and their respective Affiliates shall comply with the FCPA policy, as adopted by the Board, effective from the Tranche A Closing Date;
- (vi) each of the Company, the Promoters and their respective Affiliates are: (a) not currently identified on the Specially Designated Nationals and Blocked Persons List maintained by the U.S. Office of Foreign Assets Control, Department of the Treasury (“**OFAC**”) and, or, on any other similar list maintained by OFAC or any other U.S. governmental agency pursuant to any authorising statute, Order or regulation, and (b) not a person or entity with whom a citizen of the United States of America is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States law, regulation, or order of the President of the United States of America;
- (vii) they and their Affiliates and their respective directors, officers, representatives, employees, advisors and agents have not provided or collected funds with the intention that they be used, or in the knowledge that they are to be used, in order to carry out terrorist acts or support any terrorist organization;
- (viii) the Company, the Promoters and their respective Affiliates (as applicable) shall issue to the Investors, a certificate on an annual basis, in a form and substance satisfactory to Investor II, certifying compliance with the provisions of this Clause 9.2; and
- (ix) the Company, its Subsidiaries and Promoter III shall adopt at the meetings of their respective Board of Directors and implement all compliance related policies and procedures in relation to matters set out in this clause, as the Investors may deem necessary from time to time.

9.2.2 The Company and the Promoters hereby agree and undertake:

- (i) to cause the Company, the Promoters and their respective Affiliates and each of their respective officers, directors and employees (individually and collectively, a “**Company Representative**”) to: (a) engage only in lawful practices in commercial operations and in relation to Governmental Authorities or Government Official; (b) not make any bribe, rebate, payoff, influence payment, or any other payment that would be unlawful under any applicable Anti-Corruption Legislation and Anti-Corruption Guidelines provided at **Schedule 10** of the Agreement;

- (ii) that they shall not engage in (or authorize or permit any of their Affiliates or any other Person acting on its behalf to engage in), any Sanctionable Practice with respect to any transaction contemplated in the Transaction Documents or otherwise;
- (iii) that they shall not make or hold any investments in any entity that (a) is sanctioned pursuant to United Nations Security Council resolutions issued under Chapter VII of the United Nations Charter; (b) is on the World Bank Listing of Ineligible Firms and Individuals or (c) has been convicted, indicted or subjected to any similar criminal sanction, by any court or governmental body of competent jurisdiction, for engaging in money laundering or financing of terrorism or any Sanctionable Practice;
- (iv) that upon being notified by the Investors of their concern that there has been a violation of the Clauses 9.2.2(i) to (iii), the United Nations Security Council Resolutions, and, or, any Sanctionable Practices in relation to the foregoing, the Company shall cooperate in good faith with the Investors and its representatives in determining whether such a violation has occurred, and shall respond promptly and in reasonable detail to any notice from the Investors, and shall furnish documentary support for such response upon such request;
- (v) that the Promoters shall not Transfer, and the Company shall not permit the Transfer of, any of their interests in the Company to any person or entities (a) named on lists promulgated from time to time by the United Nations Security Council or its committees pursuant to any resolution issued under Chapter VII of the United Nations Charter; (b) named on the World Bank Listing of Ineligible Firms and Individuals (see [www.worldbank.org/debarr](http://www.worldbank.org/debarr) or any successor website or location); and, or, (c) convicted, or subjected to any similar criminal sanction, by any court or governmental body of competent jurisdiction, for engaging in money laundering or financing of terrorism or any Sanctionable Practice, or in each case, to any successor in interest or ultimate beneficial owner thereof; and
- (vi) that on becoming aware of any violation of the Integrity Requirements, they shall promptly notify the Investors.

### **9.3 Distribution of Profits.**

The Board shall determine the amount and the time of distribution of dividends in accordance with the Dividend Policy. The Parties agree that the profits of the Company, as and when distributed, shall be distributed to the Shareholders as per their Shareholding Percentage.

