

ARTICLES OF ASSOCIATION OF CONCORD ENVIRO SYSTEMS LIMITED

(New set of Articles of Association adopted pursuant to a Special Resolution passed at the Extraordinary General Meeting held on August 26, 2024 in substitution of and to the exclusion of the previous Articles of Association)

The Articles of Association of the Company comprise two parts, Part A and Part B. Till the time of listing and trading of the Equity Shares of the Company on any recognised stock exchange in India pursuant to an initial public offering of the Equity Shares of the Company, 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. Upon the commencement of listing and trading of the Equity Shares of the Company on any recognised stock exchange in India pursuant to an initial public offering of the Equity Shares of the Company, Part B shall automatically stand deleted, not have any force and be deemed to be removed from the Articles of Association and the provisions of the Part A shall automatically come in effect and be in force, without any further corporate or other action by the Company, directors, or its shareholders.

PART A

I - APPLICABILITY OF TABLE F

1. The regulations as contained in Tables F of Schedule I of Companies Act 2013 shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles.

II - DEFINITION AND INTERPRETATION

2. Definitions and Interpretation

2.1. **Definition.** In these Articles:

- (a) “**Act**” means the (Indian) Companies Act, 2013 the rules framed thereunder and any subsequent amendment or re-enactment thereof for the time being in force.
- (b) “**Articles**” or “**these Articles**” means the Articles of Association of the Company, as amended from time to time.
- (c) “**Associate Company**” shall have the meaning ascribed to it in Section 2(6) of the Companies Act, 2013.
- (d) “**Board**” or the “**Board of Directors**” means the board of directors of the Company as constituted from time to time.
- (e) “**Business**” means the business of providing environmental engineering solutions with focus on wastewater treatment and recycling, desalination and industrial solid waste management.

- (f) **“Business Day”** means a day, not being a Saturday or a Sunday or a public holiday, on which banks are open for business in Mumbai, India and Mauritius, in the context of a payment being made to or from a bank in a place other than Mumbai, India or Mauritius, in such other place;
- (g) **“Company”** means CONCORD ENVIRO SYSTEMS LIMITED.
- (h) **“Director”** means a director on the Board from time to time.
- (i) **“Employees Stock Option Plan”** or **“ESOP”** means any employee stock option plan as formulated by the Company and approved by the Board of the Company and applicable, inter alia, to the employees and to such other persons as are eligible, under applicable Law to receive such options.
- (j) **“Equity Securities”** means Equity Shares, preference shares, or any other security in the share capital of the Company, debentures or any note or debt security having or containing equity or profit participation features, or any option, warrant or other security or right which is directly or indirectly convertible into or exercisable or exchangeable for Equity Shares of the Company.
- (k) **“Equity Shares”** means the equity shares in the issued, subscribed and paid up equity share capital of the Company.
- (l) **“Financial Year”** means the financial year of the Company, commencing on April 1 every year and ending on March 31 of the following year, or such other financial year of the Company as the Company may from time to time legally designate as its financial year.
- (m) **“Government”** or **“Governmental Authority”** means any government, statutory authority, any department, agency or instrumentality of any government, any court, tribunal or arbitral tribunal, board and the governing body of any securities exchange or Stock Exchange(s).
- (n) **“INR”** means Indian Rupees, the currency and legal tender of the Republic of India, for the time being in force.
- (o) **“Law”** shall include all applicable statutes, enactments, acts of legislature, laws, ordinances, rules, bye-laws, regulations, guidelines, policies, directions, directives and orders of any Government, and applicable international treaties and regulations, in force at the relevant time.
- (p) **“Memorandum”** means the memorandum of association of the Company as originally framed or altered from time to time in accordance with the Agreement, the Subscription Agreement and the Act.
- (q) **“Month”** means English calendar month.

- (r) “**Office**” means the Registered Office for time being of the Company.
- (s) “**Person**” shall include an individual, proprietorship, Hindu undivided family, partnership, corporation, company, unincorporated organization or association, trust or other entity, whether incorporated or not.
- (t) “**Promoters**” shall mean Mr. Prayas Goel and Mr. Prerak Goel.
- (u) “**Proxy**” includes Attorney duly constituted under a Power of Attorney.
- (v) “**Relative**” shall have the meaning ascribed to such term in Section 2 (77) of the Act.
- (w) “**Related Party(ies)**” shall have the meaning ascribed to such term as defined in Section 2 (76) of the Act.
- (x) “**Rules**” means any rule(s) made pursuant to section 469 of the Act or such other provisions pursuant to which the Central Government is empowered to make rules, and shall include such rules as may be enacted, re-enacted or amended from time to time.
- (y) “**Seal**” means the Common Seal of Company.
- (z) “**SEBI**” shall mean the Securities and Exchange Board of India, a body established under the provisions of the Securities and Exchange Board of India Act, 1992.
- (aa) “**SEBI Regulations**” means the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended or reenacted from time to time, including any rules or circulars issued thereunder.
- (bb) “**Shareholder**” means the duly registered holder from time to time of the Equity Securities of the Company.
- (cc) “**Stock Exchange**” means the National Stock Exchange, the BSE Limited or such other stock exchange approved by the Board.
- (dd) “**Subsidiaries**” means the subsidiaries of the Company.
- (ee) “**Tax**” or “**Taxation**” means , to the extent applicable, all forms of taxation, duties, levies imposts and social security charges, present and future, whether direct or indirect including without limitation corporate income tax, wage withholding tax, value added tax, customs and excise duties, capital gains tax, dividend withholding tax, dividend distribution tax, land taxes, environmental taxes and duties and any other type of taxes or duties payable by virtue of any applicable national, regional or local Law or regulation and levied by any Governmental Authority; together with any interest, penalties, surcharges or

finances relating to them, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction.

2.2. **Interpretation**

- (a) “In writing and Written” includes printing, lithography and other modes of representing or reproducing words in a visible form.
- (b) Words importing the singular number include the plural number and vice versa.
- (c) Words importing the masculine gender include the feminine gender.
- (d) Reference to a Party shall include, such Party's legal heirs, executors, administrators, successors and permitted assigns and any Persons deriving title under it, as applicable.
- (e) References to the shareholding of any Shareholder in the Company shall (a) refer to the shareholding of such Shareholder computed on a Fully Diluted Basis, and (b) include the shareholding of such Shareholder's Affiliates holding any shares in the Company, if any.
- (f) The terms “hereto”, “hereof,” “herein,” “hereby” and derivative or similar words refer to these Articles and not to any particular clause, article or section of the Articles.
- (g) The word “including” herein shall always mean “including, without limitation”.
- (h) The phrases “ordinary course of business” and “ordinary course of business consistent with past practice” refer to the business and practice of the Company as conducted prior date of execution of the Agreement;
- (i) Whenever the Articles refer to a number of days, such number shall refer to calendar days, unless specifically provided otherwise.
- (j) Headings and captions are used for convenience only and shall not affect the interpretation of these Articles.
- (k) Unless the context otherwise requires, words and expression used in these presents shall bear the same meaning as in the Act, or any statutory modification thereof in force at the date when these regulation become binding on the Company.

III - PUBLIC COMPANY

3. **Public Company**

3.1. The Company is a public company within the meaning of Section 2(71) of the Companies Act, 2013 and accordingly:

“public company” means a company which-

- a) is not a private company and
- b) has a minimum paid-up share capital as may be prescribed

Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles.

3.2. The Company may at any time convert itself into a private company within the meaning of and subject to the provisions of the Act and Rules made thereunder.

IV - SHARE CAPITAL

4. Share Capital

4.1. **Authorised Capital.** The Authorised Share Capital of the Company will be as set out under the Memorandum of Association. The Company shall have the power to alter its share capital to the extent permissible under the Act including to increase or reduce the capital, to divide the share in capital for the time being into several class and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or any condition as may be determined in such manner as may be permitted by the Act or by these Articles and to consolidate or sub-divide the shares and to vary, modify for abrogate such rights, privileges, or conditions in such manner as may for the time being be permitted by the Act or these Articles. The Board shall have power to classify or reclassify the shares into different types.

4.2. **Alteration of Capital.** The Company may from time to time change the structure of the capital, alter in any way the conditions of its memorandum relating to capital in accordance with the provisions of section 61 of the Companies Act, 2013 for all or any of the following purposes:

- a. To increase its authorised share capital by such amount as it thinks expedient;
- b. To consolidate and divide all or any of its share capital into shares of larger amount than its existing shares, provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;
- c. To convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid up shares of any denomination;

- d. To sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum, so, however, that in the sub-division, the proportion between the amount paid and the amount, if any unpaid, on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and
 - e. To cancel any shares which at the date of the passing of the resolution, have not been taken or agreed to be taken by any persons and diminish the amount of its share capital by the amount of the shares so cancelled. Cancellation of shares in pursuance of this sub-clause shall not be deemed to be a reduction of the capital of the Company within the meaning of the Act.
- 4.3. **Kinds of Share Capital.** The Company may issue different kinds of Shares in accordance with these Articles and applicable provisions of the Act and Rules including shares with differential rights as to dividend, voting or otherwise in accordance with the Act and the Rules.
- 4.4. **Reduction.** The Company may (subject to the provisions of Sections 55 of the Act) from time to time, by Special Resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law:
- (a) Its share capital;
 - (b) Any capital redemption reserve account; or
 - (c) Any share premium account.
- 4.5. **Variation of Members rights.** If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the term of issue of the shares of that class) may, subject to the provisions of the Act and the applicable Rules, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of not less than $\frac{3}{4}$ (three-fourth) 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.

V - ISSUE AND ALLOTMENT OF SECURITIES

5. Further Issue of securities:

- (a) Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—
 - (i) to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the paid up share capital on those shares by sending a letter of offer subject to the following conditions, namely:
 - a. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days, or such lesser number of days as may be prescribed, and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

- b. the aforesaid offer 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 a. above shall contain a statement of this right;
 - c. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company;
- (ii) to employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or
- (iii) to any Persons, if it is authorised by a special resolution, whether or not those Persons include the Persons referred to in clause (i) or clause (ii) above, either for cash or for a consideration other than cash, at such price as may be determined in accordance with Law, subject to the compliance with the applicable provisions of the Act and any other conditions as may be prescribed under Law.
- (b) The notice referred to in (a) (i) above shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.
 - (c) Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company:

Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in a general meeting.

- (d) Notwithstanding anything contained (c) above, where any debentures have been issued or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion.

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to the competent authority which shall after hearing the company and the Government pass such order as it deems fit.

- (e) Where the Government has, by an order made under sub-clause (d), directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the competent authority under (d) above or where such appeal has been dismissed, the Memorandum of Association of the Company shall, where such order has the effect of increasing the authorized Share Capital of the Company, be altered and the authorized share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.
- (f) The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act, the Rules and the applicable provisions of the Act.

6. **Private Placement of Securities.** The Company may in accordance with provisions of the Act and the applicable Rules, issue further securities by way of a private placement of its securities.
7. **Power to Issue Redeemable Preference Shares.** Subject to and in accordance with the provisions of the Act and the Companies (Share Capital and Debentures) Rules, 2014, and subject to the provisions on which any Shares may have been issued, the Company shall have the power to issue preference Shares which are, or at the option of Company, liable to be redeemed within a period not exceeding 20 (twenty) years from the date of their issue, and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.
8. Subject to the provisions of these Articles, the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such person on such term and conditions and at such time as Directors think fit.
9. **Bonus Shares:** The Company is hereby permitted to issue fully paid-up bonus shares to its members in the manner as set out in Section 63 of the Act and Companies (Share Capital and Debentures) Rules, 2014. Bonus shares may be issued in lieu of dividends.
10. **Buy- back of Shares:** The Company is hereby permitted to purchase its own Shares or other specified Securities in accordance with the provision of Sections 68, 69 and 70 of the Companies Act, 2013 and other applicable provisions and applicable Rules. If and to the extent permitted by Law, the Company shall also have the power to re-issue the shares or securities so bought back.

The Company may pay commission (whether absolute or conditional) to any person in connection with the subscription or procurement of subscription to its Securities, as may be determined by the Board.

11. **Shares at the Disposal of the Board of Directors**
 - (a) Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par or at discount (subject to compliance with Section 53 of the Act) at such time as they may, from time to time, think fit, to give to any person or persons the option or right to call for any shares either at par or premium or at a discount subject to the provisions of the Act 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 be so allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid up shares. Provided that option or right to call shares shall not be given to any Person or Persons without the sanction of the Company in the Shareholders' Meeting.

VI - CALLS ON SHARES / DEBENTURES

12. **Calls on Shares/Debentures**

- 12.1. The Board of Director may subject to the provisions of Section 49 of the Act from time to time to make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each members shall pay the amount of every call so made on him to the person and at the time and place appointed by the Directors. A call may be made payable by installments.
- 12.2. A call shall be deemed to have been made at the time when the resolution of the Board authorizing such call was passed.
- 12.3. Joint-holder of shares shall be jointly as well as severally liable for calls made on shares held by them.
- 12.4. No call shall exceed one fourth of the nominal amount of a share and be made payable within one month after the last preceding call was payable.
- 12.5. Not less than fourteen days' notice on any call shall be given specifying the time and place of payment and to whom such call be paid.
- 12.6. The Board may, if they think fit, receive from any member willing to advance the same, all or any part of the monies uncalled upon any shares held by him even if no part of the amount is called up, and upon all or any of the monies so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding 12% per annum without the sanction of the Company in the general meeting) as may be agreed upon between the member paying the sum in advance and the Board. Moneys paid in advance of calls shall not, in respect thereof, confer a right to vote or to dividend or to participate in profits. The Directors may at any time repay the amount so advanced upon giving to such member 3 (three) Months' notice in writing. 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.

13. Payment in anticipation of call may carry interest

- (a) The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board agree upon in accordance with the provisions of the Act, provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.
- (b) No Shareholder shall be entitled to voting rights in respect of the money (ies) so paid by him until the same would but for such payment, become presently payable.
- (c) The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.

VII - SECURITIES CERTIFICATE

14. Securities Certificate

- 14.1. The Company shall issue its securities in dematerialized form.
- 14.2. Unless the conditions of issue of any shares or debentures provide otherwise, the Company shall, within (i) 2 (two) Months after the allotment of any of its shares; (ii) within 1 (one) Month from the date of receipt of transfer request from the Depository Participant or, as the case may be, of the intimation of transmission, credit the shares to the holders demat accounts as the case may be in accordance with the provisions of the applicable laws for the time being in force.
- 14.3. In case the law permits issue physical issue of shares, every certificate shall be under the Seal of the Company and shall specify the share to which it relates and amount paid thereon, and shall bear signature of at least two directors of the Company, and the secretary of the company or any person authorized by the Board of Directors in this regard.
- (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 is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate, within a period of 30 days from the receipt of such lodgement. Every certificate under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rupees two for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof In this behalf.

The provision of this Article shall mutatis mutandis apply to debentures of the company.

- 14.4. In respect of share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery and certificate for all securities to one of several joint shall be sufficient delivery to all such security holders.
- 14.5. The Company shall observe rules and conditions as may be prescribed under the Act and the Companies (Shares and Debentures) Rules, 2014 for renewal of security certificates or issue of duplicate security certificates.

VIII - FORFEITURE OF SHARES

15. **Forfeiture of Shares**

- 15.1. If a member fails to pay any call within the time allowed by the Board of Directors at the time of making a call or subsequently, the Board may issue final notice naming a further date (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made and if the calls remain unpaid till then, the shares may be subject to forfeiture without further notice. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
- 15.2. Forfeited shares may be restored to the holder thereof on payment of the call money in full, before the forfeited shares are sold to other member of members of the Company or otherwise disposed of.
- 15.3. 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 existing members or to any other person upon such terms and conditions and in such manner as the Board shall think fit.
- 15.4. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall notwithstanding the forfeiture, be liable to pay to the Company all moneys, which at the time of forfeiture were presently payable by him to the Company in respect of the share.
- 15.5. The Company may receive the consideration, if any, given for the shares on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of. The transfer thereupon shall be registered as the holder share shares.
- 15.6. 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 thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any Shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such Shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by applicable Law.

IX - TRANSFER OF SHARES

16. **General:** A common form of transfer should be used.

- 16.1. **Director's powers to refuse to register a transfer.** Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a Shareholder in the Company. The Company shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such

transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the Person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares.

Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.

16.2. **Instrument of Transfer**

- (a) The instrument of transfer of any Share shall be in writing and all the provisions of the Act shall be duly complied with in respect of all transfer of Shares and registration thereof. The Company shall use the form of transfer, as prescribed under the Act, in all cases. In case of transfer of Shares, where the Company has not issued any certificates and where the Shares are held in dematerialised form, the provisions of the Depositories Act shall apply.

In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply. The Company shall cause to be kept a register and index of members / beneficial owners 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 beneficial owners / Register of Members, resident in that State or Country. The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Shareholders and Securityholders for the purposes of these Articles.

- (b) (i) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act.
- (ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.
- (c) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

X - TRANSMISSION OF SHARES/ DEBENTURE

17. **Transmission of Shares/Debentures**

- 17.1. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or the heir of the deceased or his legal representative shall be the persons recognized by the Company as having any title or interest in the shares/ debentures.
- 17.2. Nothing in these Articles, shall release the estate of a deceased joint holder from any liability in respect of any share/debenture which has been jointly held by him with other persons.
- 17.3. Any heir or successor being owner of the shares in consequence of the death of the member, upon such evidence being produced as may properly be required by the Board elect either (i) to register his or their names as the holders of the shares or (ii) to make arrangement to transfer of shares in the way as the deceased member could have made in accordance with the transfer clause of these Articles.
- 17.4. If the person or persons aforesaid shall elect to transfer the shares, he shall testify his election by executing a transfer of the share, in conformity with the transfer clause of these Articles.
- 17.5. A person becoming holder of share on such transmission, shall become member of the Company entitled to the same dividends and advantages as his predecessors would have otherwise enjoyed, but if he be a minor, lunatic or insolvent, he shall have no voting right.
- 17.6. The person so becoming entitled and willing to elect to be registered holder of the share shall deliver or send to the Company a notice in writing stating that he so elects.
- 17.7. The Board shall register his name in place of the deceased member.
- 17.8. If the persons aforesaid fails to elect either to be registered himself to transfer the share, the Board on having confirmation of the event of the death of the member shall serve a notice to person asking him to comply with the requirement within three months of the issue of the notice failing which Board may thereafter withhold payment of all dividends, bonuses or other money payable in respect of the share.
- 17.9. If nothing is done within three months, the Company shall issue a notice in the local newspaper asking the legal heirs or the legal representative of the deceased member whether to be registered as shareholders or to transfer the said shares in conformity with these Article three months thereafter, and if nothing is done within the said period, the shares shall be liable to forfeiture and the forfeiture clause of these Articles shall prevail. The forfeited shares may be re-issued to the member at the called up value of the shares and forfeited amount be transferred to the Capital Reserve Account or dealt with as the Board of Directors shall think fit.

- 17.10. The Company shall have a first and paramount lien on (i) every share, not being a fully paid share, for all moneys, whether presently payable or not, called or payable in respect of the share and (ii) on all shares, not being fully paid shares, standing in the name of any person, for all moneys, presently payable by him, provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of the clause.
- 17.11. The Company's lien, if any, on a share shall extend to all dividends payable thereon.
- 17.12. For the purpose of enforcing such lien as aforesaid the Directors may sell the Shares subject thereto in such manner as they shall think fit, but no sale shall be made:
- (a) Unless a sum in respect of which the lien exists is presently payable; and
 - (b) Until the expiration of seven days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists and as is presently payable, has been given to the registered holder for the time being of the Share or to the person entitled thereto by transmission, and default shall have been made by him in payment of the sum payable as aforesaid for seven days after such notice.

The residue, if any, shall be paid to the person entitled by transmission to the shares so sold at the date of the sale.

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

18. COMPANY'S LIEN:

i. On shares:

- (a) The Company shall have a first and paramount lien:
 - (i) on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share;

Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article.
- (b) Company's lien, if any, on such partly paid shares, shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares.
- (c) Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The fully Paid up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed time in respect of such shares.
- (d) For the purpose of enforcing such lien, the Board may sell the shares, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The

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

Provided that no sale shall be made:

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

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

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

ii. On Debentures:

- (a) The Company shall have a first and paramount lien:
 - (i) on every Debenture (not being a fully paid Debenture), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that Debenture;

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

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

Provided that no sale shall be made:

- (i) unless a sum in respect of which the lien exists is presently payable; or
- (ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable,

has been given to the registered holder for the time being of the Debenture or the Person entitled thereto by reason of his death or insolvency.

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

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

XI - GENERAL MEETING

19. General Meeting

- 19.1. An annual general meeting of the Shareholders of the Company shall be held within six (6) months of the end of each financial year of the Company subject to any extension provided by the registrar of companies. Subject to the foregoing, the Board or the Parties may convene an extraordinary general meeting of the Shareholders of the Company whenever they deem appropriate.
- 19.2. At least Twenty-one (21) days prior written notice of every general meeting of members shall be given to all Shareholders whose names appear on the register of members of the Company. A general meeting may be called after giving shorter notice than that specified above if consent, in writing or by electronic mode, is accorded thereto —
 - (i) in the case of an annual general meeting, by not less than ninety-five per cent. of the members entitled to vote thereat; and
 - (ii) in the case of any other general meeting, by members of the company majority in number of members entitled to vote and who represent not less than ninety-five per cent. of such part of the paid-up share capital of the company as gives a right to vote at the meeting; or
- 19.3. The notice of each general meeting of Shareholders shall include an agenda setting out the place, date and time and 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 general meeting and not business shall be transacted at such meeting unless the same has been stated in the notice convening the meeting.
- 19.4. The Chairman of a general meeting of the Company shall not have any second or casting vote. The Chairman of the Board shall be the Chairman for all general meetings.
- 19.5. Any shareholder of the 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.

- 19.6. Quorum. The quorum for a general Meeting of the Shareholders, shall be as provided under the Act.