### **9.4 Further Assurance.**

The Company and the Promoters agree that they shall undertake all necessary reasonable actions to implement the provisions of the Agreement including convening all meetings and giving of all waivers and consents and passing of all resolutions required to ensure that the Promoters, the Director(s) appointed by them (and any alternate Directors) and the Company gives effect to the terms of the Transaction Documents. The Company and the Promoters hereby agree and undertake that they shall without further consideration, execute and deliver, or cause to be executed and

delivered to the Investors, in addition to those required by the Agreement, such consents and other instruments, as may be required in terms of Applicable Laws, or as may be necessary or desirable to implement any provision of the Agreement, including the issue and allotment or transfer (as the case may be) of the Investor Shares. In the event of any conflict, ambiguity or discrepancy between the provisions of the Agreement and the Constitutional Documents, the Parties shall ensure that the Constitutional Documents are amended, to the extent necessary, to remove such conflict, ambiguity or discrepancy

## **9.5 Key Managerial Personnel.**

9.5.1 Key Managerial Personnel shall be appointed by the Board from time to time in accordance with the requirements of Applicable Laws and the Company shall ensure that the position of chief executive officer, chief financial officer/ vice-president (finance) and business development head of the Company is not vacant for longer than a period of 60 (sixty) days at any point in time. The Persons including the Key Managerial Personnel so appointed by the Board from time to time including Mr. Raghunandana Tangirala, along with the executive directors of the Company, if any, shall hereinafter be referred to as the “**Management**”.

9.5.2 The Management shall be responsible for the day-to-day management of the Company and shall directly report to the Board. The Management shall operate within the authority specifically approved and granted by the Board and shall exercise such powers as may be delegated to them by the Board subject to its overall control, direction and supervision. The Management shall report to the Board in such manner as may be determined by the Board from time to time.

9.5.3 Any decision in regard to the appointment or termination, or change in the terms of appointment of any Key Managerial Personnel and, or member of the Management shall be subject to Clause 5 of the Agreement.

## **9.6 Auditors and Accounting.**

9.6.1 The Company shall keep true and accurate accounting records of all operations in accordance with Applicable Laws and Accounting Standards, and such records shall be open for inspection by each Party or by its duly authorised representatives at all times during normal business hours and with sufficient notice so as not to disrupt the Company's operations.

9.6.2 The Financial Statements of the Company shall be audited at the Company's expense by the Statutory Auditor.

9.6.3 The accounting records shall be kept at the registered office of the Company or at such other place, in accordance with Applicable Laws, as the Board may deem fit and proper.

## **9.7 Indebtedness.**

The Parties expressly agree that in the event the Company proposes to incur any Indebtedness, including by borrowing funds from banks and financial institutions, the Investors shall not be asked, or be required to give any warranties, letter of comfort and, or, guarantees, of any nature whatsoever for any loans or with regard to any aspect of the business or functioning of the Company. In relation to any Indebtedness of the

Company, the Investors shall not be required to pledge their Securities or provide any support to any Third Party, including but not limited to lenders of the Company.

**9.8 Promoter Status.**

9.8.1 The Company and the Promoters undertake that the Investors and, or, their Affiliates shall not be named or deemed as 'promoters' or 'sponsors' of the Company nor shall any declaration or statement be made to this effect, either directly or indirectly, in filings with regulatory or Governmental Authorities, offer documents or otherwise without the prior written consent of the Investors in writing.

9.8.2 The Company and the Promoters further undertake that the Investors, their officials, employees, nominee directors, managers, representatives or agents shall not be named or deemed as an 'occupier' or 'officer in charge' or 'officer in default' under any Applicable Laws. In the event any Governmental Authority takes a view or draws an inference that the Investors or their Affiliates or their officials, employees, nominee directors, managers, representatives or agents, is a 'sponsor', 'occupier' or 'officer in charge' or 'officer in default', then the Company and the Promoters shall co-operate with the Investors to make such representations and make full disclosures to the Investors or such body or authority as may be required by the Investors to dispel or correct such inference or view under the Applicable Laws.

**9.9 Status of the Company.**

The Parties hereby acknowledge and agree that the Company is and shall be maintained as a 'private limited company' (as defined under the Companies Act) and any conversion or action that would result in conversion of the Company to a public limited company (either directly, by converting Promoter III into a public limited company or otherwise) shall be subject to the prior written consent of the Investor and the terms of this Agreements.

**9.10 Tax Covenants.**

The Company and the Promoters shall act in good faith and shall pay all Taxes (direct and indirect), duties, cess, fees or any other amount payable (whether by way of Tax or otherwise), under the Applicable Laws. Further, the Company, and the Promoters shall take all steps to make the necessary Tax filings under the Applicable Laws (including but not limited to the return of income for the relevant Financial Years, withholding Tax returns etc.).

**9.11 Business Plan.**

The Business Plan for each Financial Year shall be discussed and approved by the Board, which approval will require an affirmative vote by the Investors in accordance with Clause 5 of the Agreement, no later than 30 (thirty) days before the beginning of the relevant Financial Year. Upon the execution of the Agreement, the Promoters and the Company shall take all steps necessary, including the exercise of their rights at Shareholders Meetings and causing their nominee Directors to exercise their rights at Board Meetings, to ensure that the Company carries on its business in accordance with the terms of the Business Plan agreed from time to time.

## **9.12 Related Party Transactions.**

The Company and the Promoters hereby undertake that any transactions with Related Parties (including investments in, or loans to Related Parties, the formation of Affiliate entities or Subsidiaries) shall be conducted (i) on an arm's-length basis; and (ii) with the consent of the majority disinterested directors and at least one Investor Director. Provided that any Related Party transactions which are in the Ordinary Course and are on an arm's-length basis may be approved by the Board through provision of an omnibus approval subject to consent of the Investor in terms of Clause 5 of the Agreement.

## **9.13 Subsidiaries.**

- 9.13.1 Unless stated otherwise, any and all rights available to the Investors in or with respect to the Company under the Transaction Documents, including, without limitation, the right under Clause 5 of the Agreement, shall be also available to the Investors in the wholly owned Subsidiaries of the Company, whether such Subsidiaries exist on the Tranche A Closing Date or not. All obligations of the Promoters hereunder with respect to the Company also apply to the Promoters in respect of such wholly owned Subsidiaries. The Company shall ensure that all of the rights, preferences and privileges of the Investors which are contained in the Agreement, including all management principles set out in the Agreement, shall be continuously made applicable to each of the present or future wholly owned Subsidiaries of the Company and shall form part of the memorandum and articles of association or other charter documents of such Subsidiaries. The Investors shall have the right to appoint such number of directors on the board of directors of wholly owned Subsidiaries as they are entitled to appoint on the Board and the Promoters and Company shall ensure that the persons nominated by the Investors are appointed as additional directors on the board of directors of the Subsidiaries of the Company within 15 (fifteen) days of written notice by the Investor in this regard.
- 9.13.2 With respect to Subsidiaries other than wholly owned Subsidiaries of the Company, all rights available to the Investors in or with respect to the Company under the Transaction Documents, including, without limitation, the right under Clause 5 of the Agreement, shall be exercised by the Board and by seeking specific consent of the Investor Directors, and, or, by the Company and, or, the Promoters voting appropriately at the meetings of the board of directors or shareholders of such Subsidiaries and, or, Associate Companies.

## **9.14 Most Favoured Right**

The Company shall not, and the Promoters shall procure that the Company and its Subsidiaries shall not, directly or indirectly, or in any manner whatsoever, grant to any Persons (whether in regard to an issue of Securities or otherwise) rights that are superior or more favourable than the rights that have been granted to the Investors under this Agreement. Without prejudice to the generality of the above, the Parties agree and acknowledge that if any rights that are more favourable and, or, superior than the right available to the Investors under this Agreement, shall only be granted to any Person in regard to the Company with the prior written consent of the Investors, and such rights shall automatically, without there being any requirement to undertake any further act and, or, omission, be available to the Investors.

## 9.15 Business Review Meetings

The Company shall, and the Promoters shall procure that the Company shall, organize, at the Company's cost, business review meetings between the Parties at such regular intervals as may be mutually agreed between the Company, the Promoter and the Investors.

## 9.16 Fall away of Rights

In the event the Investors (together with their Affiliates who hold Securities in the Company) hold less than 5% (five per cent.) of the Share Capital on a Fully Diluted Basis due to Transfer of the Securities held by the Investors or dilution of the Shareholding Percentage of the Investors, the rights conferred on the Investors pursuant to Clauses 2.2 (*Fresh Issue of Securities*), 2.3 (*Anti-Dilution*), 3 (*Board and Board Meeting*), 4.1.2 (*Notice*), 4.1.3 (*Quorum*) 5 (*Affirmative Vote Matters*), 6.1 (*Restriction on Transfer of Promoter Securities*), 7 (*Exit Rights*) (save and except Clause 7.4 of the Agreement), 14 (*Other Covenants*) and 18 (*Event of Default*) of the Agreement shall cease. Notwithstanding the above, the Company and the Promoters agree that all other rights available to the Investors under this Agreement, and the rights generally available to a shareholder holding less than 5% (five per cent.) of the share capital of a company under Applicable Law, shall continue to be applicable to the Investors until the Investors ceases to hold any Securities in the Company.

## 9.17 Day-to-day management of the Company

At all times during the subsistence of this Agreement, the Promoters shall ensure that Promoter I remains in charge of day-to-day management and operations of the Company and is responsible for the conduct of Business of the Company.