XII - DIRECTORS

20. **Directors**

- 20.1. Qualification Shares. A Director shall not be required to hold any qualification shares.
- 20.2. A director shall not be disqualified by reason of his holding any other office or place of profit under the company other than those mentioned in Section 188 of the Companies Act, 2013 in conjunction with his office of director, except that of auditor and may be appointed thereto upon such terms as to remuneration, tenure of office, as the case may, with the previous consent of the Company, accorded by a special resolution.
- 20.3. Subject to the provisions of Section 188 of the Act, the Directors shall not be disqualified from contracting with the Company either as vendors, purchasers or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company with any company or partnership in which any director so contracting being member or so interested, be liable to account to the Company for any profit realized by any such contract or arrangement by reason of such director holding that office or of the fiduciary relation thereby established but the nature of his interest must be disclosed by him at the meeting of the Board of Directors at which the contract or arrangement is determined on, if the interest then exists, or in any other case at the first meeting of the Board of directors after the acquisition of the interest. Provided, nevertheless that such Director shall be entitled to present at the meeting and to vote as Director in respect of the contract or arrangement in which he is so interested as aforesaid and if he does so, vote shall be counted. No general notice and no renewal thereof shall be of effect unless either it is given at a meeting of a Board or the director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.
- 20.4. The payment of sitting fees shall be governed by the policy of the Company in this regard as may be in force from time to time.
- 20.5. The Board of directors may fix such remuneration to be paid to a Director of the Company as they think fit, subject to section 188 of the Act, if applicable.
- 20.6. In addition to the remuneration payable to them in pursuance of these Articles, the Directors may be paid all traveling, hotel and other expenses properly incurred by them connection of the business of the Company as the Board may determine.
- 20.7. No director shall retire at any general meeting of the Company and subject to the provisions of the Act and these Articles, a Director shall continue to act as such until

death, resignation and/or removal, as the case may be, unless tenure of employment is fixed by the Board in writing.

- 20.8. The Board of directors shall have powers to appoint the Directors nominated by any lending financial institution. Such director shall not be required to retire by rotation until the arrangement with the said financial institution continues.
- 20.9. The Board shall also have power to fill a casual vacancy in the Board. Such casual vacancy shall be filled up by the Board of Directors at a meeting of the Board. Any person so appointed 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 as aforesaid, but he shall then be eligible for election.
- 20.10. **Managing Director.** The Board may subject to provisions of the Act appoint any person to be the Managing Director of the Company and may fix the remuneration to be paid to him and to determine the powers exercisable and duties to be performed by such Managing Director. Subject to applicable law, an individual may be appointed as the Managing Director and Chairman of the Company at the same time.
- 20.11. **Company Secretary.** A company secretary may be appointed upon such terms and conditions as may be fixed by the Board.
- 20.12. **Additional Director.** An additional director may be appointed by the Board, upon such terms and conditions as may be fixed by the Board.

XIII - PROCEEDINGS OF BOARD

21. Proceedings of Board

- 21.1. Number of Board Meetings. The Board shall meet at least four (4) times in every calendar year *provided that*, not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive Board meetings. Subject to applicable Law, a Board meeting may also be held by video conferencing and/or any other permitted means remote participation.
- 21.2. 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 below in Article 21.3 (Notice for Board Meetings).
- 21.3. Notice for Board Meetings. A Board meeting may be called by a Director and 14 (fourteen) days' written notice of each meeting of the Board or a committee thereof shall be given to each of the Directors at the address notified from time to time by each of them, in writing to the Company, whether in India or abroad, *provided that* a meeting may be convened by a shorter notice with written consent (which may be signified by letter, facsimile or e-mail with receipt acknowledged) of all the Directors..
- 21.4. **Contents of the Notice.**

- (a) Every notice of a Board meeting of the Company and/ or the Subsidiaries 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 Board 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.
 - (b) The draft resolutions and other documents for all matters to be considered at the Board meetings of the Company and/ or the Subsidiaries must be furnished to all the Directors along with the notice for such Board meeting.
- 21.5. Decisions of the Board.) A decision shall be said to have been made and/or a resolution passed at a meeting of the Board of the Company only if at a validly constituted meeting, such decisions are approved of by a majority of the Directors, present and voting at such Board meeting. 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.
- 21.6. Chairman. Each meeting of the Board shall be chaired by the Chairman nominated by the Board. The Chairman shall not have a casting vote, to resolve a deadlock in voting. In the absence of the Chairman at any meeting, the Board shall elect one of their members to chair the meeting in question.
- 21.7. Resolution by circulation or written consent Except for those actions required by the Act to be determined at a meeting of the Board, all decisions of the Board may be taken by circular resolution. No resolution shall be deemed to have been duly passed by a Board of the Company and/ or the Subsidiaries, or a committee thereof by circulation or written consent, unless the resolution has been circulated in draft, together with the information required to make a fully-informed good faith decision with respect to such resolution, to all Directors, or to all members of the relevant committee, at their usual address (whether in India or abroad) or through electronic means, and has been approved, by majority of the Directors.
- 21.8. Removal/Resignation of Directors. The Company and the Shareholders shall not remove any nominee Director. Each Party entitled to nominate a Director shall have the right to require the removal of such nominee at any time and shall be entitled, to nominate another Person as the nominee Director in place of the Person removed. In the event of the resignation, retirement or vacation of office of the Director nominated by any Party, such Party shall be entitled to nominate another Person as Director in place of such Director and the Shareholders shall exercise their rights in such manner so as to cause the appointment of such Person as nominee Director to the Board of the Company.

XIV - BORROWING POWERS

22. Subject to section 179 of the Companies Act, 2013, the Board may from time to time at their discretion raise and borrow and may themselves lend and secure the payment of any sum or sums of money for the purpose of the Company.
23. The Board may raise or secure the repayment of such sum or sums in the manner and upon such terms and conditions in all respect as they deem fit and particular by creation of any mortgage or charge on the undertaking of the whole or any part of the property, or future, or uncalled capital of the Company or by the issue of bonds, redeemable debentures or debenture-stock of the Company charged upon all or any part of the property of the Company both present and future including its uncalled capital for the time being.
24. All monies hundies, bills of exchange, notes belonging to the Company shall be deposited with one or more banks as the Board of Directors may decide, into an account to be opened in the name of the Company. Cheques on the banks shall be signed by one or more of the managing directors or working directors or by the members of the staff of the Company to whom the Board assign power of attorney or empower him/them by the Board resolution.
25. The Board of Directors are authorized to open accounts with in any bank in the name of the Company and operate upon those accounts and to invest the funds of the Company in Government or other securities of any kind whatsoever and to collect interest on the same from time to time and/or endorse, transfer or otherwise deal with securities of the company.
26. The Board of Director by proper resolutions shall have the power to do all or any of the acts mentioned in the Memorandum of Association subject to section 179 of the Act.
27. The Company shall comply with the provisions of the Act, or any statutory modification thereof for the time being in force and in particular in regard to the registration of particulars of mortgages and charges affecting the property of the Company or created by it, and to keeping a register of the Directors and to send to the Registrar of Companies an annual return, statutory returns and a summary of particulars relating thereto and notice of any increase of share capital, and copies of special resolutions.
28. Debentures, Debenture-Stock, bonds, or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
29. Subject to applicable Law and these Articles, any debenture, debenture – stock, bonds, or other securities may be issued at 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.

XV - DISQUALIFICATIONS OF DIRECTORS

30. The office of a director shall become vacant:
 - 30.1. If by notice in writing to the Company a Director resigns the office of director,

- 30.2. If a Director ceases to be a director by virtue of the Act or becomes disqualified in accordance with provisions of Section 164 of the Companies Act, 2013,
- 30.3. If a Director adjudged insolvent, found lunatic or of unsound mind or involved in such offence that tell upon him as committing an act moral turpitude in the eyes of law or does such act during discharge of his duties as director as tantamount to criminal breach of trust.

XVI - ACCOUNTS AND AUDIT

31. The Board of Director shall cause true account to be kept of the sums of money received and expended by the Company, all sales and purchases of goods by the Company and the matters in respect of which such receipt and expenditure take place and of the assets, credit and liabilities of the Company.
32. The books of accounts shall be kept the registered office of the Company or at such other place or places as the Board of the directors of the Company in writing decide and shall be open to inspection by the directors during business hours.
33. The Company may keep such books of account or other relevant papers in electronic mode in the manner as prescribed under the Companies (Accounts) Rules, 2014, if the Board so decides.
34. The Board shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulation the accounts, books and documents of the Company and any of them shall be open to the inspection by the members not being the Directors and no member (not being a Director) shall have any right of inspecting any account or books or document of the Company except as conferred by statute or authorized by the Board or by the Company in general meeting.
35. Once at least in every year the accounts of the Company shall be examined and the correctness of the Balance Sheet and Profit and Loss Account ascertained by one or more statutory auditor or auditors.
36. The Company shall, at the annual general meeting, appoint an individual or a firm as an auditor who shall hold office for such period as determined by the Board and the manner and procedure of selection of auditors shall be as prescribed under Section 139 of the Companies Act, 2013 and other applicable provisions of the Act and the Companies (Audit and Auditors) Rules, 2014, provided that the Company shall place the matter relating to such appointment for ratification by members at every annual general meetings. Eligibility, qualifications, disqualification, powers, duties and removal of auditors shall be as prescribed under the Act and Companies (Audit and Auditors) Rules, 2014 as applicable to a public company.
37. The Company may at a general meeting remove any such auditor or all or any of such auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any member of the Company and whose nomination has been given to the

members of the Company not earlier than three months but at least fourteen days before the date of the meeting.

XVII - DIVIDENDS AND RESERVES

38. Subject to applicable Law, the Board may from time to time recommend and pay to the member such interim dividend as will appear it to be justified by the profit of the Company and the final dividend including interim dividend have to be approved by the general body meeting held thereafter, which shall be payable to such members whose names appear in the members register on the date of declaration at the general body meeting.
39. The general body can't declare dividend more than recommended by the Board.
40. The Board recommend any dividend, but before that set aside out of the profit of the Company such sum as it think proper as a reserves which shall at the discretion of the Board be applicable for any purpose to which the profit of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends and pending such application, may, at the discretion, either be employed in the business of the company or to be invested in such investments (other than shares of the Company) as the Board may from time to time, think fit.
41. The Board may also carry toward any profit which it may think prudent not to divide, with or without setting aside any profit as reserve, but such decision must be supported by cogent reasons recorded in the Boards resolution and must be approved by the members in a following general meeting.
42. Subject to the rights of the persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid in cash according to and in proportion to the amounts paid or credited as paid in respect whereof the dividend is to be paid but if and so long as there be any arrears in any of the calls of the shares in the Company, dividends may be declared according to the amount of the shares already paid and the amounts of dividends may be adjusted against arrears of such calls on the shares.
43. Except as otherwise provided in these Articles, all dividends shall be apportioned and paid proportionate to the amount paid or credited as paid on the shares as on the last day of the year but if any share is issued on terms providing that they shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
44. The Board may deduct from any dividend payable to any member all sums of money, if any presently payable be him to the Company on account of calls or otherwise in relation to the share of the Company.
45. Every dividend warrant may be sent by post to last registered address of the member entitled thereto and the receipt by the person whose name at the date of declaration of the dividend appears on the Register of Members as the owner of the share or in case of joint holder, the receipt by any one of such holders shall be a good discharge to the Company for all payments made in respect of such dividend.

46. **Right to unpaid or unclaimed dividend**

- (a) If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank or private sector bank.
- (b) Any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund".
- (c) No unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law and such forfeiture, if effected, shall be annulled in appropriate cases.

XVIII - THE SEAL

- 47. The Directors shall provide for the safe custody of the seal.
- 48. The seal of the Company shall not be affixed to any instrument except by authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least one Director and of the secretary or such other person as the Board may appoint for the purpose; and that one Director and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

XIX - INDEMNITY

- 49. The Directors, manager, auditor, secretary and other officers for the time being of the Company and any trustees for the time being acting in relation to any affairs of the Company and the heirs, executors and administrators respectively shall be indemnified for the losses which any of them shall or may incur or sustain by reason of any act done or committed in or about the execution of their duty in their respective offices of trust (except such) (if any) as they shall incur or sustain by or through their own willful neglect or default respectively) and no such officer or trustee shall be answerable for the acts, receipts, neglects or defaults of any other officer or trustee or for joining in any receipt, for the sake of conformity or for the solvency or honesty of any bankers or other person with whom any money or effects belonging to the Company may be lodged or deposited for the safe custody or for any insufficiency or deficiency or any security upon which any money of the Company shall be invested or for any other loss or damages due to any such cause as aforesaid or which may happen in or about the execution of his office or trust unless the same shall happen through the willful neglect or default of such office or trustee. This Article is subject to section 197 of the Act.
- 50. Every officer or agent for the time being 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 favour or in which he is acquitted.

XX - SECRECY CLAUSE

51. Every Director, (except institutional/ex-officio Director) auditor, 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 pledging himself to observe strict secrecy respecting all transactions and affairs of the Company and all matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by 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 of these Articles.

52. No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which, in opinion of the Director, it would be inexpedient in the interest of the Company to disclose.

PART B

XXI - APPLICABILITY OF TABLE F

1. The regulations as contained in Tables F of Schedule I to the Companies Act, 2013, shall not apply to the Company except in so far as the same are repeated, contained or expressly made applicable in these Articles.

XXII - DEFINITION AND INTERPRETATION

2. Definitions and Interpretation

2.1. Definition. In these Articles:

- (a) “**Act**” means the (Indian) Companies Act, 2013 the rules framed thereunder and any subsequent amendment or re-enactment thereof for the time being in force.
- (b) “**Action Plan**” means the plan made and mutually agreed between the Investor and the Promoters set out in schedule 5 of the Agreement, which sets out the specific environmental, social, labour, health and safety or security and environmental measures to be undertaken by the Company and the Subsidiaries, to enable the Business of the Company and/ or the Subsidiaries to be equipped, operated and undertaken in compliance with the Performance Standards and which shall be revised in accordance with Article 41.8 on an annual basis.
- (c) “**Addendum Agreement**” means the subscription cum addendum agreement dated 21 March, 2016 executed by and between the Investor, the Company and the Promoters.
- (d) “**Affiliate**” in relation to a Person:
 - (i) being a corporate entity, means any entity or Person, which controls, is controlled by, or is under the common control of such Person;
 - (ii) being an individual, means any entity or Person, which is controlled by such individual or a Relative of such individual;
 - (iii) in the case of the Investor, without prejudice to the generality of the foregoing, shall include its respective limited partners and any fund or investment vehicle owned, managed, advised, controlled or promoted by the Investor (as the case maybe) or by its respective Affiliates, investment managers or investment advisors;

For the avoidance of doubt, a Competitor shall, under no circumstances be capable of being classified as an Affiliate of any Party/Parties to any of the Transaction Documents.

- (e) **“Agreed ESOP”** shall have the meaning ascribed to it in Article 42.
- (f) **“Agreement”** or **“Shareholders Agreement”** means the shareholders agreement dated 07 August, 2015 executed by and between the Investor, the Company and the Promoters, as amended from time to time.
- (g) **“Applicable S&E Law”** means all applicable Laws and Consents of applicable Governmental Authorities setting standards/measures concerning environmental, social, labor, health and safety or security risks, including of the type specified in the Action Plan or imposing liability for the breach thereof..
- (h) **“Articles”** or **“these Articles”** means the Articles of Association of the Company, as amended from time to time.
- (i) **“Associate Company”** shall have the meaning ascribed to it in Section 2(6) of the Companies Act, 2013.
- (j) **“Board”** or the **“Board of Directors”** means the board of directors of the Company as constituted from time to time.
- (k) **“Business”** means the business of providing environmental engineering solutions with focus on wastewater treatment and recycling, desalination and industrial solid waste management.
- (l) **“Business Day”** means a day, not being a Saturday or a Sunday or a public holiday, on which banks are open for business in Mumbai, India and Mauritius, in the context of a payment being made to or from a bank in a place other than Mumbai, India or Mauritius, in such other place;
- (m) **“Business Plan”** shall have the meaning ascribed to it in Article 41.11.
- (n) **“Closing”** shall have the meaning ascribed to it in the Share Subscription Agreement.
- (o) **“Closing Date”** shall have the meaning ascribed to it in the Share Subscription Agreement.
- (p) **“Company”** means CONCORD ENVIRO SYSTEMS LIMITED.
- (q) **“Competitor”** means any Person (resident in any part of the world), other than a Financial Investor, who derives at least 20% of its revenues on a stand-alone or consolidated basis from a business which is the same as the Business of the Company and/ or the Subsidiaries, and where such revenues are equal to or more than 75% of the consolidated revenues of the Company and the Subsidiaries as reflected in the financial statements for Financial Year immediately preceding the date of determination.

- (r) “**Consent**” means any permit, permission, license, approval, authorization, consent, clearance, waiver, no objection certificate or other authorization of whatever nature and by whatever name called, which is required to be granted by any Person, including any Governmental Authority.
- (s) “**Control**” or “**Controlling**” shall include ownership or control (whether directly or indirectly) of more than 50% (fifty per cent) of the total voting securities (calculated on a Fully Diluted Basis), whether by shareholding or contract or otherwise or control of, or the power to control, policy decisions and/or the composition of the board of directors of the other entity.
- (t) “**Conversion Shares**” means the Equity Shares issued upon conversion of (i) Series A CCPS in the manner described in Articles 13 to 17; or (ii) Series A1 CCPS in the manner described in Articles 18 to 22, or (iii) Series A2 CCPS in the manner described in Article 23.4.
- (u) “**Corporate Action Event**” means any share split, bonus issue, stock dividend, consolidation, recapitalization or recombination affecting the Equity Securities and any other transaction having the effect of any of the foregoing.
- (v) “**Deed of Adherence**” means the deed of adherence in the form set forth in schedule 1 of the Agreement.
- (w) “**Director**” means a director on the Board from time to time.
- (x) “**Dividend**” includes bonus.
- (y) “**Draft Business Plan**” shall have the meaning ascribed to it in Article 41.11.
- (z) “**Employees Stock Option Plan**” or “**ESOP**” means any employee stock option plan (including the Agreed ESOP) as formulated by the Company and approved by the Board of the Company and applicable, inter alia, to the employees, including those in the Key Management Team of the Company and its Subsidiaries, if any, and to such other persons as are eligible, under applicable Law to receive such options. .
- (aa) “**Encumbrances**” means any mortgage, pledge, equitable interest, assignment by way of security, hypothecation, claim, security interest, title defect, title retention agreement, voting trust agreement, option, lien, charge, restriction or limitation of any nature whatsoever (including any restriction or limitation imposed by way of court orders, interim awards, injunctions or any similar order or ruling issued by a Governmental Authority or other judicial / quasi-judicial authority, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off, any arrangement) the purpose of, or which has the effect of, granting security, or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise.

- (bb) “**Equity Securities**” means Equity Shares, preference shares, including, but not limited to, Series A CCPS, Series A1 CCPS, Series A2 CCPS, any other security in the share capital of the Company, debentures or any note or debt security having or containing equity or profit participation features, or any option, warrant or other security or right which is directly or indirectly convertible into or exercisable or exchangeable for Equity Shares of the Company.
- (cc) “**Equity Shares**” means the equity shares in the issued, subscribed and paid up equity share capital of the Company.
- (dd) “**Exempted Issuances**” means any of the following: (i) any Equity Securities issued to the Company’s officers, employees, directors and other service providers pursuant to any ESOP or any other stock option plan approved by the Board of the Company, including the Investor Nominee Director, if any; (ii) any Equity Securities actually issued upon the exercise of options or upon the conversion or exchange of convertible securities, including the Series A CCPS, Series A1 CCPS, Series A2 CCPS or warrants, in each case provided such issuance is pursuant to the terms of such option, convertible security or warrant; (iii) any Equity Securities issued pursuant to a transaction described in Article 17.8(b); (iv) any Equity Securities issued in an IPO; (v) any Equity Securities issued pursuant to a capital restructuring such as a merger, amalgamation, acquisition, etc.; and (vi) any Equity Securities issued to the Investor pursuant to the anti-dilution protection provisions set forth in Article 33.
- (ee) “**Exit Period**” means a period commencing on expiry of 60 (Sixty) months from the Closing Date and expiring after expiry of 84 (eighty four) months from the Closing Date.
- (ff) “**Fair Market Value**” means the equity valuation of the requisite Equity Securities determined by a Valuer and/ or a Third Valuer in accordance with the provisions of Section XXXIV of these Articles.
- (gg) “**Financial Investor**” means any asset management companies, private equity/venture capital entities (whether incorporated as limited liability partnerships, trusts or companies or otherwise), mutual funds, proprietary funds, financial institutions, banks (nationalized or otherwise and domestic or international) and foreign institutional investors who are normally engaged in the business of investing for purely financial returns, provided that where such Financial Investor is controlled by a Competitor or where such Financial Investor is in control of a Competitor, shall not be considered a **Financial Investor**.
- (hh) “**Financial Year**” means the financial year of the Company, commencing on April 1 every year and ending on March 31 of the following year, or such other

financial year of the Company as the Company may from time to time legally designate as its financial year.

- (ii) **“Fully Diluted Basis”** means that the calculation of shareholding is to be made assuming that (i) all Equity Securities (whether or not by their terms then currently convertible, exercisable or exchangeable), and all outstanding commitments to issue Equity Shares, membership or ownership interests, at a future date whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged, (ii) that all unallocated options reserved for issuance under any ESOP have been issued and exercised and (iii) all partly paid Equity Shares (if any) have been fully paid-up.
- (jj) **“Government”** or **“Governmental Authority”** means any government, statutory authority, any department, agency or instrumentality of any government, any court, tribunal or arbitral tribunal, board and the governing body of any securities exchange or Stock Exchange(s).
- (kk) **“Identified Terms”** means the following:
 - (i) Lock-in (Article 30.1);
 - (ii) Failure of the Promoters to purchase the Offered Securities within the Purchase Period in accordance with the provisions of Article 30.5 hereof;
 - (iii) Pre-emptive right of the Investor (Article 24);
 - (iv) Anti-Dilution (Article 33) except where such right of the Investor is incapable of being exercised as a result of applicable Law;
 - (v) No solicitation (Article 41.2);
 - (vi) Non-compete (Article 41.3);
 - (vii) Anti-corruption (Article 41.7);
 - (viii) Transactions with Prohibited Persons (Article 41.9);
 - (ix) OFAC (Article 41.12);
 - (x) Greenhouse Gas Audit (Article 41.13); and
 - (xi) Reserved Matters as stated in Article 38.
- (ll) **“INR”** means Indian Rupees, the currency and legal tender of the Republic of India, for the time being in force.