# 10. INDEMNIFICATION RIGHTS OF THE INVESTORS

## 10.1 Indemnity protection from the Company.

10.1.1 The Company ("**Indemnifying Party**") hereby agrees to indemnify and hold the Investors and their shareholders, directors, officers, employees and representatives ("**Indemnified Parties**") harmless from and against any and all Claims that are incurred by such Persons arising out of, involving or relating to, or in connection with, either directly or indirectly, any: (i) misrepresentation or breach of any of the Promoter & Company Warranties; and, or, (ii) breach of any terms, covenants and conditions stipulated in the Agreement by the Indemnifying Party and the Promoters.

10.1.2 Without prejudice to the generality of the indemnity protection set forth in Clause 10.1.1, the Indemnifying Party hereby agrees to indemnify and hold each of the Indemnified Parties harmless from and against any and all Claims that are incurred by such Persons arising out of, involving or relating to, or in connection with, either directly or indirectly, any of the matters set forth in **Schedule 8** of the Agreement. Notwithstanding anything to the contrary contained in the Agreement, the Indemnifying Party shall indemnify the Indemnified Parties in regard to any of the matters set forth in **Schedule 8** of the Agreement notwithstanding any information or document furnished to, or findings made by, the Investors or their employees, representatives, agents or consultants, including disclosures made in the Disclosure Letter and findings made during the Diligence Exercise.



- 10.1.3 For the avoidance of doubt, it is hereby clarified that for the purposes of this Clause 10.1, any loss suffered by the Company shall be treated as direct loss of the Indemnified Parties in proportion to the proportionate shareholding, on Fully Diluted Basis, of the Investors and, or, their Affiliates in the Company as on the relevant date.

## 10.2 **Information pertaining to existence of a Claim and Notice of Claims.**

The Indemnified Parties shall issue a written notice of the Claim to the Indemnifying Party, with a copy to the Promoters ("**Claim Notice**"), which Claim Notice shall contain, to the extent known to the Indemnified Parties, the facts constituting the basis for such claim. In the event any Claim of the Indemnified Parties on Indemnifying Party hereunder arises out of, involves or results from any claim or any legal or equitable action or any arbitration proceeding by a person who is not a party to the Agreement, the Indemnified Parties shall forward the claim / order received to the Indemnifying Party, along with the relevant Claim Notice.

## 10.3 **Procedure for *inter se* Claims.**

- 10.3.1 Within 30 (thirty) days after receipt of a Claim Notice or any other time period mentioned in the relevant Claim, whichever is lesser, the Indemnifying Party shall deliver to the Indemnified Parties a written response in which the Indemnifying Party shall either:

- (i) agree that the Indemnified Parties are entitled to receive the indemnification amount set forth in the Claim Notice ("**Acceptance Notice**"); or
- (ii) dispute the Indemnified Parties' entitlement to indemnification by delivering to the Indemnified Parties a written notice (an "**Objection Notice**") setting forth in reasonable detail each disputed item, the basis for each such disputed item and certifying that all such disputed items are being disputed in good faith.

- 10.3.2 If the Indemnifying Party fails to take either of the foregoing actions within the period prescribed in Clause 10.3.1, then the Indemnifying Party shall be deemed to have accepted the Claim Notice.

- 10.3.3 The indemnification amount shall be paid by the Indemnifying Party to the Indemnified Parties within 15 (fifteen) Business Days after the date on which (i) the Acceptance Notice is received by the Indemnified Party(ies); or (ii) both such amount and the Indemnifying Party's obligation to pay such amount have been determined by an order or judgment of an arbitral body or judicial body having jurisdiction over such proceeding in terms of the Agreement or Applicable Laws.

## 10.4 **Conduct of Third Party Claims.**

- 10.4.1 If the matter or circumstance that may give rise to an indemnity claim by the Indemnified Parties in terms of this Clause 10 is a result of or is in connection with a claim by a Third Party (a "**Third Party Claim**"), the Indemnifying Party shall within the period prescribed in Clause 10.3.1, inform the Indemnified Parties whether it chooses to accept or object to such Third Party Claim. In case the Indemnifying Party chooses to object to such Third Party Claim, it shall be obligated to, at their own cost and expense and by issuing a notice in writing to the Indemnified Parties assume control of the defense of such Third Party Claim and thereafter to take such action as they shall deem necessary to avoid, dispute, deny, defend, resist, appeal, compromise or contest

the Third Party Claim (including making counterclaims) in the name of and on behalf of the relevant Indemnified Party and to have the exclusive conduct of any proceedings, negotiations or appeals related to such Third Party Claims, but if and only if the Indemnifying Party further:

- (i) acknowledges in writing to the Indemnified Parties that any losses or damages that may be determined, by an order or judgment of an arbitral body or judicial body having jurisdiction over such proceeding in terms of the Agreement or Applicable Laws, against the Indemnified Parties in connection with the Third Party Claim shall constitute losses for which the Indemnified Parties shall be indemnified pursuant to Clause 10.1 without contest or objection and that the Indemnifying Party shall bear all expenses and costs of defence;
- (ii) retains reputable counsel for the defence of the Third Party Claim;
- (iii) furnishes any deposit(s) which may be required to be made by any Governmental Authority; and
- (iv) consults with and agrees to consult with the Indemnified Parties in relation to the conduct of the relevant proceedings pertaining to the Third Party Claim and take reasonable account of the views of Indemnified Parties before taking any action in relation to the Third Party Claim.

The Indemnifying Party shall (i) keep the Indemnified Party informed of all material events with respect to such Third Party Claim; and (ii) not, without the prior written consent of the Investors, settle or compromise or consent to the entry of any judgment in connection with such Third Party Claim, unless such settlement, compromise or consent by its terms (a) obligates the Indemnifying Party to incur and discharge the entire liability in connection with such settlement, compromise or consent, or (b) is required to do so by an order or direction of a Governmental Authority, or (c) unconditionally releases the Indemnified Party from all liability arising out of such Third Party Claim. Notwithstanding anything to the contrary contained in Clause 10.4, the Indemnifying Party shall be solely liable to any Third Party for such Third Party Claims. If any amount is paid by the Indemnified Parties to any Third Party arising out of or in connection with a Third Party Claim and if such payment is mandated under Applicable Laws or by an order passed by a competent Governmental Authority (unless such order has been stayed by an appropriate judicial body having jurisdiction over such proceeding), the Indemnifying Party shall promptly and no later than 5 (five) Business Days reimburse such payment to the Indemnified Parties irrespective of whether Indemnifying Party elects to accept or object to such Third Party Claims.

10.4.2 If the Indemnifying Party fails to give notice to the Indemnified Parties to either accept the Third Party Claim or object to the same and assume control of the defence of a Third Party Claim in accordance with Clause 10.4.1 read with Clause 10.3.1 and the Indemnified Parties assume control of the defence of a Third Party Claim, the Indemnified Parties shall carry on and conduct the relevant proceedings in good faith and on best efforts basis. In such cases, the reasonable fees and expenses of counsel of the Indemnified Parties shall be considered and included as 'Claims' for the purposes of the Agreement.

10.4.3 The party not controlling the defence (the "**Non-Controlling Party**") may participate in a Third Party Claim at its own expense. The party controlling the defence (the "**Controlling Party**") shall inform the Non-Controlling Party of the status of the Third

Party Claim and the defence thereof and, if the Controlling Party is the Company and, or, the Promoters then they shall consider in good faith recommendations made by the Investors, and shall furnish the Investors with such information as they have with respect to such Third Party Claim and related proceedings (including copies of any summons, complaint or other pleading which may have been served on such party and any written claim, demand, invoice, billing or other document evidencing or asserting the same) and shall otherwise cooperate with the Investors.

10.4.4 In case the Indemnified Parties are required to enter into a defence (or incur any cost in connection thereof) in regard to a Third Party Claim for which the Indemnifying Party is a Controlling Party as a result of (i) inability of the Indemnifying Party to exercise all rights of the relevant Indemnified Party against the counterparty in the Third Party Claim due to restrictions under Applicable Laws; (ii) conflict of interest arising between the Indemnifying Party and Indemnified Parties during the course of conduct of the Third Party Claim in the reasonable judgment of the Indemnified Parties; and, or, (iii) the Indemnifying Party abandoning the defence of such Third Party Claim; then the Indemnified Parties shall be entitled to assume control of the defence of a Third Party Claim and shall carry on and conduct the relevant proceedings in good faith and on best efforts basis. In such cases, the reasonable fees and expenses of counsel of the Indemnified Parties shall be considered and included as 'Claims' for the purposes of the Agreement. In such cases, the Indemnifying Party shall make available to the Indemnified Parties any documents and material in their possession or control that may be necessary to the defence of such Third Party Claim.

10.4.5 The indemnification amount in regard to a relevant Third Party Claim shall be paid by the Indemnifying Party upon (i) the issuance of Acceptance Notice by Indemnifying Party; or (ii) the obligation to make such a payment in regard to the Third Party Claim has been determined by an order or judgment of an arbitral body or judicial body having jurisdiction over such proceeding in terms of the Agreement or Applicable Laws; then such amounts shall be paid to: (a) the relevant counterparty in the Third Party Claim, or (b) the Indemnified Parties, in each case, as designated by Indemnified Parties, (1) on demand, or (2) on the date when such portion of such Claim amount becomes finally determined, if any portion of the Claim amount is estimated or unknown.