- (mm) “**Investment Amount**” means the aggregate of Subscription Amount and Purchase Amount and such other amount as may be invested by the Investor in the Company from time to time in accordance with the provisions of the Agreement.
- (nn) “**Investor**” shall mean AF Holdings.
- (oo) “**Investor Nominee Director**” shall have the meaning ascribed to such term in Article 39.1.
- (pp) “**Investor Shares**” means the aggregate of Subscription Shares and the Purchase Shares, and such other Equity Securities as may be subscribed to / purchased by the Investor in the Company from time to time.
- (qq) “**IPO**” means the initial public offering and listing of the Equity Shares of the Company on any Stock Exchange(s)
- (rr) “**IWWTC Share Purchase Agreement**” means the share purchase agreement executed simultaneously with the Agreement by the Company, India Waste Water Treatment Company and the Investor.
- (ss) “**Key Management Team**” means the management team of the Company consisting of the managing director, whole time director, chief executive officer, chief financial officer, company secretary, head of production and head of technology at any present or future plants of the Company and the Subsidiaries, as appointed from time to time, including any persons discharging the roles and powers substantially similar to the aforesaid persons, notwithstanding their designations or any other function head or departmental head and any other employee whose cost to the Company exceeds INR 40,00,000 (Indian Rupees Forty Lakhs only) per annum.
- (tt) “**Law**” shall include all applicable statutes, enactments, acts of legislature, laws, ordinances, rules, bye-laws, regulations, guidelines, policies, directions, directives and orders of any Government, and applicable international treaties and regulations, in force at the relevant time.
- (uu) “**Listing Date**” means the date of listing of the Equity Shares on a recognized stock exchange.
- (vv) “**Liquidation Event**” means the commencement of any proceedings for the liquidation, dissolution or winding up of the Company either through members’ or creditors’ voluntary winding-up process or a court directed winding-up process.
- (ww) “**Liquidity Event**” means any of the following events:
- (i) any merger, amalgamation, consolidation, reconstitution, restructuring or similar transaction with or into another Person following which the

Company's shareholders immediately post such transaction (or series of related transactions) hold less than 50% of the outstanding voting power of the Company on a Fully Diluted Basis or the surviving or acquiring entity; or

- (ii) a transaction or series of related transactions in which a Person or group of affiliated Persons (other than an underwriter of the Company's Equity Shares), acquires Equity Securities from Shareholders representing more than 50% (fifty percent) of the outstanding voting power of the Company; or
- (iii) sale, transfer or other disposition of assets and properties (including tangible and intangible assets) of the Company and/ or RSS where such assets and properties constitute more than 50% (fifty percent) of the value of all assets and properties (including tangible or intangible assets) of the Company and/ or RSS;

provided, however, that a transaction shall not constitute a Liquidity Event if its sole purpose is to change the jurisdiction of the Company's incorporation or to create a holding company that will be owned in substantially the same proportions by the Persons who held the Company's Shares immediately prior to such transaction.

Notwithstanding the foregoing, the treatment of any particular transaction or series of related transactions as a Liquidity Event may be waived by the vote or written consent of the Investor.

- (xx) "**Management Reports**" means the management internal reports summarizing progress against the annual budget, including (i) actual versus forecast financial results, (ii) actual versus forecast capital expenditure, and (iii) progress against business development targets, as well as noting any significant operational issues.
- (yy) "**Memorandum**" means the memorandum of association of the Company as originally framed or altered from time to time in accordance with the Agreement, the Subscription Agreement and the Act.
- (zz) "**Month**" means English calendar month.
- (aaa) "**Office**" means the Registered Office for time being of the Company.
- (bbb) "**Offer for Sale**" shall include any secondary offering by the Investor pursuant to or as part of an IPO and shall include the meaning assigned to it in the SEBI Regulations.
- (ccc) "**Performance Standards**" means International Finance Corporation's Performance Standards on Social and Environmental Sustainability, dated

January 1, 2012, copies of which have been delivered to and receipt of which have been acknowledged by the Company and the Promoters.

- (ddd) “**Person**” shall include an individual, proprietorship, Hindu undivided family, partnership, corporation, company, unincorporated organization or association, trust or other entity, whether incorporated or not.
- (eee) “**Preference Holder**” shall have the meaning ascribed to it in Article 16.1.
- (fff) “**Promoters**” shall mean Mr. Prayas Goel and Mr. Prerak Goel.
- (ggg) “**Promoter Share Purchase Agreement**” means the share purchase agreement executed concurrently with the execution of the Agreement pursuant to which the Investor shall purchase from the Promoters Equity Shares as set forth therein.
- (hhh) “**Proxy**” includes Attorney duly constituted under a Power of Attorney.
- (iii) “**Purchase Amount**” means the aggregate consideration paid by the Investor under the IWWTC Share Purchase Agreement and the Promoter Share Purchase Agreement for the acquisition of the Purchase Shares.
- (jii) “**Purchase Shares**” means 11,056 (eleven thousand and fifty six) fully paid-up Equity Shares of face value of INR 100 (Rupees One Hundred only) each purchased by the Investor from India Waster Water Treatment Company, and 695 (six hundred and ninety five) Equity Shares of face value of INR 100 (Rupees One Hundred only) each purchased by the Investor from Promoters in accordance with the terms of the IWWTC Share Purchase Agreement and the Promoter Share Purchase Agreement, respectively.
- (kkk) “**QIPO**” means an IPO (a) pursuant to which the Equity Shares of the Company are listed on any of the Stock Exchanges, and (b) which is managed and underwritten by one or more reputable investment banking firms of recognised standing in the market where the Equity Shares are to be offered, as agreed by the Investor;
- (lll) “**Relative**” shall have the meaning ascribed to such term in Section 2 (77) of the Act.
- (mmm) “**Related Party(ies)**” shall have the meaning ascribed to such term as defined in Section 2 (76) of the Act.
- (nnn) “**Rules**” means any rule(s) made pursuant to section 469 of the Act or such other provisions pursuant to which the Central Government is empowered to make rules, and shall include such rules as may be enacted, re-enacted or amended from time to time.
- (ooo) “**Seal**” means the Common Seal of Company.

- (ppp) “**SEBI**” shall mean the Securities and Exchange Board of India, a body established under the provisions of the Securities and Exchange Board of India Act, 1992.
- (qqq) “**SEBI Regulations**” means the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended or reenacted from time to time, including any rules or circulars issued thereunder.
- (rrr) “**Second Addendum Agreement**” means the subscription cum addendum agreement dated 26 October, 2017 executed by and between the Investor, the Company and the Promoters.
- (sss) “**Series A CCPS**” means the Series A fully and compulsorily convertible, non-cumulative, preference shares of the Company, each having a face value of INR 1000 (Rupees One Thousand only), and carrying such terms and conditions set out in Articles 13 to 17 hereunder, in the Subscription Agreement and the Articles.
- (ttt) “**Series A1 CCPS**” means the Series A1 fully and compulsorily convertible, non-cumulative, preference shares of the Company, each having a face value of INR 1000 (Rupees One Thousand only), and carrying such terms and conditions as set out in Articles 18 to 22 hereunder and in the Addendum Agreement.
- (uuu) “**Series A2 CCPS**” means the Series A2 fully and compulsorily convertible, non-cumulative, preference shares of the Company, each having a face value of INR 1000 (Rupees One Thousand only), and carrying such terms and conditions as set out in Article 23 and in the Second Addendum Agreement.
- (vvv) “**Series A Original Issue Price**” shall have the meaning as set out in the Agreement.
- (www) “**Series A1 Original Issue Price**” shall have the meaning as set out in the Addendum Agreement.
- (xxx) “**Series A2 Original Issue Price**” has the meaning as set out in the Second Addendum Agreement.
- (yyy) “**Shareholder**” means the duly registered holder from time to time of the Equity Securities of the Company.
- (zzz) “**Stock Exchange**” means the National Stock Exchange, the BSE Limited or such other stock exchange approved by the Board.
- (aaaa) “**Subscription Amount**” shall have the meaning as set out in the Agreement.

- (bbbb) “**Subscription Agreement**” or “**SSA**” means the share subscription agreement executed concurrently with the execution of the Agreement pursuant to which the Company shall issue and allot such number of Series A CCPS to the Investor as set forth therein.
- (cccc) “**Subsidiaries**” means RSS, CBT, Reva, CES-FZE, BWTT and CES Mexico and shall include any future subsidiaries of the Company.
- (dddd) “**Tax**” or “**Taxation**” means , to the extent applicable, all forms of taxation, duties, levies imposts and social security charges, present and future, whether direct or indirect including without limitation corporate income tax, wage withholding tax, value added tax, customs and excise duties, capital gains tax, dividend withholding tax, dividend distribution tax, land taxes, environmental taxes and duties and any other type of taxes or duties payable by virtue of any applicable national, regional or local Law or regulation and levied by any Governmental Authority; together with any interest, penalties, surcharges or fines relating to them, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction.
- (eeee) “**Third Party**” means any Person other than the Parties to the Agreement or any Affiliates of any Parties to this Agreement.
- (ffff) “**Third Valuer**” shall have the meaning ascribed to the term in Article 82 below.
- (gggg) “**Tranche I Investment**” shall have the meaning ascribed to it in the Share Subscription Agreement.
- (hhhh) “**Tranche II Closing Date**” shall have the meaning ascribed to it in the Addendum Agreement.
- (iiii) “**Tranche III Closing Date**” has the meaning ascribed to it in the Second Addendum Agreement.
- (jjjj) “**Transaction Documents**” means and includes the Agreement, the Subscription Agreement, the disclosure letter, the Addendum Agreement, the Second Addendum Agreement, the IWWTC Share Purchase Agreement, the Promoter Share Purchase Agreement and these Articles.
- (kkkk) “**Transfer**” (including the terms “**Transferred by**”, “**Transferring**” and “**Transferability**”) means to directly or indirectly transfer, sell, assign, exchange, gift, dispose of in any manner, or subject to any Encumbrance, whether or not voluntarily, and whether by operation of law or otherwise.
- (llll) “**Valuer**” means any Big 4 Accounting Firm or any merchant banker ranked amongst the top 10 merchant bankers in India by Thomson Reuters immediately prior to the date of appointment, and appointed in accordance with the provisions of Section XXXIV of these Articles.

2.2. Interpretation

- (a) “In writing and Written” includes printing, lithography and other modes of representing or reproducing words in a visible form.
- (b) Words importing the singular number include the plural number and vice versa.
- (c) Words importing the masculine gender include the feminine gender.
- (d) Reference to a Party shall include, such Party's legal heirs, executors, administrators, successors and permitted assigns and any Persons deriving title under it, as applicable.
- (e) References to the shareholding of any Shareholder in the Company shall (a) refer to the shareholding of such Shareholder computed on a Fully Diluted Basis, and (b) include the shareholding of such Shareholder's Affiliates holding any shares in the Company, if any.
- (f) The terms “hereto”, “hereof,” “herein,” “hereby” and derivative or similar words refer to these Articles and not to any particular clause, article or section of the Articles.
- (g) The word “including” herein shall always mean “including, without limitation”.
- (h) The phrases “ordinary course of business” and “ordinary course of business consistent with past practice” refer to the business and practice of the Company as conducted prior date of execution of the Agreement;
- (i) Whenever the Articles refer to a number of days, such number shall refer to calendar days, unless specifically provided otherwise.
- (j) All accounting terms used herein and not expressly defined herein shall have the meanings given to them under Indian GAAP.
- (k) Headings and captions are used for convenience only and shall not affect the interpretation of these Articles.
- (l) Unless the context otherwise requires, words and expression used in these presents shall bear the same meaning as in the Act, or any statutory modification thereof in force at the date when these regulation become binding on the Company.

XXIII - PUBLIC COMPANY

3. Public Company

3.1. The Company is a public company within the meaning of Section 2(71) of the Companies Act, 2013 and accordingly:

“public company” means a company which-

c) is not a private company and

d) has a minimum paid-up share capital as may be prescribed

Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles.

3.2. The Company may at any time convert itself into a private company within the meaning of and subject to the provisions of the Act and Rules made thereunder.

XXIV - SHARE CAPITAL

4. Share Capital

4.1. **Authorised Capital.** The Authorised Share Capital of the Company is Rs. 42,50,00,000 (Indian Rupees Forty Two Crores Fifty Lakhs) divided into 4,00,00,000 (Four Crores) Equity Shares of INR 5 (Indian Rupees Five) each and 2,25,000 (Two Lakhs Twenty Five Thousand) Preference shares of INR 1000 (Indian Rupees Thousand) each. Subject to Article 38 (Reserved Matters), the Company shall have the power to alter its share capital to the extent permissible under the Act including to increase or reduce the capital, to divide the share in capital for the time being into several class and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or any condition as may be determined in such manner as may be permitted by the Act or by these Articles and to consolidate or sub-divide the shares and to vary, modify for abrogate such rights, privileges, or conditions in such manner as may for the time being be permitted by the Act or these Articles. The Board shall have power to classify or reclassify the shares into different types.

4.2. **Alteration of Capital.** Subject to Article 38 (Reserved Matters), the Company may from time to time change the structure of the capital, alter in any way the conditions of its memorandum relating to capital in accordance with the provisions of section 61 of the Companies Act, 2013 for all or any of the following purposes:

- f. To increase its authorised share capital by such amount as it thinks expedient;
- g. To consolidate and divide all or any of its share capital into shares of larger amount than its existing shares, provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;
- h. To convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid up shares of any denomination;

- i. To sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum, so, however, that in the sub-division, the proportion between the amount paid and the amount, if any unpaid, on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and
 - j. To cancel any shares which at the date of the passing of the resolution, have not been taken or agreed to be taken by any persons and diminish the amount of its share capital by the amount of the shares so cancelled. Cancellation of shares in pursuance of this sub-clause shall not be deemed to be a reduction of the capital of the Company within the meaning of the Act.
- 4.3. **Kinds of Share Capital.** The Company may issue different kinds of Shares in accordance with these Articles and applicable provisions of the Act and Rules including shares with differential rights as to dividend, voting or otherwise in accordance with the Act and the Rules.
- 4.4. **Reduction.** The Company may (subject to the provisions of Sections 55 of the Act) from time to time, by Special Resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law:
- (a) Its share capital;
 - (b) Any capital redemption reserve account; or
 - (c) Any share premium account.
- 4.5. **Variation of Members rights.** If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the term of issue of the shares of that class) may, subject to the provisions of the Act and the applicable Rules, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of not less than $\frac{3}{4}$ (three-fourth) 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.

XXV - ISSUE AND ALLOTMENT OF SECURITIES

5. Further Issue of securities:

- (g) Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—
 - (iv) to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the paid up share capital on those shares by sending a letter of offer subject to the following conditions, namely:
 - d. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days, or such lesser number of days as may be prescribed, and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

- e. the aforesaid offer 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 a. above shall contain a statement of this right;
 - f. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company;
- (v) to employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or
- (vi) to any Persons, if it is authorised by a special resolution, whether or not those Persons include the Persons referred to in clause (i) or clause (ii) above, either for cash or for a consideration other than cash, at such price as may be determined in accordance with Law, subject to the compliance with the applicable provisions of the Act and any other conditions as may be prescribed under Law.
- (h) The notice referred to in (a) (i) above shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.
- (i) Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company:

Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in a general meeting.

- (j) Notwithstanding anything contained (c) above, where any debentures have been issued or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion.

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to the competent authority which shall after hearing the company and the Government pass such order as it deems fit.

- (k) Where the Government has, by an order made under sub-clause (d), directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the competent authority under (d) above or where such appeal has been dismissed, the Memorandum of Association of the Company shall, where such order has the effect of increasing the authorized Share Capital of the Company, be altered and the authorized share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.
- (l) The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act, the Rules and the applicable provisions of the Act.

6. **Private Placement of Securities.** The Company may in accordance with provisions of the Act and the applicable Rules, issue further securities by way of a private placement of its securities.
7. **Power to Issue Redeemable Preference Shares.** Subject to and in accordance with the provisions of the Act and the Companies (Share Capital and Debentures) Rules, 2014, and subject to the provisions on which any Shares may have been issued, the Company shall have the power to issue preference Shares which are, or at the option of Company, liable to be redeemed within a period not exceeding 20 (twenty) years from the date of their issue, and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.
8. Subject to the provisions of these Articles and Article 38 (Reserved Matters) and Article 24 (Pre-emptive Rights), the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such person on such term and conditions and at such time as Directors think fit.
9. **Bonus Shares:** The Company is hereby permitted to issue fully paid-up bonus shares to its members in the manner as set out in Section 63 of the Act and Companies (Share Capital and Debentures) Rules, 2014. Bonus shares may be issued in lieu of dividends.
10. **Buy-back of shares:** The Company is hereby permitted to purchase its own Shares or other specified Securities in accordance with the provision of Sections 68, 69 and 70 of the Companies Act, 2013 and other applicable provisions and applicable Rules. If and to the extent permitted by Law, the Company shall also have the power to re-issue the shares or securities so bought back.
11. The Company may pay commission (whether absolute or conditional) to any person in connection with the subscription or procurement of subscription to its Securities, as may be determined by the Board.
12. **Shares at the Disposal of the Board of Directors**
 - (b) Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par or at discount (subject to compliance with Section 53 of the Act) at such time as they may, from time to time, think fit, to give to any person or persons the option or right to call for any shares either at par or premium or at a discount subject to the provisions of the Act 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 be so allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid up shares. Provided that option or right to call shares shall not be given to any Person or Persons without the sanction of the Company in the Shareholders' Meeting.

TERMS OF SERIES A CCPS

13. Status of CCPS

Unless specifically agreed to by the Preference Holders, the Series A CCPS shall rank senior to the Equity Shares and other preference shares at all times and in all events.

14. Voting Rights

The voting rights in respect of the Series A CCPS shall be governed by Article 37.7.

15. Term

In the event that, for any reason whatsoever, the conversion of the Series A CCPS does not occur in the manner set forth herein, each Series A CCPS shall have a term of 20 (twenty) years.

16. Dividends

16.1. Subject to applicable Law, each holder of Series A CCPS (a “**Preference Holder**”) shall be entitled to receive a dividend at the rate of 0.001% of the face value per annum on each Series A CCPS held by such holder, payable when, as and if declared by the Board of the Company. Except to any other Equity Security issued in future and which ranks higher in priority than the Series A CCPS, no dividend or distribution may be paid to, or set aside for any other Shareholder unless dividend hereunder is paid to the holders of Series A CCPS.

16.2. Further, subject to applicable Law, after the payment of the dividend specified above, any additional dividends shall be distributed to all Shareholders in proportion to the number of Equity Shares held by each Shareholder on a Fully Diluted Basis (which for the avoidance of doubt, includes the Investor assuming conversion of the Series A CCPS).

16.3. No dividend or distribution shall be paid on any share of any class or series of the Company if and to the extent that as a consequence of such dividend or distribution holders of Series A CCPS would be entitled to a dividend hereunder greater than the maximum amount permitted to be paid in respect of preference shares of an Indian company held by a non-resident under applicable Laws (including without limitation, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India), Regulations, 2000).

17. Conversion of the Series A CCPS.

17.1. Conversion Right. Each Preference Holder shall have the right to require the Company to convert all or a part of such Series A CCPS held by them into such number of fully paid Equity Shares equal to the Series A Original Issue Price divided by the Series A Conversion Price (as defined below) then in effect (the conversion ratio for the Series A CCPS is referred to herein as the “**Conversion Ratio**”), in accordance with the terms of the Agreement and Articles (the “**Conversion Right**”) at any time before the

conversion of the Series A CCPS is carried out under Article 17.2 below. The Conversion Ratio shall initially be 1:1, until adjusted in accordance with Article 17.8 and Article 33.2 (*Broad Based Anti-Dilution Protection*).

- 17.2. **Mandatory Conversion.** The Company shall mandatorily convert each Series A CCPS into Equity Shares at the Conversion Ratio then in effect upon the earlier of (i) immediately prior to the filing of a red herring prospectus in relation to any IPO (approved by the Investor) or any proposed QIPO, or (ii) the issuance of a Conversion Notice in terms of Article 17.3 below, or (iii) transfer of Offered Securities by the Investor to a Competitor in terms of Article 30.5 below. Notwithstanding the foregoing, each Series A CCPS shall mandatorily convert into Equity Shares at the Conversion Ratio then in effect one day prior to the expiry of the twentieth anniversary of the date on which the Series A CCPS were first issued by the Company.
- 17.3. **Exercise of Conversion Right and procedure for conversion.** A Preference Holder may exercise the Conversion Right by (a) delivering a written notice (a “**Conversion Notice**”) to the Company of its intention to so convert Series A CCPS held by such Preference Holder into Equity Shares and (b) surrendering the relevant share certificates representing such Series A CCPS at the office of the Company together with the Conversion Notice. If the Equity Shares are to be issued in dematerialized form, the Preference Holder shall also provide standard information required to allow the Company to issue such shares in dematerialized form. The Conversion Notice shall specify the number of Series A CCPS that such Preference Holder elects to convert (such Series A CCPS referred to as the “**Relevant CCPS**”) and state therein the name or names of any nominee for such Preference Holder in which the certificate or certificates for Equity Shares are to be issued and whether or not such Equity Shares are to be issued in physical form or dematerialized form.
- 17.4. As soon as reasonably practicable, but in no event later than 7 (seven) Business Days from the date of the Conversion Notice, the Company shall take all necessary corporate actions and obtain all necessary Consents and issue the appropriate number of Equity Shares into which the Relevant CCPS are convertible at the Conversion Ratio then in effect. Not later than the 7th (seventh) Business Day from the date of the Conversion Notice, the Company shall deliver to such Preference Holder:
 - (a) duly stamped and executed share certificates with respect to the Conversion Shares issued on conversion of the Relevant CCPS;
 - (b) certified true copies of all filings necessary to effect and validate the issue of the Conversion Shares, including Form PAS-3;
 - (c) certified true copy of the register of members of the Company showing the Preference Holder as the registered owner of the Conversion Shares;
 - (d) duly acknowledged copies of all intimations and filings made by the Company with the RBI in respect of the conversion of the Series A CCPS and issue of Equity Shares in lieu thereof; and

- (e) in the event that the Preference Holder has requested in the Conversion Notice or otherwise in writing to the Company and has provided all required information to the Company to hold the converted Equity Shares in a dematerialized form, evidence that such Equity Shares have been deposited in the account of such Preference Holder or to the nominee or nominees of such Preference Holder previously identified to the Company in writing accompanied with a beneficiary position statement issued by the concerned depository.
- 17.5. Procedure for Mandatory Conversion. In the case of a mandatory conversion of Series A CCPS pursuant to Article 17.2, the Company shall take all necessary corporate and other actions and obtain all Consents on or prior to the date of conversion, and shall provide the documents/ information listed in Articles 17.4(a) to 17.4(e), to the Preference Holders on the date of conversion of the Series A CCPS.
- 17.6. No Fractional Shares. No fractional Conversion Shares shall be issued upon conversion of Series A CCPS. If the computation of the number of Conversion Shares to be issued, results in a fraction, then the number of Conversion Shares shall be rounded off to the nearest whole number.
- 17.7. Conversion Price. The “**Series A Conversion Price**” for the Series A CCPS shall initially be equal to the Series A Original Issue Price and, subject to applicable Law, shall be adjusted in accordance with Article 17.8 and Article 33.2 (*Broad Based Anti-Dilution Protection*). It is clarified that any adjustment of the Series A Conversion Price and Conversion Ratio shall not automatically result in conversion of the Series A CCPS. In the event of any adjustment to the Series A Conversion Price and the Conversion Ratio of the Series A CCPS, the Company, at its expense, shall promptly compute such adjustment and inform the holders of Series A CCPS of the details of such adjustment in writing. The Company shall upon the written request at any time of any Preference Holder furnish or cause to be furnished to such holder a certificate setting forth (A) such adjustment, (B) the Series A Conversion Price and Conversion Ratio at the time in effect, and (C) the number of Equity Shares and the amount, if any, that at the time would be received upon the conversion of Series A CCPS.
- 17.8. Conversion Price and Conversion Ratio Adjustments for Certain Dilutive Issuances, Splits and Combinations. The Series A Conversion Price and Conversion Ratio shall be subject to adjustment from time to time as follows:
- (a) Adjustments for Dilutive Issuances. If at any time after the Closing Date, the Company issues to any Person any Equity Securities (other than pursuant to an Exempted Issuance), at a price per security that is lower than the Series A Conversion Price in effect immediately prior to such issuance (a “**Dilutive Issuance**”), then the holders of Series A CCPS shall be entitled to a broad-based weighted average anti-dilution protection in accordance with Article 33.2. In such an event, the Company and the other Shareholders shall be bound to cooperate with the holders of Series A CCPS and the Company such that, the Company forthwith takes all necessary steps to adjust the Series A Conversion Price and Conversion Ratio in accordance with Article 33.2.