## 10.5 Limitation of Liability.

10.5.1 The Indemnifying Party shall be liable to indemnify the Indemnified Parties in relation to any Claims only if the Claim Notice has been issued before the expiry of the periods mentioned below:

- (i) All Claims pertaining or relating to: (a) capacity and authority of a Party to execute and perform its obligations, (b) title to Investor Shares, or (c) with respect to fraud, misrepresentation, wilful negligence or wilful misconduct can be made any time after the Tranche A Closing Date;
- (ii) All Claims pertaining to any of the matters set forth in **Schedule 8**, Clause **Error! Reference source not found.** (*Representations and Warranties*) and the representations of the Company and Promoters in paragraphs 1 and 2 of **Schedule 7** of the Agreement, can be made any time after the Tranche A Closing Date;

- (iii) All Claims pertaining to breach of any Promoter & Company Warranties pertaining to Tax shall be made prior to expiry of 8 (eight) years from the Tranche A Closing Date; and
- (iv) All other Claims in regard to breach of other representations and warranties shall be made prior to expiry of 3 (three) years from the Tranche A Closing Date.

#### 10.6 **De Minimis Threshold.**

10.6.1 Subject to Clauses 10.1.2 and 10.4, the Indemnifying Parties shall not have any obligation to indemnify the Indemnified Parties unless the aggregate amount of all Claims made by the Indemnified Parties in terms of Clause 10 exceeds INR 50,00,000 (Indian Rupees fifty lakhs) ("**De Minimis Threshold**"). Once the aggregate amount of all Claims made by the Indemnified Parties in terms of Clause 10 exceeds the De Minimis Threshold, the Indemnifying Parties shall have the obligation to indemnify, and the Indemnified Parties shall be entitled to be indemnified, in regard to all Claims. It is hereby clarified that: (i) in case any of part of a Claim(s) that were taken into account for ascertaining the fulfilment of the De Minimis Threshold exceeds the De Minimis Threshold then the Indemnifying Parties shall have the obligation to indemnify, and the Indemnified Parties shall be entitled to be indemnified, in regard to such a Claim(s); (ii) all Claims pertaining to matters specified under **Schedule 8**, Clause **Error! Reference source not found.** and the representations of the Company and Promoters in paragraphs 1 and 2 of **Schedule 7** of the Agreement, shall be indemnified by the Indemnifying Party(ies) irrespective of the amount of the Claim; (iii) the Indemnifying Party(ies) shall, in case they have indicated that they shall object to and assume control of the Third Party Claim in accordance with Clause 10.4.1 read with Clause 10.3.1, assume control of the defense of all Claims from third parties against the Indemnified Parties and shall carry on and conduct the relevant proceedings in good faith and on best efforts basis in terms of Clause 10.4 irrespective of amount of the Claim and all reasonable costs incurred by the Indemnified Parties in this regard shall be reimbursed by the Indemnifying Party promptly and no later than 7 (seven ) Business Days.

10.6.2 Provided that nothing in this Clause 10.6 shall apply to any Claims pertaining to any of the matters set forth in **Schedule 8**, Clause **Error! Reference source not found.** and the representations of the Company and Promoters in paragraphs 1 and 2 of **Schedule 7** of the Agreement.

#### 10.7 **Cap on indemnification by Indemnifying Parties.**

10.7.1 The aggregate liability of the Indemnifying Parties towards the Indemnified Parties pursuant to Clause 10 of the Agreement shall not exceed the Investment Amount or the FMV of the Investor Shares, whichever is higher.

10.7.2 Provided that:

- (i) no aggregate liability cap in this Clause 10.7 shall apply to any Claims pertaining to (a) capacity and authority of a Party to execute and perform its obligations, (b) title to Investor Shares, (c) with respect to fraud, misrepresentation, wilful negligence or wilful misconduct, or (d) any of the matters set forth in Clause **Error! Reference source not found.**, the representations of the Company and Promoters in paragraphs 1 and 2 of **Schedule 7**, and, or **Schedule 8** of the Agreement.

- (ii) the aggregate liability of the Indemnifying Parties towards the Indemnified Parties in respect of any Claims in regard to breach of other representations and warranties shall not exceed the Investment Amount.