Notwithstanding the foregoing, if the adjustment set forth in this Article 17.8(a) is not permitted to be made, in whole or in part, under applicable Law, the Parties agree to take all necessary acts to put the Preference Holders in the position that they would have been if such adjustment to the Series A Conversion Price had been made, including potentially the issuance of new Equity Shares to the Preference Holders, or an Affiliate or designated nominee of a Preference Holder, whereby the Preference Holders, or such Affiliate or designated nominee thereof, are not required to pay any additional amounts for the issuance of such new Equity Shares, if permitted by applicable Law.

- (b) In the event the Company should at any time or from time to time after the Closing Date fix a record date for the effectuation of a split or subdivision of the outstanding Equity Shares or the determination of holders of Equity Shares entitled to receive a dividend or other distribution payable in additional Equity Shares or other securities or rights convertible into, or entitling the holder thereof to receive directly or indirectly, additional Equity Shares (hereinafter referred to as “Equity Share Equivalents”) without payment of any consideration by such holder for the additional Equity Shares or the Equity Share Equivalents (including the additional Equity Shares issuable upon conversion or exercise thereof), then, as of such record date (or the date of such dividend distribution, split or subdivision if no record date is fixed), the Series A Conversion Price and Conversion Ratio shall be appropriately decreased so that the number of Equity Shares issuable on conversion of each Series A CCPS shall be increased in proportion to such increase of the aggregate of Equity Shares outstanding and those issuable with respect to such Equity Share Equivalents.
- (c) If the number of Equity Shares outstanding at any time after the Closing Date is decreased by a combination or consolidation (reverse stock split) of the outstanding Equity Shares, then, following the record date of such combination or consolidation (reverse stock split), the Series A Conversion Price and Conversion Ratio shall be appropriately increased so that the number of Equity Shares issuable on conversion of each Series A CCPS shall be decreased in proportion to such decrease in outstanding Equity Shares.
- (d) Subject to the provisions of Clause 12.3 of the SSA, the Conversion Ratio of the Series A CCPS may be adjusted at the option of the Indemnified Party (as defined in the Share Subscription Agreement), on the basis of the Fair Market Value, such that the number of Conversion Shares increases to make good the Indemnity Amount (as defined hereinafter) payable to the Indemnified Party (“**Indemnity Conversion Ratio**”). Provided however that, in the event the Indemnifying Party pays the Indemnity Amount or part thereof, to the Indemnified Party, the Indemnity Conversion Ratio shall be readjusted such that the number of Conversion Shares is reduced to the extent of the Indemnity Amount (or part thereof), paid to the Indemnified Party. Provided further that, at the time of exit of the Investor in accordance with the terms of the Agreement and the Articles, if the value received by the Investor as a consequence of the exit (“**Exit Value**”) and in respect of the Conversion Shares

(reckoned as a result of the adjustment of the Conversion Ratio) is greater than the Indemnity Amount, the Investor shall transfer to the Promoters, such number of Investor Shares representing the difference between the Exit Value of the Conversion Shares and the Indemnity Amount. Any Tax liability associated with any such adjustment shall be borne by the Investor.

- (e) The Conversion Ratio of the Series A CCPS shall also be adjusted at the time of allocation / issuance of any Equity Shares pursuant to the Agreed ESOP by the Company, the intention being that upon allocation / issuance of Equity Securities under the Agreed ESOP, the Investor shall not be diluted and the Conversion Shares to be issued at the time of conversion are increased to the extent of Equity Securities allocated / issued under the Agreed ESOP.
- (f) The Conversion Ratio of the Series A CCPS shall be adjusted in respect of amounts receivable by CES-FZE, in accordance with the provisions of clause 3.5.8 (f) of the Agreement.
- (g) The Conversion Ratio of the Series A CCPS may be adjusted at the option of the holder of the Series A CCPS upon the occurrence of a Liquidity Event in accordance with the formula and illustration thereof as stated below:

Conversion Ratio =

$$\frac{[(\text{Total no. of Equity Shares of the Company}) * \text{Investor's Proposed Shareholding} - \text{Existing Equity Shares held by the Investor}] / (1 - \text{Investor's Proposed Shareholding})}{\text{No. of Series A CCPS held by the Investor}}$$

Where,

Investor's Proposed Shareholding = (Investment Amount * 2) / Fair Market Value of the Company as on the date of conversion

- (h) The Conversion Ratio of the Series A CCPS may be adjusted at the option of the holder of the Series A CCPS upon the occurrence of a Liquidation Event in accordance with the formula and illustration thereof as stated below:

Conversion Ratio =

$$\frac{((\text{Total no. of Equity Shares of the Company}) * \text{Investor's Proposed Shareholding} - \text{Existing Equity Shares held by the Investor}) / (1 - \text{Investor's Proposed Shareholding})}{\text{No. of Series A CCPS held by the Investor}}$$

Where,

Investor's Proposed Shareholding = (Investment Amount) / Total liquidation equity valuation of the Company as on the date of conversion

- (i) The adjustments under this Article 17.8 shall not be mutually exclusive.
- 17.9. Conversion Cost. The Company shall bear all expenses arising from the conversion of the Series A CCPS as set out in this Article 17, including *inter alia*, any stamp duty applicable on the issuance of share certificates subsequent to conversion of the Series A CCPS.
- 17.10. Other Distributions. In the event the Company declares a distribution payable in securities of other Persons, evidences of indebtedness issued by the Company or other Persons, assets (excluding cash dividends) or options or rights not referred to in Article 17.8(a) above, then, in each such case for the purpose of this Article 17.10, the Preference Holders shall be entitled to a proportionate share of any such distribution as though they were the holders of the number Equity Shares into which their Series A CCPS are convertible as of the record date fixed for the determination of the holders of Equity Shares entitled to receive such distribution.
- 17.11. Reservation of Equity Shares Issuable Upon Conversion. The Company shall at all times reserve and keep available out of its authorized but unissued Equity Shares, solely for the purpose of effecting the conversion of the Series A CCPS, such number of its Equity Shares as shall from time to time be sufficient to effect the conversion of all outstanding Series A CCPS; and if at any time the number of authorized but unissued Equity Shares shall not be sufficient to effect the conversion of all then outstanding Series A CCPS, in addition to such other remedies as shall be available to the Preference Holder, the Company shall take such corporate action as may be necessary to increase its authorized but unissued Equity Shares to such number of shares as shall be sufficient for such purposes, including, without limitation, to obtain the requisite shareholder approval of any necessary amendment to the Articles.
- 17.12. Waiver of Adjustment to Conversion Price. Notwithstanding anything herein to the contrary, any downward adjustment of the Series A Conversion Price may be waived, either prospectively or retroactively and either generally or in a particular instance, by the written consent or vote of the Investor. Any such waiver shall bind all future holders of Series A CCPS.

XXVI - TERMS OF SERIES A1 CCPS

18. **Status of CCPS**

Unless specifically agreed to by the A1 Preference Holder in writing, the Series A1 CCPS shall rank senior to the Equity Shares and other preference shares at all times and in all events. It is hereby clarified that Series A1 CCPS shall rank *pari passu* with Series A CCPS at all times and in all events.

19. **Voting Rights**

The voting rights in respect of the Series A1 CCPS shall be governed by Article 37.7, as if each time the term “*Series A CCPS*” has been used in such Article 37.7 is replaced by the term “*Series A1 CCPS*”.

20. **Term**

In the event that, for any reason whatsoever, the conversion of the Series A1 CCPS does not occur in the manner set forth herein, each Series A1 CCPS shall have a term of twenty (20) years.

21. **Dividends**

21.1. Subject to applicable Law, each holder of Series A1 CCPS (a “**A1 Preference Holder**”) shall be entitled to receive a dividend at the rate of 0.001% of the face value per annum on each Series A1 CCPS held by such holder, payable when, as and if declared by the Board of the Company. Except to any other Equity Security issued in future and which ranks higher in priority than the Series A1 CCPS, no dividend or distribution may be paid to, or set aside for any other Shareholder unless dividend hereunder is paid to the holders of Series A1 CCPS.

21.2. Further, subject to applicable Law, after the payment of the dividend specified above, any additional dividends shall be distributed to all Shareholders in proportion to the number of Equity Shares held by each Shareholder on a Fully Diluted Basis (which for the avoidance of doubt, includes the Investor assuming conversion of the Series A1 CCPS).

21.3. No dividend or distribution shall be paid on any share of any class or series of the Company if and to the extent that as a consequence of such dividend or distribution holders of Series A1 CCPS would be entitled to a dividend hereunder greater than the maximum amount permitted to be paid in respect of preference shares of an Indian company held by a non-resident under applicable Laws (including without limitation, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India), Regulations, 2000).

22. **Conversion of the Series A1 CCPS.**

22.1. Conversion Right. Each A1 Preference Holder shall have the right to require the Company to convert all or a part of such Series A1 CCPS held by them into such number of fully paid Equity Shares equal to the Series A1 Original Issue Price divided by the Series A1 Conversion Price (as defined below) then in effect (the conversion ratio for the Series A1 CCPS is referred to herein as the “**A1 Conversion Ratio**”), in accordance with the terms of the Addendum Agreement and Articles (the “**A1 Conversion Right**”) at any time before the conversion of the Series A1 CCPS is carried out under Article 22.2 below. The A1 Conversion Ratio shall initially be 1:1, until adjusted in accordance with Article 22.8 and Article 33.2 (*Broad Based Anti-Dilution Protection*).

22.2. Mandatory Conversion. The Company shall mandatorily convert each Series A1 CCPS into Equity Shares at the A1 Conversion Ratio then in effect upon the earlier of (i) immediately prior to the filing of a red herring prospectus in relation to any IPO (approved by the Investor) or any proposed QIPO, or (ii) the issuance of an A1

Conversion Notice in terms of Article 22.3 below or (iii) transfer of Offered Securities by the Investor to a Competitor in terms of Article 30.5 below. Notwithstanding the foregoing, each Series A1 CCPS shall mandatorily convert into Equity Shares at the A1 Conversion Ratio then in effect one day prior to the expiry of the twentieth anniversary of the date on which the Series A1 CCPS were first issued by the Company.

- 22.3. Exercise of A1 Conversion Right and procedure for conversion. An A1 Preference Holder may exercise the A1 Conversion Right by (a) delivering a written notice (a “**A1 Conversion Notice**”) to the Company of its intention to so convert Series A1 CCPS held by such A1 Preference Holder into Equity Shares and (b) surrendering the relevant share certificates representing such Series A1 CCPS at the office of the Company together with the A1 Conversion Notice. If the Equity Shares are to be issued in dematerialized form, the A1 Preference Holder shall also provide standard information required to allow the Company to issue such shares in dematerialized form. The A1 Conversion Notice shall specify the number of Series A1 CCPS that such A1 Preference Holder elects to convert (such Series A1 CCPS referred to as the “**Relevant A1 CCPS**”) and state therein the name or names of any nominee for such A1 Preference Holder in which the certificate or certificates for Equity Shares are to be issued and whether or not such Equity Shares are to be issued in physical form or dematerialized form.
- 22.4. As soon as reasonably practicable, but in no event later than 7 (seven) Business Days from the date of the A1 Conversion Notice, the Company shall take all necessary corporate actions and obtain all necessary Consents and issue the appropriate number of Equity Shares into which the Relevant A1 CCPS are convertible at the A1 Conversion Ratio then in effect. Not later than the 7th (seventh) Business Day from the date of the A1 Conversion Notice, the Company shall deliver to such A1 Preference Holder:
- (a) duly stamped and executed share certificates with respect to the A1 Conversion Shares issued on conversion of the Relevant A1 CCPS;
 - (b) certified true copies of all filings necessary to effect and validate the issue of the A1 Conversion Shares, including Form PAS-3;
 - (c) certified true copy of the register of members of the Company showing the A1 Preference Holder as the registered owner of the A1 Conversion Shares;
 - (d) duly acknowledged copies of all intimations and filings made by the Company with the RBI in respect of the conversion of the Series A1 CCPS and issue of Equity Shares in lieu thereof; and
 - (e) in the event that the A1 Preference Holder has requested in the A1 Conversion Notice or otherwise in writing to the Company and has provided all required information to the Company to hold the converted Equity Shares in a dematerialized form, evidence that such Equity Shares have been deposited in the account of such A1 Preference Holder or to the nominee or nominees of such A1 Preference Holder previously identified to the Company in writing

accompanied with a beneficiary position statement issued by the concerned depository.

- 22.5. Procedure for Mandatory Conversion. In the case of a mandatory conversion of Series A1 CCPS pursuant to Article 22.2, the Company shall take all necessary corporate and other actions and obtain all Consents on or prior to the date of conversion, and shall provide the documents/ information listed in Articles 22.4(a) to 22.4(e), to the A1 Preference Holder on the date of conversion of the Series A1 CCPS.
- 22.6. No Fractional Shares. No fractional A1 Conversion Shares shall be issued upon conversion of Series A1 CCPS. If the computation of the number of A1 Conversion Shares to be issued, results in a fraction, then the number of A1 Conversion Shares shall be rounded down to the nearest whole number.
- 22.7. Conversion Price. The “**Series A1 Conversion Price**” for the Series A1 CCPS shall initially be equal to the Series A1 Original Issue Price and, subject to applicable Law, shall be adjusted in accordance with Article 22.8 below and Article 33.2 (*Broad Based Anti-Dilution Protection*). It is clarified that any adjustment of the Series A1 Conversion Price and A1 Conversion Ratio shall not automatically result in conversion of the Series A1 CCPS. In the event of any adjustment to the Series A1 Conversion Price and the A1 Conversion Ratio of the Series A1 CCPS, the Company, at its expense, shall promptly compute such adjustment and inform the holders of Series A1 CCPS of the details of such adjustment in writing. The Company shall upon the written request at any time of any A1 Preference Holder furnish or cause to be furnished to such holder a certificate setting forth (A) such adjustment, (B) the Series A1 Conversion Price and A1 Conversion Ratio at the time in effect, and (C) the number of Equity Shares and the amount, if any, of other property that at the time would be received upon the conversion of Series A1 CCPS.
- 22.8. Conversion Price and Conversion Ratio Adjustments for Certain Dilutive Issuances, Splits and Combinations. The Series A1 Conversion Price and A1 Conversion Ratio shall be subject to adjustment from time to time as follows:
- (a) Adjustments for Dilutive Issuances. If at any time after the Tranche II Closing Date, the Company issues to any Person any Equity Securities (other than pursuant to an Exempted Issuance), at a price per security that is lower than the Series A1 Conversion Price in effect immediately prior to such issuance (a “**A1 Dilutive Issuance**”), then the holders of Series A1 CCPS shall be entitled to a broad-based weighted average anti-dilution protection in accordance with Article 33.2. In such an event, the Company and the other Shareholders shall be bound to cooperate with the holders of Series A1 CCPS and the Company such that, the Company forthwith takes all necessary steps to adjust the Series A1 Conversion Price and A1 Conversion Ratio in accordance with Article 33.2. Notwithstanding the foregoing, if the adjustment set forth in this Article 22.8(a) is not permitted to be made, in whole or in part, under applicable Law, the Parties agree to take all necessary acts to put the A1 Preference Holder in the position that they would have been if such adjustment to the Series A1 Conversion Price had been made, including potentially the issuance of new

Equity Shares to the A1 Preference Holder, or an Affiliate or designated nominee of a A1 Preference Holder, whereby the A1 Preference Holder, or such Affiliate or designated nominee thereof, are not required to pay any additional amounts for the issuance of such new Equity Shares, if permitted by applicable Law.

- (b) In the event the Company should at any time or from time to time after the Tranche II Closing Date fix a record date for the effectuation of a split or subdivision of the outstanding Equity Shares or the determination of holders of Equity Shares entitled to receive a dividend or other distribution payable in additional Equity Shares or other securities or rights convertible into, or entitling the holder thereof to receive directly or indirectly, additional Equity Shares (hereinafter referred to as “**A1 Equity Share Equivalents**”) without payment of any consideration by such holder for the additional Equity Shares or the A1 Equity Share Equivalents (including the additional Equity Shares issuable upon conversion or exercise thereof), then, as of such record date (or the date of such dividend distribution, split or subdivision if no record date is fixed), the Series A1 Conversion Price and A1 Conversion Ratio shall be appropriately decreased so that the number of Equity Shares issuable on conversion of each Series A1 CCPS shall be increased in proportion to such increase of the aggregate of Equity Shares outstanding and those issuable with respect to such A1 Equity Share Equivalents.
- (c) If the number of Equity Shares outstanding at any time after the Tranche II Closing Date is decreased by a combination or consolidation (reverse stock split) of the outstanding Equity Shares, then, following the record date of such combination or consolidation (reverse stock split), the Series A1 Conversion Price and A1 Conversion Ratio shall be appropriately increased so that the number of Equity Shares issuable on conversion of each Series A1 CCPS shall be decreased in proportion to such decrease in outstanding Equity Shares.
- (d) Subject to the provisions of clause 12.3 of the SSA, the A1 Conversion Ratio of the Series A1 CCPS may be adjusted at the option of the Indemnified Party, on the basis of the Fair Market Value, such that the number of A1 Conversion Shares increases to make good the Indemnity Amount (as defined in clause 12.2 of the SSA) payable to the Indemnified Party (“**A1 Indemnity Conversion Ratio**”). Provided however that, in the event the Indemnifying Party pays the Indemnity Amount or part thereof, to the Indemnified Party, the A1 Indemnity Conversion Ratio shall be readjusted such that the number of A1 Conversion Shares is reduced to the extent of the Indemnity Amount (or part thereof), paid to the Indemnified Party. Provided further that, at the time of exit of the Investor in accordance with the terms of the Agreement and the Articles, if the value received by the Investor as a consequence of the exit (“**A1 Exit Value**”) and in respect of the A1 Conversion Shares (reckoned as a result of the adjustment of the A1 Conversion Ratio) is greater than the Indemnity Amount, the Investor shall transfer to the Promoters, such number of Investor Shares representing the difference between the A1 Exit Value of the A1

Conversion Shares and the Indemnity Amount. Any Tax liability associated with any such adjustment shall be borne by the Investor.

- (e) The A1 Conversion Ratio of the Series A1 CCPS shall also be adjusted at the time of allocation / issuance of any Equity Shares pursuant to the Agreed ESOP by the Company, the intention being that upon allocation / issuance of Equity Securities under the Agreed ESOP, the Investor shall not be diluted and the A1 Conversion Shares to be issued at the time of conversion are increased to the extent of Equity Securities allocated / issued under the Agreed ESOP.
- (f) The Conversion Ratio of the Series A1 CCPS shall be adjusted in respect of amounts receivable by CES-FZE, in accordance with the provisions of clause 3.5.8 (f) of the Agreement.
- (g) The A1 Conversion Ratio of the Series A1 CCPS may be adjusted at the option of the holder of the Series A1 CCPS upon the occurrence of a Liquidity Event in accordance with the formula and illustration thereof as stated below:

A1 Conversion Ratio =

$$\frac{[(\text{Total no. of Equity Shares of the Company}) * \text{Investor's Proposed Shareholding} - \text{Existing Equity Shares held by the Investor}] / (1 - \text{Investor's Proposed Shareholding})}{\text{No. of Series A1 CCPS held by the Investor}}$$

Where,

Investor's Proposed Shareholding = (Investment Amount * 2) / Fair Market Value of the Company as on the date of conversion

- (h) The A1 Conversion Ratio of the Series A1 CCPS may be adjusted at the option of the holder of the Series A1 CCPS upon the occurrence of a Liquidation Event in accordance with the formula and illustration thereof as stated below:

A1 Conversion Ratio =

$$\frac{[(\text{Total no. of Equity Shares of the Company}) * \text{Investor's Proposed Shareholding} - \text{Existing Equity Shares held by the Investor}] / (1 - \text{Investor's Proposed Shareholding})}{\text{No. of Series A1 CCPS held by the Investor}}$$

Where,

Investor's Proposed Shareholding = (Investment Amount) / Total liquidation equity valuation of the Company as on the date of conversion

- (i) The adjustments under this Article 22.8 shall not be mutually exclusive.

- 22.9. Conversion Cost. The Company shall bear all expenses arising from the conversion of the Series A1 CCPS as set out in this Article 22, including *inter alia*, any stamp duty applicable on the issuance of share certificates subsequent to conversion of the Series A1 CCPS.
- 22.10. Other Distributions. In the event the Company declares a distribution payable in securities of other Persons, evidences of indebtedness issued by the Company or other Persons, assets (excluding cash dividends) or options or rights not referred to in Article 22.8(a) above, then, in each such case for the purpose of this Article 22.10, the A1 Preference Holders shall be entitled to a proportionate share of any such distribution as though they were the holders of the number Equity Shares into which their Series A1 CCPS are convertible as of the record date fixed for the determination of the holders of Equity Shares entitled to receive such distribution.
- 22.11. Reservation of Equity Shares Issuable Upon Conversion. The Company shall at all times reserve and keep available out of its authorized but unissued Equity Shares, solely for the purpose of effecting the conversion of the Series A1 CCPS, such number of its Equity Shares as shall from time to time be sufficient to effect the conversion of all outstanding Series A1 CCPS; and if at any time the number of authorized but unissued Equity Shares shall not be sufficient to effect the conversion of all then outstanding Series A1 CCPS, in addition to such other remedies as shall be available to the A1 Preference Holder, the Company shall take such corporate action as may be necessary to increase its authorized but unissued Equity Shares to such number of shares as shall be sufficient for such purposes, including, without limitation, to obtain the requisite shareholder approval of any necessary amendment to the Articles.
- 22.12. Waiver of Adjustment to Conversion Price. Notwithstanding anything herein to the contrary, any downward adjustment of the Series A1 Conversion Price may be waived, either prospectively or retroactively and either generally or in a particular instance, by the written consent or vote of the Investor. Any such waiver shall bind all future holders of Series A1 CCPS.