## **10.8 Miscellaneous.**

- 10.8.1 Mitigation steps: The relevant Indemnified Party and Indemnifying Party shall promptly take commercially reasonable steps to mitigate any Claims or potential Claims after becoming aware of the same. All reasonable costs incurred by the Indemnified Parties in this regard shall be reimbursed by the Indemnifying Party promptly and no later than 5 (five) Business Days.
- 10.8.2 Gross-up: In respect of any matter in relation to which the Indemnified Parties are entitled to be indemnified under this Agreement, the Indemnifying Party shall be liable. Any compensation or indemnity as referred to above, shall be such, as to place the Indemnified Parties in the same position as it would have been in, had there not been any breach by the Indemnifying Party. In the event that the Company makes any payment to the Indemnified Parties hereunder, the same shall be grossed up to take into account the loss suffered by the Indemnified Parties as a consequence of such payment on account of the Securities of the Company held by the Indemnified Parties. In the event that any Taxes are or become payable with respect to any payments made by the relevant Indemnifying Party(ies) to an Indemnified Party pursuant to this Clause 10, then such indemnity payments shall be grossed up such that the relevant Indemnified Party receives no less than the full compensation amount payable to it by the relevant Indemnifying Party(ies) on account of claims envisaged in this Clause 10.
- 10.8.3 Non-exclusive remedy: The indemnification rights of the Indemnified Parties under the Agreement are independent of, and in addition to, such other rights and remedies that the Indemnified Parties may have at law or in equity or otherwise, including the right to seek specific performance, rescission, restitution or other injunctive relief, none of which rights or remedies shall be affected or diminished thereby.
- 10.8.4 Nature of payment: The Indemnifying Party acknowledges and agrees that any payments to be made pursuant to this Clause 10 are not in the nature of a penalty but merely reimbursement of the loss suffered, and therefore, the Indemnifying Party waives all rights to raise any claim or defence that such payments are in the nature of a penalty and undertake that they will not raise any such claim or defence.
- 10.8.5 Knowledge of Indemnified Party: The knowledge of the Indemnified Parties or the conduct of any independent investigation by the Indemnified Parties in regard to the Company or any of its Affiliates or any of the Assets thereof (actual, constructive or imputed) shall not in any manner affect or limit the Indemnified Party's right to indemnification, recovery of Claims or other remedies with respect to the accuracy, or inaccuracy of or compliance or non-compliance with, any representation, warranty, covenant, obligation or arrangement set forth hereinabove (save and except for any disclosure made fully, fairly, accurately and specifically in the Disclosure Letter in connection with Promoter & Company Warranties). The Indemnified Party's (actual, constructive or imputed) knowledge of a fact or circumstance shall not be invoked as a defence to a Claim by the Indemnifying Party. The indemnities provided in this Clause 10 are enforceable notwithstanding any information or document furnished to, or findings made by, the Investors or their employees, representatives, agents or consultants and findings made during the Diligence Exercise, other than the disclosures made in the Disclosure Letter. No such information / document (other than the disclosures made fully, fairly, accurately and specifically in the Disclosure Letter in

connection with Promoter & Company Warranties) or finding, shall limit or narrow the scope of the liability of the Indemnifying Party hereunder. For the avoidance of doubt, it is hereby clarified that: (i) the disclosures made in the Disclosure Letter shall not in any way prejudice the rights of the Indemnified Parties in terms of Clause 10.1.2, and (ii) subject to sub-clause (i) above, the Indemnified Parties shall not be entitled to any indemnity protection in terms of Clause 10.1.1 from the Indemnifying Party insofar as any Claims arising out of any disclosure made fully, fairly, accurately and specifically in the Disclosure Letter in connection with Promoter & Company Warranties.

#### 10.9 Indemnity protection from the Promoters.

If an indemnity claim by the Indemnified Parties in terms of this Clause 10 is a result of, or is in connection with, an act of fraud, wilful misrepresentation, wilful negligence or wilful misconduct, then, irrespective of whether such an indemnity claim arises as a result of a Third Party Claim or not, the Promoters hereby, joint and severally, agree to indemnify and hold the Indemnified Parties harmless from and against any and all such Claims and, or, Third Party Claims ("**Promoter Indemnity Item**"). In case of a Promoter Indemnity Item, the Indemnified Party may, in its sole discretion, initiate an indemnity claim against any of the Promoters and, or, the Company, as it deems fit, and the Promoters and the Company shall be jointly and severally liable to indemnify the Indemnified Party in accordance with the provisions of Clauses 10.1 to 10.8, and the provisions of Clauses 10.1 to 10.8 shall *mutatis mutandis* apply to such an indemnity claim.

10.10 The Promoters or the Company shall not be liable for inaccuracy of any warranties of the Promoters and/or the Company if such inaccuracy was unequivocally and specifically disclosed in the Disclosure Letter.

### 11. EVENTS OF DEFAULT

#### 11.1 Default Event.

Each of the following events shall constitute an event of default by the Company and Promoters for the purposes of the Agreement and the other Transaction Documents ("**Event of Default**"):

- (i) breach or failure to observe or comply with any material representation, warranty, term, covenant or obligation contained in any Transaction Document, by the Company and, or, the Promoters, including but not limited to failure by the Promoters and, or, the Company to consummate the Secondary Transaction in terms of Clause **Error! Reference source not found.** of the Agreement or failure to obtain prior written consent or approval of the Investors with respect to any Affirmative Vote Matter as per Clause 5 of the Agreement, which breach or failure to observe or comply is not, if capable of being remedied, remedied within a period of 15 (fifteen) days (or such other later period as may be agreed by the Investors in writing) of receipt of a written notice from the Investors in this regard;
- (ii) winding up, liquidation, bankruptcy or dissolution of the Company and, or the Promoters;

- (iii) Promoter I and, or, Promoter II being convicted for a violation of any Applicable Law, where such conviction adversely impacts the ability of the Company to conduct the Business;
- (iv) Promoter I ceasing to be involved in the day-to-day management and operations of the Company other than by reason of incapacitation due to ill-health or with the written consent of Investor I and Investor II; and, or,
- (v) any act of fraud, willful default, gross negligence and, or, willful misconduct, by any of the Promoters and, or, the Company.

#### **11.2 Consequences of Default.**

On the occurrence of an Event of Default, the Investors shall, without prejudice to any other rights or remedies they may have under Applicable Laws or any other contract, have the right (exercisable in its absolute discretion, but not the obligation) by delivery of a written notice to terminate irrevocably all the rights (but not obligations) of the Promoters and the Company under this Agreement and the Transaction Documents and require the Promoters to buy, at 175% (one hundred and seventy five percent.) of the fair market value determined in accordance with Applicable Laws assuming that such Event of Default has not occurred, or the Investment Amount, whichever is higher, all of the Securities held by the Investors.

**Capitalised terms used but not defined herein shall have the meanings assigned to them in the Agreement.**

If any provision of Part-A conflicts with the provisions of this Part-B, the provisions of the Clauses of Part-B shall prevail and be given effect.



S/No.	Signature, Name, Father/ Husband name, Address description, occupation and PAN No. (If any) of each of the subscribers	Signature, Name, Father/ Husband name Address & of Witness
1.	Sd/-  Mr. T. RAGHUNANDANA S/o. Late T.V.S. SHARMA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AADPT0426C	Sd/-  M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2 <sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.NO.5081
2.	Sd/-  Ms. T. SHANTHI W/o. T.RAGHUNANDANA No.42, Luz Avenue, Mylapore, Chennai-600 004 Business PAN: AAVPS5245C	
3	Sd/-  Mr.T. KESAVAN S/o. P. THATHAPPAN No. F-4, Jumbo vinayak, 21, Leelavathi Ammal Street, Madippakkam Chennai-600 091 Service PAN: AIHPK5560E	
4.	Sd/-  Mr.D.W.LYONS S/o. Late V.T.LYONS No.63, Foxen Street, Perambur Chennai-600 011 Service PAN: APPLIED FOR	
5	Sd/-	

	Mr.JOSEPH FULBERT EDWARD S/o Late A. J. EDWARD No.17, 7 <sup>th</sup> Street, Thiruvalluvar Nagar Errukkencherry Chennai-600 118 Service PAN: ADUPJ5877D	
6	Sd/-  Mr. C. ROY SURESH KUMAR S/o. Late S.L. COLUMBUS No.33, N.G.O Colony Sriperumbudur-602 105 Service PAN: APPLIED FOR	Sd/-  M.DAMODARAN S/o. K. Munuswamy Old No. 1A, New No.28 Bazaar Road, 2 <sup>nd</sup> Street Mylapore Chennai-600 004  Company Secretary C.P.No. 5081
7	Sd/-  Mr. S. MARIAPPAN S/o. S. SANKARA NARAYANAN No.146, Pandian Street Alwarthiru Nagar Chennai-600 087 Service PAN: AIRPM 9968L	

Place : Chennai

Date : 06.11.2003

For Updater Services Pvt Ltd.

  
T. Raghunandana  
Managing Director