XXVII - TERMS OF SERIES A2 CCPS

23. Status of CCPS

Unless specifically agreed to by the A2 Preference Holder in writing, the Series A2 CCPS shall rank senior to the Equity Shares and other preference shares at all times and in all events. It is hereby clarified that Series A2 CCPS shall rank *pari passu* with Series A CCPS and the Series A1 CCPS at all times and in all events.

22.1 Voting Rights

The voting rights in respect of the Series A2 CCPS shall be governed by Article XXXVIII – 37.7, as if each time the term “*Series A CCPS*” has been used in such Article XXXVIII – 37.7 shall mean reference to the term “*Series A2 CCPS*” as well.

22.2 Term

In the event that, for any reason whatsoever, the conversion of the Series A2 CCPS does not occur in the manner set forth herein, each Series A2 CCPS shall have a term of twenty (20) years.

22.3 Dividends

22.3.1 Subject to applicable Law, each holder of Series A2 CCPS (a “**A2 Preference Holder**”) shall be entitled to receive a dividend at the rate of 0.001% of the face value per annum on each Series A2 CCPS held by such holder, payable when, as and if declared by the Board of the Company. Except to any other Equity Security issued in future and which ranks higher in priority than the Series A2 CCPS, no dividend or distribution may be paid to, or set aside for any other Shareholder unless dividend hereunder is paid to the holders of Series A2 CCPS.

22.3.2 Further, subject to applicable Law, after the payment of the dividend specified above, any additional dividends shall be distributed to all Shareholders in proportion to the number of Equity Shares held by each Shareholder on a Fully Diluted Basis (which for the avoidance of doubt, includes the Investor assuming conversion of the Series A2 CCPS).

22.3.3 No dividend or distribution shall be paid on any share of any class or series of the Company if and to the extent that as a consequence of such dividend or distribution holders of Series A2 CCPS would be entitled to a dividend hereunder greater than the maximum amount permitted to be paid in respect of preference shares of an Indian company held by a non-resident under applicable Laws (including without limitation, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India), Regulations, 2000).

22.4 Conversion of the Series A2 CCPS.

22.4.1 Conversion Right. Each A2 Preference Holder shall have the right to require the Company to convert all or a part of such Series A2 CCPS held by them into such number of fully paid Equity Shares equal to the Series A2 Original Issue Price divided by the Series A2 Conversion Price (as defined below) then in effect (the conversion ratio for the Series A2 CCPS is referred to herein as the “**A2 Conversion Ratio**”), in accordance with the terms of these Articles (the “**A2 Conversion Right**”) at any time before the conversion of the Series A2 CCPS is carried out under Article 22.4.2 below. The A2 Conversion Ratio shall initially be 1:1, until adjusted in accordance with Article 22.4.8 below and Article 33.

22.4.2 Mandatory Conversion. The Company shall mandatorily convert each Series A2 CCPS into Equity Shares at the A2 Conversion Ratio then in effect upon the earlier of (i) immediately prior to the filing of a red herring prospectus in relation to any IPO (approved by the Investor) or any proposed QIPO, or (ii) the

issuance of an A2 Conversion Notice in terms of Article 23.4.3 below or (iii) transfer of Offered Securities by the Investor to a Competitor in terms of Article 30.5 below. Notwithstanding the foregoing, each Series A2 CCPS shall mandatorily convert into Equity Shares at the A2 Conversion Ratio then in effect one day prior to the expiry of the twentieth anniversary of the date on which the Series A2 CCPS were first issued by the Company.

22.4.3 Exercise of A2 Conversion Right and procedure for conversion. An A2 Preference Holder may exercise the A2 Conversion Right by (a) delivering a written notice (a “**A2 Conversion Notice**”) to the Company of its intention to so convert Series A2 CCPS held by such A2 Preference Holder into Equity Shares and (b) surrendering the relevant share certificates representing such Series A2 CCPS at the office of the Company together with the A2 Conversion Notice. If the Equity Shares are to be issued in dematerialized form, the A2 Preference Holder shall also provide standard information required to allow the Company to issue such shares in dematerialized form. The A2 Conversion Notice shall specify the number of Series A2 CCPS that such A2 Preference Holder elects to convert (such Series A2 CCPS referred to as the “**Relevant A2 CCPS**”) and state therein the name or names of any nominee for such A2 Preference Holder in which the certificate or certificates for Equity Shares are to be issued and whether or not such Equity Shares are to be issued in physical form or dematerialized form.

22.4.4 As soon as reasonably practicable, but in no event later than 7 (seven) Business Days from the date of the A2 Conversion Notice, the Company shall take all necessary corporate actions and obtain all necessary Consents and issue the appropriate number of Equity Shares into which the Relevant A2 CCPS are convertible at the A2 Conversion Ratio then in effect. Not later than the 7th (seventh) Business Day from the date of the A2 Conversion Notice, the Company shall deliver to such A2 Preference Holder:

- (a) duly stamped and executed share certificates with respect to the A2 Conversion Shares issued on conversion of the Relevant A2 CCPS;
- (b) certified true copies of all filings necessary to effect and validate the issue of the A2 Conversion Shares, including Form PAS-3;
- (c) certified true copy of the register of members of the Company showing the A2 Preference Holder as the registered owner of the A2 Conversion Shares;
- (d) duly acknowledged copies of all intimations and filings made by the Company with the RBI in respect of the conversion of the Series A2 CCPS and issue of Equity Shares in lieu thereof; and
- (e) in the event that the A2 Preference Holder has requested in the A2 Conversion Notice or otherwise in writing to the Company and has provided all required information to the Company to hold the converted Equity Shares in a dematerialized form, evidence that such Equity Shares have been deposited in the account of such A2

Preference Holder or to the nominee or nominees of such A2 Preference Holder previously identified to the Company in writing accompanied with a beneficiary position statement issued by the concerned depository.

22.4.5 Procedure for Mandatory Conversion. In the case of a mandatory conversion of Series A2 CCPS pursuant to Article 22.4.2 hereinabove, the Company shall take all necessary corporate and other actions and obtain all Consents on or prior to the date of conversion, and shall provide the documents/ information listed in sub-Articles (a), (b), (c), (d) and (e) of Article 22.4.5 to the A2 Preference Holder on the date of conversion of the Series A2 CCPS.

22.4.6 No Fractional Shares. No fractional A2 Conversion Shares shall be issued upon conversion of Series A2 CCPS. If the computation of the number of A2 Conversion Shares to be issued, results in a fraction, then the number of A2 Conversion Shares shall be rounded down to the nearest whole number.

22.4.7 Conversion Price. The “**Series A2 Conversion Price**” for the Series A2 CCPS shall initially be equal to the Series A2 Original Issue Price and, subject to applicable Law, shall be adjusted in accordance with Article 22.4.8 below and Article 33. It is clarified that any adjustment of the Series A2 Conversion Price and A2 Conversion Ratio shall not automatically result in conversion of the Series A2 CCPS. In the event of any adjustment to the Series A2 Conversion Price and the A2 Conversion Ratio of the Series A2 CCPS, the Company, at its expense, shall promptly compute such adjustment and inform the holders of Series A2 CCPS of the details of such adjustment in writing. The Company shall upon the written request at any time of any A2 Preference Holder furnish or cause to be furnished to such holder a certificate setting forth (A) such adjustment, (B) the Series A2 Conversion Price and A2 Conversion Ratio at the time in effect, and (C) the number of Equity Shares and the amount, if any, of other property that at the time would be received upon the conversion of Series A2 CCPS.

22.4.8 Conversion Price and Conversion Ratio Adjustments for Certain Dilutive Issuances, Splits and Combinations. The Series A2 Conversion Price and A2 Conversion Ratio shall be subject to adjustment from time to time as follows:

- (a) Adjustments for Dilutive Issuances. If at any time after the Tranche III Closing Date, the Company issues to any Person any Equity Securities (other than pursuant to an Exempted Issuance), at a price per security that is lower than the Series A2 Conversion Price in effect immediately prior to such issuance (a “**A2 Dilutive Issuance**”), then the holders of Series A2 CCPS shall be entitled to a broad-based weighted average anti-dilution protection in accordance with Article 33.2. In such an event, the Company and the other Shareholders shall be bound to cooperate with the holders of Series A2 CCPS and the Company such that, the Company forthwith takes all necessary steps to adjust the Series A2 Conversion Price and A2 Conversion Ratio in accordance with Article 33.2. Notwithstanding the foregoing, if the adjustment set forth in this Article 22.4.8 is not permitted

to be made, in whole or in part, under applicable Law, the Parties shall take all necessary acts to put the A2 Preference Holder in the position that they would have been if such adjustment to the Series A2 Conversion Price had been made, including potentially the issuance of new Equity Shares to the A2 Preference Holder, or an Affiliate or designated nominee of a A2 Preference Holder, whereby the A2 Preference Holder, or such Affiliate or designated nominee thereof, are not required to pay any additional amounts for the issuance of such new Equity Shares, if permitted by applicable Law.

- (b) In the event the Company should at any time or from time to time after the Tranche III Closing Date fix a record date for the effectuation of a split or subdivision of the outstanding Equity Shares or the determination of holders of Equity Shares entitled to receive a dividend or other distribution payable in additional Equity Shares or other securities or rights convertible into, or entitling the holder thereof to receive directly or indirectly, additional Equity Shares (hereinafter referred to as “**A2 Equity Share Equivalents**”) without payment of any consideration by such holder for the additional Equity Shares or the A2 Equity Share Equivalents (including the additional Equity Shares issuable upon conversion or exercise thereof), then, as of such record date (or the date of such dividend distribution, split or subdivision if no record date is fixed), the Series A2 Conversion Price and A2 Conversion Ratio shall be appropriately decreased so that the number of Equity Shares issuable on conversion of each Series A2 CCPS shall be increased in proportion to such increase of the aggregate of Equity Shares outstanding and those issuable with respect to such A2 Equity Share Equivalents.
- (c) If the number of Equity Shares outstanding at any time after the Tranche III Closing Date is decreased by a combination or consolidation (reverse stock split) of the outstanding Equity Shares, then, following the record date of such combination or consolidation (reverse stock split), the Series A2 Conversion Price and A2 Conversion Ratio shall be appropriately increased so that the number of Equity Shares issuable on conversion of each Series A2 CCPS shall be decreased in proportion to such decrease in outstanding Equity Shares.
- (d) Subject to the provisions of Clause 12.3 of the SSA, the A2 Conversion Ratio of the Series A2 CCPS may be adjusted at the option of the Indemnified Party, on the basis of the Fair Market Value, such that the number of A2 Conversion Shares increases to make good the Indemnity Amount (as defined in Clause 12.2 of the SSA) payable to the Indemnified Party (“**A2 Indemnity Conversion Ratio**”). Provided however that, in the event the Indemnifying Party pays the Indemnity Amount or part thereof, to the Indemnified Party, the A2 Indemnity Conversion Ratio shall be readjusted such that the number of A2 Conversion Shares is reduced to the extent of the Indemnity Amount (or part thereof), paid to the Indemnified Party. Provided further that, at the time of exit of the Investor in accordance with the terms of the Agreement

and the Articles, if the value received by the Investor as a consequence of the exit (“**A2 Exit Value**”) and in respect of the A2 Conversion Shares (reckoned as a result of the adjustment of the A2 Conversion Ratio) is greater than the Indemnity Amount, the Investor shall transfer to the Promoters, such number of Investor Shares representing the difference between the A2 Exit Value of the A2 Conversion Shares and the Indemnity Amount. Any Tax liability associated with any such adjustment shall be borne by the Investor.

- (e) The A2 Conversion Ratio of the Series A2 CCPS shall also be adjusted at the time of allocation / issuance of any Equity Shares pursuant to the Agreed ESOP by the Company, the intention being that upon allocation / issuance of Equity Securities under the Agreed ESOP, the Investor shall not be diluted and the A2 Conversion Shares to be issued at the time of conversion are increased to the extent of Equity Securities allocated / issued under the Agreed ESOP.
- (f) The Conversion Ratio of the Series A2 CCPS shall be adjusted in respect of amounts receivable by CES-FZE, in accordance with the provisions of the Agreement.
- (g) The A2 Conversion Ratio of the Series A2 CCPS may be adjusted at the option of the holder of the Series A2 CCPS upon the occurrence of a Liquidity Event in accordance with the formula provided in Clause 3C (a) of the Agreement and Article 22A (c) of these Articles.
- (h) The A2 Conversion Ratio of the Series A2 CCPS may be adjusted at the option of the holder of the Series A2 CCPS upon the occurrence of a Liquidation Event in accordance with the formula provided in Clause 3C (b) of the Agreement and Article 22A (b) of these Articles.
- (i) The adjustments under this Article 22.4.8 shall not be mutually exclusive.

22.4.9 Conversion Cost. The Company shall bear all expenses arising from the conversion of the Series A2 CCPS as set out in this Article 22, including *inter alia*, any stamp duty applicable on the issuance of share certificates subsequent to conversion of the Series A2 CCPS.

22.4.10 Other Distributions. In the event the Company declares a distribution payable in securities of other Persons, evidences of indebtedness issued by the Company or other Persons, assets (excluding cash dividends) or options or rights not referred to in Article 22.4.8 (a) above, then, in each such case for the purpose of this Article 22.4.10, the A2 Preference Holders shall be entitled to a proportionate share of any such distribution as though they were the holders of the number Equity Shares into which their Series A2 CCPS are convertible as

of the record date fixed for the determination of the holders of Equity Shares entitled to receive such distribution.

22.4.11 Reservation of Equity Shares issuable Upon Conversion. The Company shall at all times reserve and keep available out of its authorized but unissued Equity Shares, solely for the purpose of effecting the conversion of the Series A2 CCPS, such number of its Equity Shares as shall from time to time be sufficient to effect the conversion of all outstanding Series A2 CCPS; and if at any time the number of authorized but unissued Equity Shares shall not be sufficient to effect the conversion of all then outstanding Series A2 CCPS, in addition to such other remedies as shall be available to the A2 Preference Holder, the Company shall take such corporate action as may be necessary to increase its authorized but unissued Equity Shares to such number of shares as shall be sufficient for such purposes, including, without limitation, to obtain the requisite shareholder approval of any necessary amendment to the Articles.

22.4.12 Waiver of Adjustment to Conversion Price. Notwithstanding anything herein to the contrary, any downward adjustment of the Series A2 Conversion Price may be waived, either prospectively or retroactively and either generally or in a particular instance, by the written consent or vote of the Investor. Any such waiver shall bind all future holders of Series A2 CCPS.

22A. Notwithstanding anything contained in these Articles:

(a). The Conversion Ratio of the combined Series A CCPS, Series A1 CCPS and Series A2 CCPS may be adjusted at the option of the holder of the CCPS upon the occurrence of a Liquidity Event in accordance with the formula and illustration thereof as stated below:

Conversion Ratio =

$$\frac{[(\text{Total no. of Equity Shares of the Company}) * \text{Investor's Proposed Shareholding} - \text{Existing Equity Shares held by the Investor}] / (1 - \text{Investor's Proposed Shareholding})}{\text{No. of CCPS held by the Investor}}$$

No. of CCPS held by the Investor

Where,

Investor's Proposed Shareholding = (Investment Amount * 2) / Fair Market Value of the Company as on the date of conversion

(b). The Conversion Ratio of the combined Series A CCPS, Series A1 CCPS and Series A2 CCPS may be adjusted at the option of the holder of the CCPS upon the occurrence of a Liquidation Event in accordance with the formula and illustration thereof as stated below:

Conversion Ratio =

[(Total no. of Equity Shares of the Company) * Investor's Proposed Shareholding
– Existing Equity Shares held by the Investor] / (1 – Investor's Proposed
Shareholding)

No. of CCPS held by the Investor

Where,

Investor's Proposed Shareholding = (Investment Amount) / Total liquidation equity valuation of the Company as on the date of conversion

- (c). The adjustments under this Article shall not be mutually exclusive.

XXVIII - PRE-EMPTIVE RIGHT OF THE INVESTOR

24. Pre-emptive Right of the Investor

- 24.1. The Shareholders shall have a pre-emptive right of subscription (“**Pre-Emptive Right**”) in the event that the Company proposes to undertake any issuance of Equity Securities other than the Exempted Issuances (an “**Issuance**”). A Shareholder shall be entitled to apportion the Pre-Emptive Right hereby granted among itself and its Affiliates in such proportions as it deems appropriate, in which case the Affiliate of the Promoters shall be deemed to be a Promoter for the purposes of the Agreement and the Articles.
- 24.2. If undertaking an Issuance, the Company shall issue a written notice to the Shareholders (“**Issuance Notice**”) setting forth in detail (a) the terms of the proposed issuance, including the proposed issuance price (“**Issuance Price**”), (b) the date of closing of the proposed Issuance (which shall not be less than thirty (30) days from the date of receipt of the Issuance Notice) and (c) the number of Equity Securities proposed to be issued (the “**New Securities**”).
- 24.3. If a Shareholder wishes to exercise its Pre-emptive Right, then within 30 (thirty) Business Days from the delivery of the Issuance Notice, it/ he shall deliver a written notice to the Company, communicating its/ his intention to subscribe, at the price and on the terms specified in the Issuance Notice, up to that portion of such New Securities that equals the proportion that the number of Equity Securities held by such Shareholder (calculated on a Fully-Diluted Basis) bears to the total number of Equity Securities then outstanding (calculated on a Fully-Diluted Basis). In the event that a Shareholder (a “**Non-Participating Shareholder**”) is unable to, or does not, for any reason whatsoever, (i) subscribe to its entitlement of the Issuance; and / or (ii) respond within 30 (thirty) Business Days from the delivery of Issuance Notice, then the other Shareholders (each a “**Participating Shareholder**”) shall be entitled, by issue of a notice to the Company and the Non-Participating Shareholder, to subscribe either directly or through any of their Affiliates to the unsubscribed Equity Securities of the Issuance in proportion to their shareholding in the Company. In such case, the

shareholding of the Non-Participating Shareholder in the Company shall stand diluted to the extent mentioned above.

- 24.4. If all New Securities that the Shareholder is entitled to obtain pursuant to Article 24.3 above are not elected to be obtained as provided in Article 24.3, then the Board of the Company may, subject to the prior written consent of the Investor, during the ninety (90) day period following the expiration of the period provided in Article 24.3 hereof, offer the remaining unsubscribed portion of such New Securities to any Person or Persons at a price not less than that, and upon terms no more favorable to the offeree than those, specified in the Issuance Notice. If the Company does not enter into an agreement for the issuance of the New Securities within such period, or if such agreement is not consummated within sixty (60) days of the execution thereof, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Investor in accordance with this Article 24.

XXIX - CALLS ON SHARES / DEBENTURES

25. Calls on Shares/Debentures

- 25.1. The Board of Director may subject to the provisions of Section 49 of the Act from time to time to make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each members shall pay the amount of every call so made on him to the person and at the time and place appointed by the Directors. A call may be made payable by installments.
- 25.2. A call shall be deemed to have been made at the time when the resolution of the Board authorizing such call was passed.
- 25.3. Joint-holder of shares shall be jointly as well as severally liable for calls made on shares held by them.
- 25.4. No call shall exceed one fourth of the nominal amount of a share and be made payable within one month after the last preceding call was payable.
- 25.5. Not less than fourteen days' notice on any call shall be given specifying the time and place of payment and to whom such call be paid.
- 25.6. The Board may, if they think fit, receive from any member willing to advance the same, all or any part of the monies uncalled upon any shares held by him even if no part of the amount is called up, and upon all or any of the monies so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding 12% per annum without the sanction of the Company in the general meeting) as may be agreed upon between the member paying the sum in advance and the Board. Moneys paid in advance of calls shall not, in respect thereof, confer a right to vote or to dividend or to participate in profits. The Directors may at any time repay the amount so advanced upon giving to such member 3 (three) Months' notice in

writing. 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.

26. Payment in anticipation of call may carry interest

- (d) The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board agree upon in accordance with the provisions of the Act, provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.
- (e) No Shareholder shall be entitled to voting rights in respect of the money (ies) so paid by him until the same would but for such payment, become presently payable.
- (f) The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.

XXX - SECURITIES CERTIFICATE

27. Securities Certificate

- 27.1. The Company shall issue its securities in dematerialized form.
- 27.2. Unless the conditions of issue of any shares or debentures provide otherwise, the Company shall, within (i) 2 (two) Months after the allotment of any of its shares; (ii) within 1 (one) Month from the date of receipt of transfer request from the Depository Participant or, as the case may be, of the intimation of transmission, credit the shares to the holders demat accounts as the case may be in accordance with the provisions of the applicable laws for the time being in force.
- 27.3. In case the law permits issue physical issue of shares, every certificate shall be under the Seal of the Company and shall specify the share to which it relates and amount paid thereon, and shall bear signature of at least two directors of the Company, and the secretary of the company or any person authorized by the Board of Directors in this regard.
- (d) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate, within a period of 30 days from the receipt of such lodgement. Every certificate under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rupees two for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for

issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof In this behalf.

The provision of this Article shall mutatis mutandis apply to debentures of the company.

- 27.4. In respect of share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery and certificate for all securities to one of several joint shall be sufficient delivery to all such security holders.
- 27.5. The Company shall observe rules and conditions as may be prescribed under the Act and the Companies (Shares and Debentures) Rules, 2014 for renewal of security certificates or issue of duplicate security certificates.

XXXI - FORFEITURE OF SHARES

28. Forfeiture of Shares

- 28.1. If a member fails to pay any call within the time allowed by the Board of Directors at the time of making a call or subsequently, the Board may issue final notice naming a further date (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made and if the calls remain unpaid till then, the shares may be subject to forfeiture without further notice. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
- 28.2. Forfeited shares may be restored to the holder thereof on payment of the call money in full, before the forfeited shares are sold to other member of members of the Company or otherwise disposed of.
- 28.3. 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 existing members or to any other person upon such terms and conditions and in such manner as the Board shall think fit.
- 28.4. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall notwithstanding the forfeiture, be liable to pay to the Company all moneys, which at the time of forfeiture were presently payable by him to the Company in respect of the share.
- 28.5. The Company may receive the consideration, if any, given for the shares on any sale or disposal thereof and may execute a transfer of the share in favour of the person to

whom the share is sold or disposed of. The transfer thereupon shall be registered as the holder share shares.

- 28.6. 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 thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any Shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such Shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by applicable Law.

XXXII - TRANSFER OF SHARES

29. **General.** Transfer of any Equity Securities by any Shareholder must comply with the provisions of Article 29 and Article 30 and the Company shall not record or register any Transfer that does not satisfy the provisions of Article 29 and Article 30. Any attempt by any Shareholder to Transfer its Equity Securities in contravention of the provisions contained herein shall be considered void and invalid. A common form of transfer should be used.

30. **Conditions on Transfers**

30.1. **Lock-in of Promoter Shares.**

Without limiting any other provision of these Articles, till the consummation of the exit of Investor in accordance with Article 43 of these Articles, the Promoters will not Transfer, or cause to be Transferred, any Equity Securities in the Company, or otherwise achieve or cause to be achieved any liquidity with respect to any Equity Securities of the Company held directly or indirectly by them in the Company and its Subsidiaries, without the prior written consent of the Investor. Should the Investor consent to such Transfer, the same shall be in accordance with and subject to the provisions of these Articles and the Agreement. Provided however that, in the event the Promoters desire to conduct an estate planning of their respective assets, they shall be permitted to Transfer up to 15% (fifteen percent) of their aggregate shareholding in the Company cumulatively to a trust for the benefit of the legal heirs of the Promoters, subject to the trustee of such trust executing a Deed of Adherence. Provided further that the Promoters shall also be permitted to transfer their shareholding in the Company during the lock-in period in the following circumstances:

- (a) Encumbrance for the purpose of availing any borrowings by the Company as part of the approved Business Plan and approved in accordance with the terms of the Agreement and the Articles;
- (b) a re-organization, consolidation, spin-off, merger, acquisition or other similar transaction by the Company and/or Subsidiaries approved in accordance with the terms of the Agreement and the Articles; and
- (c) any transmission of shares by operation of Law.

30.2. **Right of First Offer.**

- (a) Subject to Article 30.1 above (Lock-in of Promoter Shares) and Article 30.5 (Right of First Refusal) below, if any Shareholder (“**Transferring Party**”) proposes to Transfer within 60 (sixty) months from the Closing Date, any or all of the Equity Securities held by such Transferring Party in the Company to a Third Party (other than a Competitor), then the Transferring Party shall first offer all but not less than all of the Equity Securities held by it (“**ROFO Securities**”) to the other Shareholders (“**Non-Transferring Party**”) (such a right being referred to as “**Right of First Offer**”). Such Right of First Offer shall be exercisable in the manner set out below. Any right/ action under this Article 30.2 to be exercised by the Promoters as a Non-Transferring Party shall be exercised by the Promoters as a block and not by each Promoter separately or independently.
- (b) The Transferring Party shall issue a written notice (“**ROFO Notice**”) to the Non Transferring Party stating therein: (a) the name of the Transferring Party, (b) its/ his intention to sell the ROFO Securities, and (c) the number of Equity Securities held by the Transferring Party in the Company as on the date of such ROFO Notice.
- (c) Within a period of 60 (sixty) calendar days from the date of receipt of the ROFO Notice, the Non Transferring Party shall be entitled to respond to the ROFO Notice in writing (such notice, an “**Offer Response Notice**”) indicating its acceptance, the price offered for such ROFO Securities (“**Offer Price**”) and reasonable documentary evidence to display availability of, or accessibility to, requisite funds with the Non-Transferring Party for the purchase of ROFO Securities.
- (d) Within 15 (Fifteen) Business Days after receipt of the Offer Response Notice, the Transferring Party shall provide a written notice to the Non-Transferring Party, either accepting or rejecting the Offer Price (“**ROFO Acceptance Notice**”). If the ROFO Acceptance Notice is not provided within aforementioned time then the ROFO Notice shall be deemed to have been rejected. If the Offer Price is accepted, the Transferring Party shall consequently Transfer the ROFO Securities to the Non-Transferring Party within 90 (ninety) calendar days from the date of the ROFO Acceptance Notice. If the Non-Transferring Party has rejected the offer set forth in the ROFO Notice or if the Offer Price is rejected by the Transferring Party, the Transferring Party shall be entitled to Transfer the ROFO Securities to a Third Party within a period of 90 (ninety) calendar days from the date of Offer Response Notice of ROFO Acceptance Notice as the case may be (“**Offer Period**”), subject to the provisions of Article 30.3 (Tag-Along Right) and provided (i) the Transferring Party shall not offer the ROFO Securities to a Third Party at a price lesser than the Offer Price and/or on terms which are more favourable to the Third Party as compared to the terms offered by the Non-Transferring Party; and (ii) such Third Party buyer executes a Deed of Adherence agreeing to abide by the terms and conditions of the Agreement.

For the avoidance of doubt, the Third Party referred to in this Article 30.2 shall not include a Competitor.

- (e) The Offer Period shall be extended to the extent required to obtain approval(s), required if any, under the applicable Law. The Transfer of the ROFO Securities as per applicable Law (including delivery of share certificates, etc.) and the payment of the Offer Price for the ROFO Securities shall occur simultaneously. The Transferring Party shall provide customary representations and warranties with respect to title of the ROFO Securities (including that the title is free from all Encumbrances) and authority to sell.
- (f) Each Party shall bear its own costs and expenses incurred in connection with the exercise of Right of First Offer provided to such Party under this Article 30.2. All stamp duty and other transfer Taxes in relation to the Transfer of the ROFO Securities to the Non Transferring Party (other than those in nature of capital gains tax) shall be borne by the Company.
- (g) In the event that such Transfer is not consummated within the Offer Period, the Transferring Party shall not be permitted to sell the ROFO Securities pursuant to this Article 30.2 without again complying with each of the requirements of this Article 30.2.
- (h) The Non Transferring Party shall be entitled to nominate any of its Affiliates, at its sole discretion, to acquire/ hold the ROFO Securities pursuant to the provisions of this Article 30.2.

30.3. **Tag Along Rights.**

- (a) If the Non-Transferring Party is the Investor and the Investor does not intend to exercise the Right of First Offer under Article 30.2 above (“**Non ROFO Exercising Party**”) or does not respond to the ROFO Notice within a period of 60 (sixty) calendar days from the date of receipt of the ROFO Notice, the Transferring Party being the Promoters in this case, shall deliver a written notice to the Non ROFO Exercising Party (“**Sale Notice**”) stating: (a) that it/ they intend to Transfer the ROFO Securities (“**Sale Securities**”) to a Third Party (the “**Proposed Buyer**”); (b) the name of the Proposed Buyer; (c) the price and the key terms and conditions on which the Sale Securities are proposed to be Transferred to the Proposed Buyer; and (d) the number of Sale Securities proposed to be Transferred to the Proposed Buyer. Any right/ action under this Article 30.3 to be exercised by the Promoters shall be exercised by the Promoters as a block and not by each Promoter separately / independently.
- (b) Subject to the provisions of this Article 30.3, within a period of 15 (Fifteen) calendar days from the date of receipt of the Sale Notice (“**Tag Exercise Period**”), the Non ROFO Exercising Party (“**Tag Along Party**”), shall have the right (but not the obligation), (“**Tag Along Right**”) to offer all or part of the Equity Securities held by the Tag Along Party to the Proposed Buyer (“**Tag Securities**”) and at a price and on terms and conditions no less favourable than

those offered to the Transferring Party by the Proposed Buyer by intimating the Transferring Party in writing (“**Tag Along Notice**”). The Parties agree that the Tag Along Right under this Article 30.3 is only a right of the Investor and shall not be available to the Promoters. The number of Tag Securities shall not exceed the product of the total number of Equity Securities held by the Tag Along Party on a Fully Diluted Basis and the fraction, the numerator of which shall be number of Sale Securities proposed to be transferred by the Transferring Party and the denominator of which shall be the total number of Equity Securities outstanding in the Company on a Fully Diluted Basis. Provided however that, where the Transferring Party is the Promoters (acting as block) and such Transfer results in a change of control, the Investor shall be entitled to Transfer all of their Equity Securities to the Proposed Buyer.

- (c) If the Tag Along Party has exercised its Tag Along Right by sending a Tag Along Notice to the Transferring Party, within the Tag Exercise Period, the Transferring Party shall intimate this to the Proposed Buyer. If the Proposed Buyer is willing to purchase all the Tag Securities, then the Transferring Party, the Tag Along Party and the Proposed Buyer shall complete the transfer of all the Sale Securities and Tag Securities, at the price and on the terms and conditions as mentioned in the Sale Notice. If, however, the Proposed Buyer cannot or is not willing to purchase all of the Tag Securities, then the Transferring Party shall not be entitled to transfer the Sale Securities to the Proposed Buyer and such Transferring Party shall be obligated to follow the procedure set out in Article 30.2 (Right of First Offer) and this Article 30.3 for any subsequent sale of any securities held by the Transferring Party.
- (d) In the event the Non ROFO Exercising Party does not exercise its Tag Along Right within the Tag Exercise Period, then the Transferring Party shall be entitled to Transfer all but not less than all of the Sale Securities to the Proposed Buyer on the terms set out in the Sale Notice, within a period of 90 (ninety) calendar days from the date of expiry of the Tag Exercise Period (“**Sale Period**”). The Sale Period shall be extended to the extent required to obtain approval(s), required if any, under the applicable Law.
- (e) In the event that the Transferring Party is unable to Transfer the Sale Securities within the Sale Period (including any period extended in accordance with Article 30.3(d)), then such Transferring Party shall be obligated to follow the procedure set out in Articles 30.2 and this Article 30.3 for any subsequent sale of any securities held by the Transferring Party.

30.4. Limitations to Rights of First Offer and Tag-Along Right. Notwithstanding the provisions of Articles 30.2 and 30.3, the Right of First Offer and the Tag-Along Right of the Investor shall not apply to any sale of Equity Securities to the public pursuant to an IPO (including a QIPO).

30.5. **Right of First Refusal**

- (a) In the event the Investor proposes to Transfer any Equity Securities of the Company to a Competitor within 60 (sixty) months from the Closing Date (in each case “**ROFR Sale Period**”), then the Investor shall give to the Promoters, a written notice of the Investor’s intention to make the Transfer accompanied by the term sheet or letter of intent provided by the Competitor recording the proposed terms of such Transfer (the “**ROFR Notice**”). The ROFR Notice shall include (i) a description of the Equity Securities to be transferred (the “**Offered Securities**”), (ii) the name(s) and address(es) of the Competitor, and (iii) the purchase price proposed to be paid for the Offered Securities.
- (b) If the Promoters intend to purchase the Offered Securities, the Promoters may respond to the ROFR Notice indicating their acceptance to purchase the Offered Securities by themselves, along with reasonable documentary evidence to display availability of, or accessibility to, requisite funds with the Promoters for the purchase of Offered Securities (“**Exercise Notice**”) within 30 (Thirty) calendar days of the receipt of the ROFR Notice (“**ROFR Exercise Period**”).
- (c) Within 30 (thirty) calendar days from the date of dispatch of the Exercise Notice, (“**ROFR Confirmation Period**”), the Promoters shall have the right to provide to the Investor, confirmation of the Promoters’ willingness to purchase the Offered Securities (“**ROFR Confirmation Notice**”).
- (d) Within 60 (Sixty) calendar days of dispatch of the ROFR Confirmation Notice (“**Purchase Period**”), the Promoters shall be obligated to purchase the Offered Securities from the Investor and the Investor shall be obligated to Transfer the Offered Securities to the Promoters. Any transfer of the Offered Securities to the Promoters shall be completed within the Purchase Period. In case of failure of the Promoters to purchase the Offered Securities within the Purchase Period, the Investor shall have the right to either sell the Offered Securities in accordance with Article 30.5(e) hereinbelow, or trigger an Event of Default whereupon the Drag Right as provided under the provisions of Article 45.2 shall apply. If and only if the Offered Securities constitute all of the Equity Securities held by the Investor, then the Promoters shall have the right to purchase such Offered Securities through its nominee.
- (e) If (i) the Promoters do not deliver the Exercise Notice within the ROFR Exercise Period; or (ii) the Promoters do not deliver the ROFR Confirmation Notice within the ROFR Confirmation Period; or (iii) the Promoters deliver the ROFR Confirmation Notice, but fail to purchase the Offered Securities within the Purchase Period (either through themselves or through any Third Party or nominee), then the Investor shall have 90 (ninety) calendar days from the expiry of the ROFR Exercise Period or the Purchase Period, as the case may be (“**Free Sale Period**”), within which it can transfer the Offered Securities on the terms set out to the relevant transferee stated in the ROFR Notice.

- (f) Notwithstanding the above, if the Offered Securities are Transferred to a Competitor prior to expiry of 60 (sixty) months from the Closing Date, such Competitor shall not be entitled to exercise the following rights under the Agreement:
 - (i) Pre-emptive right (Article 24);
 - (ii) Reserved Matter in respect of any amendment to the Articles that may adversely affect the rights of such Competitor.

- 30.6. Transfer to Competitor. In case of any Transfer of Equity Securities by the Investor to a Competitor after the expiry of 60 (sixty) months from the Closing Date, the Competitor shall be entitled to all the rights (except rights relating to exit under Article 43) of the Investor under the Agreement.

- 30.7. Prior to the transfer of Offered Securities by the Investor to the Competitor in accordance with the provisions of Article 30.5, all the Offered Securities shall first automatically and mandatorily convert into Equity Shares of the Company in accordance with provisions of Article 17.2 and Article 17.5 and the Equity Shares into which the Offered Shares are converted shall then be transferred to the Competitor.

- 30.8. Transfer to Affiliates. The Investor shall be permitted to Transfer their Equity Securities to any of its Affiliates without complying with provisions of this Article 30, provided that such Affiliate executes the Deed of Adherence.

- 30.9. Consents. The purchase or sale/Transfer under this Article 30 shall be subject to the necessary Consents being obtained. The Company and the Transferring Party, shall each use their best endeavors to obtain the necessary Consents. Time periods specified in this Article 30 shall be extended by the time taken to obtain necessary Consents.

- 30.10. **Director's powers to refuse to register a transfer.** Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a Shareholder in the Company. The Company shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the Person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares.

Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason

for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.

30.11. **Instrument of Transfer**

- (b) The instrument of transfer of any Share shall be in writing and all the provisions of the Act shall be duly complied with in respect of all transfer of Shares and registration thereof. The Company shall use the form of transfer, as prescribed under the Act, in all cases. In case of transfer of Shares, where the Company has not issued any certificates and where the Shares are held in dematerialised form, the provisions of the Depositories Act shall apply.

In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply. The Company shall cause to be kept a register and index of members / beneficial owners 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 beneficial owners / Register of Members, resident in that State or Country. The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Shareholders and Securityholders for the purposes of these Articles.

- (e) (i) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act.
- (ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.
- (f) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

XXXIII - TRANSMISSION OF SHARES/ DEBENTURE

31. **Transmission of Shares/Debentures**

- 31.1. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or the heir of the deceased or his legal representative shall be the persons recognized by the Company as having any title or interest in the shares/ debentures.
- 31.2. Nothing in Article 17.1 above, shall release the estate of a deceased joint holder from any liability in respect of any share/debenture which has been jointly held by him with other persons.

- 31.3. Any heir or successor being owner of the shares in consequence of the death of the member, upon such evidence being produced as may properly be required by the Board elect either (i) to register his or their names as the holders of the shares or (ii) to make arrangement to transfer of shares in the way as the deceased member could have made in accordance with the transfer clause of these Articles.
- 31.4. If the person or persons aforesaid shall elect to transfer the shares, he shall testify his election by executing a transfer of the share, in conformity with the transfer clause of these Articles.
- 31.5. A person becoming holder of share on such transmission, shall become member of the Company entitled to the same dividends and advantages as his predecessors would have otherwise enjoyed, but if he be a minor, lunatic or insolvent, he shall have no voting right.
- 31.6. The person so becoming entitled and willing to elect to be registered holder of the share shall deliver or send to the Company a notice in writing stating that he so elects.
- 31.7. The Board shall register his name in place of the deceased member.
- 31.8. If the persons aforesaid fails to elect either to be registered himself to transfer the share, the Board on having confirmation of the event of the death of the member shall serve a notice to person asking him to comply with the requirement within three months of the issue of the notice failing which Board may thereafter withhold payment of all dividends, bonuses or other money payable in respect of the share.
- 31.9. If nothing is done within three months, the Company shall issue a notice in the local newspaper asking the legal heirs or the legal representative of the deceased member whether to be registered as shareholders or to transfer the said shares in conformity with these Article three months thereafter, and if nothing is done within the said period, the shares shall be liable to forfeiture and the forfeiture clause of these Articles shall prevail. The forfeited shares may be re-issued to the member at the called up value of the shares and forfeited amount be transferred to the Capital Reserve Account or dealt with as the Board of Directors shall think fit.
- 31.10. The Company shall have a first and paramount lien on (i) every share, not being a fully paid share, for all moneys, whether presently payable or not, called or payable in respect of the share and (ii) on all shares, not being fully paid shares, standing in the name of any person, for all moneys, presently payable by him, provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of the clause.
- 31.11. The Company's lien, if any, on a share shall extend to all dividends payable thereon.
- 31.12. For the purpose of enforcing such lien as aforesaid the Directors may sell the Shares subject thereto in such manner as they shall think fit, but no sale shall be made:
 - (a) Unless a sum in respect of which the lien exists is presently payable; and

- (b) Until the expiration of seven days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists and as is presently payable, has been given to the registered holder for the time being of the Share or to the person entitled thereto by transmission, and default shall have been made by him in payment of the sum payable as aforesaid for seven days after such notice.

The residue, if any, shall be paid to the person entitled by transmission to the shares so sold at the date of the sale.

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

32. COMPANY'S LIEN:

iii. On shares:

- (f) The Company shall have a first and paramount lien:
 - (ii) on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share;

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

- (g) Company's lien, if any, on such partly paid shares, shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares.
- (h) Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The fully Paid up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed time in respect of such shares.
- (i) For the purpose of enforcing such lien, the Board may sell the shares, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

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

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue,

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

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

iv. On Debentures:

- (f) The Company shall have a first and paramount lien:
 - (ii) on every Debenture (not being a fully paid Debenture), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that Debenture;

Provided that the Board may, at any time, declare any Debentures wholly or in part to be exempt from the provisions of this Article.
- (g) Company's lien, if any, on the Debentures, shall extend to all interest and premium payable in respect of such Debentures.
- (h) Unless otherwise agreed, the registration of a transfer of Debentures shall operate as a waiver of the Company's lien, if any, on such Debentures. The fully paid up Debentures shall be free from all lien and that in case of partly paid Debentures, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such Debentures.
- (i) For the purpose of enforcing such lien, the Board may sell the Debentures, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such Debentures and may authorize the debenture trustee acting as trustee for the holders of Debentures or one of the holder of Debentures to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Debentures be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

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

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

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

XXXIV - ANTI-DILUTION

33. **Anti-dilution**

33.1. Subject to Article 38 (Reserved Matters), if at any time after the Closing Date, the Company issues to any Third Party, any Equity Securities, at a price per share that is lower than the price at which the Investor subscribed to the Series A CCPS (such an event being referred to as a “**Dilution Event**”), then the Investor shall be entitled to a broad-based weighted average anti-dilution protection in accordance with this Article 33.2 below simultaneously with such Dilution Event or at such other time as may be indicated by the Investor at the Investor’s sole option.

33.2. **Broad-Based Anti-Dilution Protection**

(a) Relevant Calculations:

(i) Determine Anti-dilution Price (i.e., Broad Based Weighted Average Share Price) in the following manner:

$$\frac{(\text{OS immediately prior to the Dilution Event} \times \text{Investor Price Per Share}) + \text{AC}}{\text{OS immediately following issuance}}$$

Where:

“OS” means the number of Equity Shares issued and outstanding on a Fully Diluted Basis,

“**Investor Price Per Share**” means the fraction, the numerator of which is the Investment Amount and the denominator of which is the total number of Investor Shares, and

“AC” means the aggregate consideration to be received by the Company in connection with the new issuance.

(ii) Determine number of Equity Shares that Investor would have received if the Investor had paid the Anti-dilution Price for the Equity Shares or Equity Securities convertible into Equity Shares subscribed by it, by dividing the aggregate consideration paid by Investor pursuant to the Share Subscription Agreement by the Anti-dilution Price.

(iii) The number of additional Equity Shares or instruments/ Equity Securities convertible into Equity Shares to be issued to the Investor (i.e., Additional Securities) shall equal the number of Equity Shares or instruments/ Equity Securities convertible into Equity Shares that Investor would have received as determined pursuant to II above minus the number of Equity Shares or instruments/ Equity Securities convertible into Equity Shares actually held by the Investor.

- (b) In performing the foregoing calculations, the following provisions shall be applicable:
- (i) In a Dilution Event, in the case of the new issuance being for cash, the aggregate consideration shall be deemed to be the amount of cash paid therefor before deducting therefrom any discounts, commissions or placement fees payable by the Company to any underwriter or placement agent in connection with the issuance and sale thereof.
 - (ii) In a Dilution Event, in the case of the new issuance being for a consideration, in whole or in part other than cash, the consideration other than cash shall be deemed to be the Fair Market Value thereof.
 - (iii) In the case of the Dilution Event involving the issuance of options to purchase or rights to subscribe to Equity Shares, securities by their terms convertible into or exchangeable for Equity Shares, or options to purchase or rights to subscribe for such convertible or exchangeable securities (other than Equity Shares, options or other securities issued under any ESOP or Equity Shares, options or other securities issued upon the exercise thereof):
 - (A) the aggregate maximum number of Equity Shares deliverable upon exercise of such options to purchase, exercise of rights to subscribe for Equity Shares or conversion of or in exchange for any such convertible exchangeable securities, shall be deemed to have been issued at the time such options or rights were issued and for a consideration equal to the consideration (determined in the manner provided above), if any, received by the Company upon the issuance of such options or rights plus the exercise price provided in such options or rights for the Equity Shares covered thereby;
 - (B) on any increase in the number of shares or decrease in exercise price of Equity Shares deliverable upon exercise of any such options or rights or conversions of or exchanges for such securities, other than a change resulting from the anti-dilution provisions thereof, the Weighted Average Share Price shall be readjusted retroactively to give effect to such increase or decrease and additional Equity Shares shall be issued to the Investor;
 - (C) on any decrease in the number of shares or increase in exercise price of Equity Shares deliverable upon exercise of any such options or rights or conversions of or exchanges for such securities, the Weighted Average Share Price shall be readjusted retroactively to give effect to such decrease or increase; and

- (D) no further adjustment shall be made as a result of the actual issuance of Equity Shares on the exercise of any such rights or options or any conversion or exchange of any such securities.
 - (iv) All references to Equity Shares shall be on a Fully Diluted Basis.
 - (v) All calculations of the Anti-dilution Price shall be made to the nearest one one-hundredth of a Rupee.
 - (vi) In the event that of the Additional Securities, determined in the manner provided above, being a fraction, such number shall be round up to the nearest whole share as follows:
 - (A) in case the fraction is up to 0.49, then the number of shares to be issued shall be rounded off to the next lower number; and
 - (B) in case the fraction is 0.5 or more, then the number of shares to be issued rounded off to the next higher number.
- 33.3. In such a Dilution Event, the Company shall forthwith take all necessary steps, at the sole option of the Investor, but subject to applicable Law, to (i) adjust the Conversion Ratio such that the number of Conversion Shares increases in accordance with calculation made pursuant to the broad-based weighted average anti-dilution protection in accordance with Article 33.2 above (*Broad Based Anti-Dilution Protection*); or (ii) issue additional Equity Shares or instruments/ Equity Securities convertible into Equity Shares to the Investor, either directly and/or to their respective nominees (as may be opted by the Investor), at such time as indicated by the Investor and for no additional consideration or consideration other than cash and if not permissible under applicable Law, at the lowest permissible consideration under applicable Law such that the Investor price per share is reduced to the price arrived at pursuant to the calculations made in accordance with Article 33.2 above.
- 33.4. In case of a Corporate Action Event, the Company shall forthwith take all necessary steps, at the sole option of the Investor, to (i) adjust the Conversion Ratio such that the number of Conversion Shares increases in accordance with calculation made pursuant to the broad-based weighted average anti-dilution protection in accordance with Article 33.2 above; and/or (ii) issue additional Equity Shares or instruments/ Equity Securities convertible into Equity Shares to the Investor, either directly and/or to their respective nominees (as may be opted by the Investor), at such time as indicated by the Investor and for no additional consideration or consideration other than cash and if not permissible under applicable Law, at the lowest permissible consideration under applicable Law, the effect of which shall be such that there is no Dilution Event on account of such Corporate Action Event.
- 33.5. For the purposes of this Article 33, the Parties shall be bound to co-operate with each other. Further, if the adjustment as contemplated in this Article 33 cannot be undertaken due to applicable Law, then the Parties shall mutually discuss and agree on an

alternative to achieve the adjustment as aforesaid including without limitation through the issuance of rights shares, bonus shares, etc. to the Investor or its nominee as the case may be.

- 33.6. Nothing contained in this Article 33 shall apply to the following categories of issuance of Equity Securities by the Company:
- (a) Equity Securities issued pursuant to any ESOP or options granted under such ESOP;
 - (b) Equity Securities issued to the Investor and/or its nominees pursuant to this Article 33;
 - (c) The issuance of Equity Securities in an IPO or QIPO;
 - (d) Equity Shares issued upon conversion of the Series A CCPS into Equity Shares; and
 - (e) Equity Securities issued to banks and/or financial institutions pursuant to any credit facilities availed after the date of the Agreement with the written consent of the Investor.

XXXV - AFFILIATES

34. Notwithstanding any other provision of these Articles, but subject to execution of the Deed of Adherence, the Investor and/or its Affiliate/s may, at any time and from time to time during the subsistence of the Agreement, acquire any new Shares or other Equity Securities offered to them by the Company, the Promoters and/or the other Shareholders under the provisions of the Agreement and/or transfer any existing Shares or other Equity Securities of the Company held by them to one or more of their Affiliates.

XXXVI - INFORMATION, REPORTING, INSPECTION AND ACCOUNTING STANDARDS

35. Information, Reporting, Inspection And Accounting Standards

- 35.1. The Company shall provide to the Investor:
- (a) within 5 (five) Business Days from the last day of each month, copies of Management Reports;
 - (b) within 150 (one hundred and fifty) calendar days following the closure of the preceding Financial Year, annual (audited) Financial Statements prepared in accordance with Indian GAAP;
 - (c) within 30 (thirty) days after the end of each financial quarter, standalone unaudited Financial Statements for the Company and the Subsidiaries prepared in accordance with Indian GAAP;

- (d) within 45 (forty five) days after the end of each financial quarter, consolidated unaudited Financial Statements for the Company and the Subsidiaries prepared in accordance with Indian GAAP;
 - (e) within 30 (thirty) days after the end of each financial quarter, internal quarterly income and cash flow statements for the Company and the Subsidiaries;
 - (f) within 25 (twenty five) days after the end of each month, internal monthly MIS and marketing reports of the Company and the Subsidiaries in a format mutually agreed between the Promoters and the Investor prior to Closing.
 - (g) any other material information including correspondence with the Company's and the Subsidiaries' auditors, material litigation, any relevant filings are made with regulatory agencies etc.; and
 - (h) such other information and periodical reports as the Investor reasonably requires.
- 35.2. Upon the Investor giving the Company and/ or relevant Subsidiary at least 3 (three) days prior notice and at the cost of the Investor unless a specific material breach or a probable material breach is proposed to be investigated by the Investor, the Investor and its representatives may, during normal business days and hours, (i) inspect and examine and take copies of the Books and Records and Accounts kept by the Company, (ii) access/inspect all properties of the Company, including, but not limited to, the office premises of the Company; and (iii) discuss, consult and/or interview the Business, action plans, budgets and finances and other aspects related to the Company and the Subsidiaries with the Directors and/or the Key Management Team of the Company and the Subsidiaries. All information provided by the Company and/or its Subsidiaries under this Article 35 shall be deemed to be Confidential Information and shall be subject to confidentiality obligations under clause 28.1 of the Agreement.
- 35.3. The Company shall maintain a system of accounting established and administered in accordance with Indian GAAP, as appropriate and as applicable, consistently applied, and will set aside on its books all such proper reserves as shall be required by applicable Law.

XXXVII - REGISTRATION RIGHTS

36. Registration Rights

- 36.1. If any Equity Shares or other Equity Securities of the Company are listed or proposed to be listed on one or more stock exchanges overseas, then upon the request of the Investor, the Company shall take all such steps, do all such things, execute all such writings and make all regulatory applications and filings as may be required by Law for permitting or facilitating the unrestricted sale and distribution of the Equity Securities held by the Investor on such exchanges to the extent permissible by applicable Law, such that the Equity Securities held by the Investor are freely transferable on such stock exchanges ("**Registration Rights**").

- 36.2. The Investor shall be entitled to demand that (i) all or part of the Equity Securities held by the Investor be converted into American Depositary Receipts or Global Depositary Receipts as permissible under applicable Law; and (ii) the Company register the Equity Securities of the Company held by the Investor with appropriate and necessary regulatory authorities required in connection with such offering. Such registration shall be at the expense of the Company, to the extent permissible under Law. Such offerings will be subject to limitations recommended by an independent qualified advisor.
- 36.3. The Investor will be entitled to piggyback rights (to make an Offer for Sale simultaneously) in all primary offerings and all other secondary offerings of the Company in connection with the Registration Rights, and will, subject to applicable Law, pay such expenses incurred in all piggyback registrations and expenses toward any such offering pro rata to its participation.

XXXVIII - GENERAL MEETING

37. **General Meeting**

- 37.1. An annual general meeting of the Shareholders of the Company shall be held within six (6) months of the end of each financial year of the Company subject to any extension provided by the registrar of companies. Subject to the foregoing, the Board or the Parties may convene an extraordinary general meeting of the Shareholders of the Company whenever they deem appropriate.
- 37.2. At least Twenty-one (21) days prior written notice of every general meeting of members shall be given to all Shareholders whose names appear on the register of members of the Company. A general meeting may be called after giving shorter notice than that specified above if consent, in writing or by electronic mode, is accorded thereto —
- (i) in the case of an annual general meeting, by not less than ninety-five per cent. of the members entitled to vote thereat; and
- (ii) in the case of any other general meeting, by members of the company majority in number of members entitled to vote and who represent not less than ninety-five per cent. of such part of the paid-up share capital of the company as gives a right to vote at the meeting; or
- 37.3. The notice of each general meeting of Shareholders shall include an agenda setting out the place, date and time and 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 general meeting and not business shall be transacted at such meeting unless the same has been stated in the notice convening the meeting.
- 37.4. The Chairman of a general meeting of the Company shall not have any second or casting vote. The Chairman of the Board shall be the Chairman for all general meetings,

unless the meeting is called by the Investor, in which case the Investor will appoint the Chairman for that meeting.

- 37.5. Any shareholder of the 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.
- 37.6. **Quorum.** The quorum for a general Meeting of the Shareholders, shall be as provided under the Act and must include at least 1 (one) authorized representative of the Investor (unless waived by the Investor in writing) and an authorized representative of the Promoter, in order to constitute a valid quorum for the meeting. If on the date of the general meeting, a valid quorum is not present, the meeting shall automatically stand adjourned to the same day and time and at the same venue in the following week; *provided that* (A) no business or items not being part of the agenda of the original meeting shall be dealt with in such adjourned meeting; and (B) no business concerning any of the Reserved Matters shall be discussed or approved at such adjourned meeting unless such Reserved Matter has been approved in writing by the Investor and the Company has received such written approval prior to the meeting.
- 37.7. **Voting Rights available to the holders of Series A CCPS.**
- (a) With respect to voting rights exercised at any meeting of the Shareholders of the Company, the holders of Series A CCPS shall enjoy such voting rights available to the extent permissible pursuant to the Act, carry voting rights as if Series A CCPS have been fully converted into Equity Shares.
- (b) Each Series A CCPS shall entitle the holder to the number of votes equal to the number of Equity Shares into which such Series A CCPS could then be converted. To this effect, each Shareholder holding Shares with voting rights agrees that, if applicable Law does not permit any holder of Series A CCPS to exercise voting rights on all or any Shareholder matters submitted to the vote of the Shareholders of the Company (including the holders of Equity Shares) (the "**Non-Voting Preference Shares**"), then until the conversion of all such Non-Voting Preference Shares into Equity Shares, each Shareholder shall vote in accordance with the instructions of the holders of such Non-Voting Preference Shares at a general meeting of the Shareholders or provide proxies without instructions to the holders of the Non-Voting Preference Shares for the purposes of a general meeting of the Shareholders, in respect of such number of Equity Shares held by each of them such that a relevant percentage (the "**Relevant Percentage**") of the Equity Shares of the Company are voted in the manner required by the holders of the Non-Voting Preference Shares. For the purposes of this Article 37.7(b), the Relevant Percentage in relation to a holder of Non-Voting Preference Shares shall be equal to the percentage of Equity Shares in the Company that such Non-Voting Preference Shareholder would hold if such Non-Voting Preference Shareholder was to elect to convert its Series A CCPS into Equity Shares based on the then applicable Conversion Ratio for each Series A CCPS held by such holder. The obligation of the

Shareholders to vote their Shares as aforesaid shall be pro-rated in accordance with their inter se shareholding in the Company.

- (c) Provisions of section 47 of the Act shall not apply to the Company and members shall vote in accordance with the provisions in these Articles.

XXXIX - ITEMS OF BUSINESS REQUIRING CONSENT OF THE INVESTOR

38. Reserved Matters

38.1. The Company shall, and each of the Shareholders shall, exercise or refrain from exercising all rights and powers available to it to procure that from the Closing Date, no resolution (whether of the Shareholders or the Directors, including committees of Board of the Company) or action constituting any of the matters set out in Article 38.6 (the “**Reserved Matters**”) shall be passed or undertaken or occur with respect to the Company or any of the Subsidiaries (each a “**Group Company**”) unless so approved in accordance with the provisions of this Article 38. Without prejudice to the foregoing, the Company shall, and each of the Shareholders shall, procure that resolutions passed in breach of this Article 38 (i.e. on any Reserved Matter on which the Investor Nominee Directors or any of the Investors have, pursuant to Articles 38.2, 38.3 and 38.4, not given their affirmative vote), shall not be effective. For the avoidance of doubt, it is clarified that the Promoters positive vote on all matters required to be undertaken by the Company and/or Subsidiaries shall be mandatory.

38.2. In respect of the Company:

- (a) a Reserved Matter which requires Board approval (under applicable Law, the Articles or any constitutive documents) shall not occur unless it has first been approved by the Board of the Company which shall include the affirmative vote of an Investor Nominee Director; and
- (b) a Reserved Matter which requires shareholder approval (under applicable Law, the Articles or any constitutive documents) shall not occur unless it has first been approved by the Shareholders which shall include the affirmative vote of the Investor.

38.3. In respect of a Group Company (other than the Company):

- (a) a Reserved Matter which requires Board approval (under applicable Law, the articles of association or any constitutive documents of such Group Company) shall not occur unless:
 - (i) in the case of a Group Company (in respect of which, the Investor has exercised its right to appoint directors), it has first been approved by the Board of such Group Company which shall include the affirmative vote of the director appointed by the Investor to the Board of such Group Company; and

(ii) in the case of a Group Company (in respect of which the Investor has not exercised its right to appoint directors), it has first been approved by the Board of such Group Company in accordance with the following procedure:

(A) such Reserved Matter shall not occur unless it has first been approved by the Board of such Group Company which shall include the affirmative vote of the director appointed by the Company to the Board of such Group Company;

(B) for the purposes of this Article 38.3(a)(ii), the director appointed by the Company to the Board of such Group Company shall, subject to applicable Law, the articles of association or any constitutive documents of such Group Company, be instructed to vote in accordance with the prior decision taken by the Board of the Company in respect of a relevant Reserved Matter which shall, for the avoidance of doubt, include the affirmative vote of an Investor Nominee Director; and

(C) if, due to any reason whatsoever, the director appointed by the Company to the Board of such Group Company is unable to vote at the Board meeting of such Group Company in respect of the Reserved Matter in accordance with such instructions, such director shall insist (subject to applicable Law, the articles of association or any constitutive documents of such Group Company), that the Reserved Matter be discussed at a general meeting of such Group Company, in which case the procedure set out in Article 38.3(b) shall be adhered to.

(b) a Reserved Matter which requires shareholder approval (under applicable Law, the articles of association or any constitutive documents of the relevant Group Company) shall not occur unless it has first been approved by the shareholders of such Group Company (whether or not the Investor has appointed directors to the Board of such Group Company) which shall include the affirmative vote of the Company. For the purposes of this Article 38.3(b), the Company shall vote in accordance with the prior decision taken by the Board of the Company in respect of the relevant Reserved Matter which shall, for the avoidance of doubt, include the affirmative vote of an Investor Nominee Director.

38.4. For the purposes of this Article 38, a decision to be taken by the Board of the Company may be taken by way of a circular written resolution of the Board in lieu of a physical Board meeting, such resolution to include the affirmative vote of Investor Nominee Directors.

38.5. If any other provision of these Articles conflicts with the provisions of this Article 38, the provisions of this Article 38 shall prevail and be given effect.

- 38.6. The following matters shall be the Reserved Matters in relation to the Company:
- (a) Any change to the name and/ or registered office of the Company and/ or the Subsidiaries;
 - (b) Changes in the Articles and Memorandum of the Company and/ or the Subsidiaries;
 - (c) Any substantial diversification, modernization, modification or expansion of the Business either through the Company and its Subsidiaries and/ or any new entity set up for such purpose;
 - (d) Change in the shareholding pattern or capitalization structure of the Company and/ or the Subsidiaries, except to the extent permitted under the Transaction Documents;
 - (e) Issuance of new Equity Securities by the Company and/ or the Subsidiaries;
 - (f) Any change in terms of any Equity Securities by the Company and/ or the Subsidiaries that adversely affects the rights of the Investor;
 - (g) Issuance of any debt securities by the Company and/ or the Subsidiaries;
 - (h) Redemption, buyback (except as contemplated in the Agreement), reduction of capital or cancellation or reduction of any of the Equity Securities of the Company and/ or the Subsidiaries;
 - (i) Formulation, adoption of, or change of, ESOP including with respect to Company and/ or the Subsidiaries except to the extent specifically contemplated under the Transaction Documents;
 - (j) Creation of any Encumbrance on the securities of the Company and/ or the Subsidiaries or providing lenders with an option to acquire/ subscribe to Securities in the Company and/ or the Subsidiaries;
 - (k) Distribution or payment of dividends other than in compliance with the dividend policy of the Company or any changes in the dividend policy of the Company;
 - (l) Amending or terminating or agreeing to amend or terminate any material contracts or any arrangements, having a value in excess of INR 2,00,00,000 (Rupees Two Crores only);
 - (m) Any Related Party transactions by the Company and/ or the Subsidiaries except for those undertaken in compliance with provisions of Article 41.1 and for the avoidance of doubt, including but not limited to loans, borrowings and investments in any form whatsoever, but specifically excluding any business

transactions inter-se the Company, Reva, RSS, CES-FZE, BWTT and CES Mexico;

- (n) Any transactions with Affiliates of Promoters and/ or the Key Management Team, excluding payments of salaries under the respective employment agreements;
- (o) Making of a public offering of the shares of the Company, except as contemplated by the Agreement, including the size and timing of the issue, price of the shares and appointment of the investment bankers, legal advisors and any and all other intermediaries in connection with such a public offering;
- (p) Any borrowing, indebtedness, issuance, incurrence or guarantee by the Company or its Subsidiaries of any indebtedness or creation of Encumbrance in relation to assets of the Company, other than as contemplated in the Business Plan and in excess of an aggregate of INR 2,00,00,000 (Rupees two crores only), in any Financial Year;
- (q) Prepayment or repayment of any loans or borrowings not in accordance with the ordinary repayment schedule applicable with respect to such loans or borrowings;
- (r) Formation of subsidiaries or entering into joint ventures or any investments/ divestments by the Company and/ or any Subsidiary;
- (s) Formulation and approval of the Business Plan of the Company and/ or the Subsidiaries;
- (t) Any change to the Business Plan in excess of 5% of the relevant parameter or line item in the Business Plan;
- (u) Entering into contracts or any other arrangements which result in exclusivity or non-compete restriction or that restrict the ability of the Company to carry on Business in any part of the world;
- (v) Unless provided for in the Business Plan, capital expenditures in excess of INR 1,00,00,000 (Rupees One Crore only) per Financial Year;
- (w) Unless provided for in the Business Plan, disposal of Assets of the Company and/ or the Subsidiaries whose aggregate value exceeds 5% (five percent) of Company's / relevant Subsidiary's audited net asset value;
- (x) Any change in the number of directors/ members of the Boards of the Company and/ or the Subsidiaries other than as specifically contemplated in the Agreement;
- (y) Removal or appointment of independent Directors of the Company and/ or the Subsidiaries, if any;

- (z) Any change in the terms of appointment of any member of the Key Management Team or change in remuneration of any member of the Key Management Team by more than 15% (Fifteen percent) of his/ her prevailing cost to company;
- (aa) Appointment and dismissal of an employee (including a member of the Key Management Team) of the Company and/ or the Subsidiaries having CTC of more than INR 40,00,000 (Rupees forty lakhs only). "CTC", for the purposes of the preceding sub-clauses, shall mean the cost to company and include salary and any monetary or non-monetary remuneration/consideration (non-monetary remuneration being determined on the basis of the fair market value) received by the employee of the Company or the Subsidiaries;
- (bb) Change in the accounting policies employed by the Company except when so required by applicable Law, including, but not limited to, any change in the Financial Year of the Company;
- (cc) Appointment and removal of the internal auditor and statutory auditor of the Company and/ or the Subsidiaries except for reappointment of the existing internal auditor and/ or statutory auditor;
- (dd) Initiation or determination of any individual litigation or arbitration of a value in excess of INR 50,00,000 (Rupees fifty lakhs only) and cumulative value in excess of INR 1,00,00,000 (Rupees One Crore only);
- (ee) Any filings, actions or resolutions for winding up, liquidation, bankruptcy or insolvency of any of the Company and/ or the Subsidiaries;
- (ff) Any reorganization, consolidation, spin-off, merger, acquisition, Liquidity Event or other similar transaction by the Company and/ or the Subsidiaries;
- (gg) Surrendering any tax benefits that may be available to the Company;
- (hh) Selling, Encumbering, Transferring, licensing, alienating or otherwise disposing of any of the Company's/ Subsidiaries' Intellectual Property, or interests therein or contracting to do so, other than in the ordinary course of business or as contemplated by the Business Plan;
- (ii) Any change (including for the avoidance of doubt, any alteration, modification, deletion and/or substitution) to the visual representation and format of the existing Intellectual Property owned and/ or licensed by the Company, other than in the ordinary course of business or as contemplated by the Business Plan;
- (jj) Creation of any Encumbrance on any of the property or assets of the Company and/ or the Subsidiaries (except in the ordinary course of business or as

contemplated by the Business Plan and, in any event, not exceeding in the aggregate, INR 2,00,00,000 (Rupees two crores only) during a Financial Year);

(kk) Entering into any binding agreement to take any of the foregoing actions.

XL - DIRECTORS

39. Directors

- 39.1. The Investor shall have the right to nominate and appoint (a) 2 (two) nominee Directors on the Board of Directors of the Company, provided however that such right shall be exercisable so long as the shareholding of the Investor is above or equal to, but does not fall below 10.00% (ten per cent) of the total paid-up share capital of the Company, on a fully diluted basis, and (b) 1 (one) nominee Director on the Board of Directors of the Company, provided however that such right shall be exercisable so long as the shareholding of the Investor is less 10% (ten per cent), but does not fall below 5.00% (five per cent) of the total paid-up share capital of the Company, on a fully diluted basis (such nominee directors hereinafter referred to as “Investor Nominee Director(s)”).
- 39.2. Notwithstanding anything to the contrary that may be contained in these Articles, it is hereby clarified that the Investor’s right to nominate the Investor Nominee Directors shall terminate on and from Listing Date.
- 39.3. The Promoters shall have the right to nominate and appoint (a) 3 (three) nominee Directors on the Board of Directors of the Company, provided however that such right shall be exercisable so long as the aggregate shareholding of the Promoters is above or equal to, but does not fall below 10.00% (ten per cent) of the total paid-up share capital of the Company, on a fully diluted basis, and (b) 1 (one) nominee Director on the Board of Directors of the Company, provided however that such right shall be exercisable so long as the aggregate shareholding of the Promoters is less 10% (ten per cent), but does not fall below 5.00% (five per cent) of the total paid-up share capital of the Company, on a fully diluted basis (such nominee directors hereinafter referred to as “Promoter Nominee Director(s)”).
- 39.4. Notwithstanding anything to the contrary that may be contained in these Articles, it is hereby clarified that the Promoters’ right to nominate the Promoter Nominee Directors shall terminate on and from the Listing Date.

The Board shall also contain such number of independent directors as may be required under the regulations prescribed by SEBI and other applicable law.”

- 39.5. Qualification Shares. A Director shall not be required to hold any qualification shares.
- 39.6. Alternate Director. Any Party having the right to nominate a Director shall have the right to nominate an alternate Director to the nominee Director in accordance with the

provisions of the Act. The Company and the Shareholders shall take all steps necessary to secure the appointment of the alternate Director. The alternate directors so appointed shall be entitled to attend the meetings of the Boards of the Company and vote in the event the nominee Director is unable to attend any meeting of the Boards of the Company. Any such alternate director shall be considered for the constitution of the quorum and shall be entitled to attend and vote at such meetings in place of the original director and generally to perform all functions of the original director in his absence.

39.7. **Board Committees.**

- (a) The Boards of the Company and/ or the Subsidiaries shall resolve to establish committees, which will have delegated responsibility for dealing with specific functions otherwise carried out by such Boards, including a compensation committee and audit committee.
- (b) The Investor shall have the right to pro-rata representation, as the Board(s) of the Company, on any committee formed by such Board.
- (c) Audit Committee. The audit committee shall be constituted in accordance with the provisions of the Act and shall carry out such functions as directed by the Board of the Company.
- (d) Compensation Committee. The compensation committee shall be constituted in accordance with the provisions of the Act and shall bear responsibility for reviewing and approving the compensation of the Key Management Team and other senior employees of the Company.

39.8. The nominee Directors shall be entitled to receive all notices, agenda (and all information and documents circulated to the Board(s) of the Company and the Shareholders in connection with meetings of the Board(s) of the Company and to attend all such meetings, shareholders meetings and meetings of any committees of the Board(s) and the shareholders of the Company.

39.9. 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.

39.10. **Liability of Investor Nominee Director.**

- (a) Non-Executive Director. The Investor Nominee Director will be a non-executive Director in accordance with the Act.
- (b) Not to be responsible for day to day management. The Promoters and the Company expressly agree and undertake that the Investor Nominee Director, so long as he is acting as non-executive director, shall not be in charge of, or responsible for the day-to-day management of the Company and shall not be

deemed to be an “officer in default” as the term is defined in the Companies Act, 2013, and shall accordingly not be liable for any default or failure of the Company and/ or the Subsidiaries in complying with the provisions of any applicable law, subject to applicable law, including the Companies Act, 2013 and any regulations as may be notified by the Securities and Exchange Board of India, from time to time. The Promoters and Company expressly agree that the Investor Nominee Director shall not be identified as an occupier of any premises used by the Company or an employer of the employees of the Company

- 39.11. Subject to provisions of section 149 of the Companies Act, 2013 and until otherwise determined by the Company in General meeting, the number of directors shall be not less than two and not more than fifteen.
- 39.12. A director shall not be disqualified by reason of his holding any other office or place of profit under the company other than those mentioned in Section 188 of the Companies Act, 2013 in conjunction with his office of director, except that of auditor and may be appointed thereto upon such terms as to remuneration, tenure of office, as the case may, with the previous consent of the Company, accorded by a special resolution.
- 39.13. Subject to the provisions of Section 188 of the Act and Reserved Matters, the Directors shall not be disqualified from contracting with the Company either as vendors, purchasers or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company with any company or partnership in which any director so contracting being member or so interested, be liable to account to the Company for any profit realized by any such contract or arrangement by reason of such director holding that office or of the fiduciary relation thereby established but the nature of his interest must be disclosed by him at the meeting of the Board of Directors at which the contract or arrangement is determined on, if the interest then exists, or in any other case at the first meeting of the Board of directors after the acquisition of the interest. Provided, nevertheless that such Director shall be entitled to present at the meeting and to vote as Director in respect of the contract or arrangement in which he is so interested as aforesaid and if he does so, vote shall be counted. No general notice and no renewal thereof shall be of effect unless either it is given at a meeting of a Board or the director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.
- 39.14. The payment of sitting fees shall be governed by the policy of the Company in this regard as may be in force from time to time.
- 39.15. The Board of directors may fix such remuneration to be paid to a Director of the Company as they think fit, subject to section 188 of the Act, if applicable.

- 39.16. In addition to the remuneration payable to them in pursuance of these Articles, the Directors may be paid all traveling, hotel and other expenses properly incurred by them in connection of the business of the Company as the Board may determine.
- 39.17. No director shall retire at any general meeting of the Company and subject to the provisions of the Act and these Articles, a Director shall continue to act as such until death, resignation and/or removal, as the case may be, unless tenure of employment is fixed by the Board in writing.
- 39.18. The Board of directors shall have powers to appoint the Directors nominated by any lending financial institution. Such director shall not be required to retire by rotation until the arrangement with the said financial institution continues.
- 39.19. The Board shall also have power to fill a casual vacancy in the Board. Such casual vacancy shall be filled up by the Board of Directors at a meeting of the Board. Any person so appointed 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 as aforesaid, but he shall then be eligible for election.
- 39.20. **Managing Director.** Subject to Article 38 (Reserved Matters) and the Act, the Board may subject to provisions of the Act appoint any person to be the Managing Director of the Company and may fix the remuneration to be paid to him and to determine to power exercisable and duties to be performed by such Managing Director. An individual may be appointed as the Managing Director and Chairman of the Company at the same time.
- 39.21. **Company Secretary.** Subject to Article 38 (Reserved Matters) a company secretary may be appointed upon such terms and conditions as may be fixed by the Board.
- 39.22. **Additional Director.** Subject to Article 38 (Reserved Matters) an additional director may be appointed by the Board, upon such terms and conditions as may be fixed by the Board.

XLI - PROCEEDINGS OF BOARD

40. Proceedings of Board

- 40.1. Number of Board Meetings. The Board shall meet at least four (4) times in every calendar year *provided that*, not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive Board meetings. Subject to applicable Law, a Board meeting may also be held by video conferencing and/or any other permitted means remote participation.
- 40.2. 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 below in Article 21.3 (Notice for Board Meetings).

- 40.3. Notice for Board Meetings. A Board meeting may be called by a Director and 14 (fourteen) days' written notice of each meeting of the Board or a committee thereof shall be given to each of the Directors at the address notified from time to time by each of them, in writing to the Company, whether in India or abroad, *provided that* a meeting may be convened by a shorter notice with written consent (which may be signified by letter, facsimile or e-mail with receipt acknowledged) of all the Directors..
- 40.4. **Contents of the Notice.**
- (a) Every notice of a Board meeting of the Company and/ or the Subsidiaries 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 Board 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.
 - (b) The draft resolutions and other documents for all matters to be considered at the Board meetings of the Company and/ or the Subsidiaries must be furnished to all the Directors along with the notice for such Board meeting.
- 40.5. Quorum for Board meeting. Apart from the requirements of the Act, the presence of at least 1 (one) Investor Nominee Director, if any, and 1 (one) Promoter Nominee Director, personally or by way of video conference throughout the meetings of the Boards of the Company shall be required to constitute valid quorum. If the Investor Nominee Director, if any, or the Promoter Nominee Director, is not present at any meeting of the Board of the Company ("**Initial Meeting**") within 30 (thirty) minutes of the scheduled time, the meeting shall be adjourned to same day and time of the subsequent week, unless otherwise agreed by all the Directors, and if that day is not a Business Day to the immediately succeeding Business Day ("**First Adjourned Meeting**"). If an Investor Nominee Director or the Promoter Nominee Director is not present at such First Adjourned Meeting, within 30 (thirty) minutes of the scheduled time, then the meeting shall again be adjourned ("**Second Adjourned Meeting**") to the same day and time of the subsequent week, unless otherwise agreed by all the Directors, and if that day is not a Business Day to the immediately succeeding Business Day. If an Investor Nominee Director or the Promoter Nominee Director is not present at such Second Adjourned Meeting, the Directors present shall constitute valid quorum, provided that at least 2 (two) Directors are present. The agenda for the Initial Meeting shall be the agenda for the Adjourned Meeting, and material matters which are not specifically defined and stated in the agenda for the Initial Meeting shall in no event be taken up for discussion or approved at the Adjourned Meeting, it being understood and agreed by the Parties that any matters in respect of Reserved Matters shall in no event be discussed or approved by the Board of the Company and/ or the Subsidiaries without the presence of an Investor Nominee Director (and the approvals required by Article 38 (*Reserved Matters*)).
- 40.6. Decisions of the Board. Subject to Article 38 (*Reserved Matters*), a decision shall be said to have been made and/or a resolution passed at a meeting of the Board of the Company only if at a validly constituted meeting, such decisions are approved of by a

majority of the Directors, present and voting at such Board meeting. 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.

- 40.7. Chairman. Each meeting of the Board shall be chaired by the Chairman nominated by the Board. The Chairman shall not have a casting vote, to resolve a deadlock in voting. In the absence of the Chairman at any meeting, the Board shall elect one of their members to chair the meeting in question.
- 40.8. Resolution by circulation or written consent. Subject to Article 38 (Reserved Matters) and except for those actions required by the Act to be determined at a meeting of the Board, all decisions of the Board may be taken by circular resolution. No resolution shall be deemed to have been duly passed by a Board of the Company and/ or the Subsidiaries, or a committee thereof by circulation or written consent, unless the resolution has been circulated in draft, together with the information required to make a fully-informed good faith decision with respect to such resolution, to all Directors, or to all members of the relevant committee, at their usual address (whether in India or abroad) or through electronic means, and has been approved (subject to the Article 38 (*Reserved Matters*)), by majority of the Directors.
- 40.9. Removal/Resignation of Directors. The Company and the Shareholders shall not remove any nominee Director. Each Party entitled to nominate a Director shall have the right to require the removal of such nominee at any time and shall be entitled, to nominate another Person as the nominee Director in place of the Person removed. In the event of the resignation, retirement or vacation of office of the Director nominated by any Party, such Party shall be entitled to nominate another Person as Director in place of such Director and the Shareholders shall exercise their rights in such manner so as to cause the appointment of such Person as nominee Director to the Board of the Company.

XLII - COVENANTS BY THE PROMOTERS AND THE COMPANY

41. Covenants by the Promoters and the Company

- 41.1. Related Party Transactions. All the transactions, contracts, arrangements or understandings entered into or proposed to be entered into between the Company and its Related Parties shall be (i) on commercially justifiable terms and at an arms-length arrangement; and (ii) subject to the approval of the Investor as set forth in Article 38 (*Reserved Matters*).
- 41.2. **No Solicitation.**

On and from the Closing Date and until the Investor holds any Equity Securities in the Company (“**Limited Period**”), Promoters shall not and shall procure that their Affiliates shall not, whether directly or indirectly, by themselves or together with or through any Person, in any manner whatsoever, (whether in their own capacity or in conjunction with or on behalf of any Person) do or undertake or attempt to do or undertake any of the following activities:

- (a) propose to, canvass, solicit, entice away or attempt to canvass, solicit or entice away from the Company and/ or the Subsidiaries any of their customers, clients, franchisees, vendors, lessor, representative, agent, franchisees, business associates and/or employees (“**Restricted Persons**”), whether or not such Person would commit a breach of contract by reason of such act and or assist, influence, encourage or induce any of the foregoing action in any manner whatsoever;
- (b) provide any know-how or technical assistance to any Person (other than the Company and the Subsidiaries) in relation to the Business.

41.3. Non-compete. On and from the Closing Date and during the Limited Period, Promoters shall not and shall procure that their Affiliates shall not, whether directly or indirectly, by themselves or together with or through any Person, in any manner whatsoever (whether in their own capacity or in conjunction with or on behalf of any Person), do or undertake or attempt to do or undertake any of the following activities:

- (a) commence, establish, promote, finance, engage in, carry on, join in, participate in, manage, advise, operate, control, conduct, own, invest in or have an interest in any business, venture or Person which is competing or in competition with the Business of the Company and/ or the Subsidiaries in any manner whatsoever, including initiating any new activities or expansion related to the Business or any other business undertaken by the Company and/ or the Subsidiaries, through any Person, including any Person in which they have any interest. Nothing contained in this Article 41.3 shall apply to any investment made by the Promoters and/or their Affiliates in any listed business or venture or company provided that: (i) such investment is purely a financial investment and in no manner whatsoever can be deemed to be a strategic investment or one seeking or providing control over the business, venture or company; and (ii) such investment does not result in the Promoters and/or their Affiliates holding in aggregate, more than 5% (five percent) beneficial interest in such business competing with the whole or any part of the Business of the Company and/ or the Subsidiaries;
- (b) provide financial assistance, or technical, managerial or any other services (whether for consideration or free of charge), in any manner to, or be Affiliates with, any Competitor;
- (c) through Rochem Green Energy Private Limited (“**RGE**”), commence any other business that competes with the Business (including any new activities or expansion related to the Business), expand its waste-to-energy concession business and/ or waste management concession business or devote more than 3 (three) Business Days in a calendar month towards the business of RGE;
- (d) enter into any business, which is similar or identical to, or that competes with, the Business of the Company and/ or the Subsidiaries, or any business that the

Company or its Subsidiaries may undertake, in any manner, anywhere in the world; and

- (e) for its own account or as agent, consultant, or shareholder of, or as owner of any equity or economic interest in, any other Person, engage or attempt to engage or assist any Competitor or other Person to engage in any business activity that is competitive with, or similar or identical to, the Business of the Company and/ or the Subsidiaries, or any business that the Company or its Subsidiaries may undertake, anywhere in the world.

41.4. Focus on Business and Activities of the Company. The Company and the Subsidiaries shall undertake the Business and such other businesses as may be approved by the Investor in accordance with Article 38 (Reserved Matters).

41.5. Management. The Promoters and the Key Management Team shall be in charge of the day-to-day management of the Company and the Subsidiaries.

41.6. Employees and Resources of the Company. Employees and resources of the Company and the Subsidiaries shall at all times be employed/ utilized only towards the Business and activities of the Company and/ or the Subsidiaries and shall at no instance be deployed or diverted towards carrying out any work/ activities for any Affiliate of the Promoters. The Company shall further enter into appropriate employment agreements with all the present and future members of its Key Management Team covering confidentiality, non-compete, non-solicitation, exclusivity and IP assignment obligations.

41.7. Anti-corruption. The Company and the Subsidiaries shall not violate the United States Foreign Corrupt Practices Act, 1977, the U.K. Bribery Act, 2010, Prevention of Corruption Act, 1988, Prevention of Money Laundering Act, 2002 or any other applicable anti-bribery or anti- corruption law, or promise, authorize or make any payment to, or otherwise contribute any item of value to, directly or indirectly, any officer, employee or any other person acting in an official capacity for any Government Entity, to any political party or official thereof or to any candidate for political office (individually and collectively, a “**Government Official**”) or to any person under circumstances where such Company and/ or the Subsidiary knows or is aware of a high probability that all or a portion of such money or thing of value would be offered, given or promised, directly or indirectly, to any Government Official, for the purpose of:

- (a) influencing any act or decision of such Government Official in his official capacity; (ii) inducing such Government Official to do or omit to do any act in relation to his lawful duty; (iii) securing any improper advantage; or (iv) inducing such Government Official to influence or affect any act or decision of any Government Entity.
- (b) assisting the Company and/ or the Subsidiaries in obtaining or retaining business for or with, or directing business to the Company or the Subsidiaries.

The Company and the Subsidiaries shall maintain systems of internal accounting controls to ensure compliance with applicable anti-bribery or anti-corruption Laws. For the purpose of this Article, “**Government Entity**” means any government or any department, agency or instrumentality thereof, including, but not limited to, any entity or enterprise owned or controlled by a government, or a public international organization.

- 41.8. Action Plan. The Company and the Subsidiaries shall implement and comply with the Action Plan and undertake the Business of the Company and/ or the Subsidiaries in compliance with the Applicable S&E Law. The compliance with the Action Plan and the Applicable S&E Law shall be reviewed by a Third Party service provider appointed by the Investor on an annual basis. Based on the findings of such Third Party service provider, the Action Plan, as presently set out in Schedule 5 of the Agreement, shall be revised/ modified mutually by the Investor, the Company and the Promoters, if deemed necessary by such Third Party service provider, and the Company shall implement and comply with such revised/modified Action Plan, as the case may be, from time to time.
- 41.9. Transactions with Prohibited Persons. The Company and the Subsidiaries shall not:
- (a) enter into any transaction or engage in any activity prohibited by any resolution of the United Nations Security Council under Chapter VII of the United Nations Charter.
 - (b) conduct business or enter into any transaction with, or transmit any funds through, a Shell Bank.

If any of the Companies, Subsidiaries and/or the Promoters become aware of any violation of Article 41.7 or this Article 41.9, such Person shall promptly within 7 (seven) Business Days from the date of becoming aware of such violation, notify the Investor in writing, and the Company and such other party shall cooperate in good faith with the Investor and its representatives in determining whether such a violation has occurred, and shall respond promptly and in reasonable detail to any notice from the Investor, and shall furnish documentary support for such response upon the Investor’s request.

- 41.10. Insurance. The Company and the Subsidiaries shall obtain and maintain at all times (i) insurance policies customarily held by companies of the similar value/ size or similar business as the Company and the Subsidiaries (as applicable); (ii) where applicable, insurance policies which are in accordance with any insurance coverage requirements set out in a contract to which it is a party (or by which it is bound), including the directors’ and officers’ liability insurance as required to be obtained under the Share Subscription Agreement.
- 41.11. Business Plan. For each Financial Year, the Promoters along with the Key Management Team shall prepare and provide to the Investor at least 30 (thirty) days prior to the end of the previous Financial Year (i) an annual business plan, including, the profit and loss statement, balance sheet and cash flow statement, outlining expectations on the Company’s as well as the Subsidiaries’ financial performance and specifying, amongst

other things, operational milestones, revenues originating from various existing and new segments, associated costs, capital expenditures, required financing, corporate overheads, labor costs, general and administrative expenses, production particulars, etc. (“**Draft Business Plan**”) in a form satisfactory to the Investor and the Promoters and present it to the Board of the Company for approval. The form of the Draft Business Plan is attached in **SCHEDULE 6**. Upon the Board of the Company approving the Draft Business Plan for a Financial Year (“**Business Plan**”), a copy of the same shall be provided to the Investor and acknowledged by the Investor, and the Company and the Promoters shall adhere to the Business Plan.

41.12. OFAC.

- (a) The Company shall not directly or indirectly use the Subscription Amount or lend, contribute or otherwise make available the Subscription Amount to any subsidiary, joint venture partner or other person for the purpose of funding or facilitating any activities or business of or with any person towards any sales or operations in Cuba, Iran, Libya, Syria, Sudan, the Democratic People’s Republic of Korea, Myanmar or any other country sanctioned by the Office of Foreign Assets Control of the U.S. Department of Treasury (“**OFAC**”) or for the purpose of funding any operations or financing any investments in, or make any payments to, any person targeted by or subject to any sanctions administered by the OFAC, or by the U.S. Department of State, or any sanctions imposed by the European Union (including under Council Regulation (EC) No. 194/2008), the United Nations Security Council, Her Majesty’s Treasury or any other relevant governmental entity and any activities sanctionable under the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010, as amended or the Iran Sanctions Act, as amended (collectively, the “**Sanctions**”).
- (b) The Company will use the Subscription Amount in accordance with the provisions of clause 10 of the SSA. The use of Subscription Amount will be in compliance with and will not result in the breach by the Company, the Subsidiaries, the Promoters, any officer, employee, director, agent, affiliate or person acting on behalf of the Company and/ or the Subsidiaries of the Sanctions; and the Company further covenants not to engage, directly or indirectly, in any other activities that would result in a violation of Sanctions by any person, including any person participating in the transaction.

41.13. Greenhouse Gas Audit. The Investor may require the Company and/ or the Subsidiaries to undergo a greenhouse gas audit annually, by a Third Party agency acceptable to the Investor. The Company shall, and the Promoters shall ensure that the Company and the Subsidiaries shall extend full cooperation and provide all necessary information and documents required for the conduct of such audit. All costs and expenses in relation to the conduct of such annual greenhouse gas audit shall be borne by the Company.

41.14. The Company shall, and the Promoters shall ensure that the Company and the Subsidiaries duly pay the requisite stamp duty on all agreements entered into by the

Company and the Subsidiaries, if required and other than in the ordinary course of business.

XLIII - ESOP

42. ESOP

The Investor and Promoters shall as soon as reasonably practicable after the Closing Date, jointly formulate an appropriate ESOP plan for the employees of the Company, which shall not result in the dilution of the Investor's shareholding, up to 3% (three percent) of the pre-money share capital of the Tranche I Investment ("**Agreed ESOP**"). The Company shall and the Promoters shall undertake all procedures, including but not limited to approving the necessary Board and Shareholder resolutions of the Company, creating a trust and transferring/ issuing the requisite number of Equity Shares to such Agreed ESOP trust to give effect to this covenant. Any issuance of Equity Securities to such Agreed ESOP trust beyond 3% (three percent) of the pre-money share capital of the Tranche I Investment will result in the dilution of all Shareholders.

XLIV - EXIT

43. Exit

43.1. Within a period of 54 (fifty four) months from the Closing Date, (the "**QIPO Period**"), the Company and the Promoters shall utilize their best endeavours to provide the Investor an exit through the undertaking of a QIPO, in accordance with Article 43.2 below. If the Company is not able to successfully complete a QIPO or IPO within the QIPO Period, then the Company shall be obligated to provide alternative exit options to the Investor after the expiry of the QIPO Period, in the manner provided in this Article 43.

43.2. QIPO.

- (a) The Company shall determine the following matters in connection with the QIPO, which decision shall not be undertaken without obtaining the prior written consent of the Investor:
 - (i) whether the public offering shall be by a fresh issue of Equity Shares by the Company and/ or an offering of Equity Shares for sale by the Shareholders;
 - (ii) the quantum of Equity Shares comprised in the issue
 - (iii) the appointment of lead managers, merchant bankers, bankers, registrars, financial advisors, issue managers and other intermediaries.
- (b) In the event of an Offer for Sale, the Investor will be entitled to offer some or all of its shareholding for sale in the QIPO, subject to applicable law.

- (c) In any QIPO undertaken by the Company, the Promoter shall offer such number of Equity Securities as may be required to fulfill the lock-in requirements under applicable Law.
- (d) Except as otherwise directed by SEBI, for the purposes of a QIPO and subject to applicable Law, the Investor shall not be considered as a “promoter” of the Company and therefore the Equity Securities held by the Investor (including any Equity Shares held by it pursuant to conversion prior to a QIPO or IPO) shall not be subject to any lock-in conditions applicable to promoters, for and after the IPO.
- (e) The Parties jointly and severally undertake to do the following, in connection with the QIPO:
 - (i) The Promoters and the Investor undertake to exercise their voting rights (at the meetings of the Board of the Company and the Shareholders), and to cause the Board of the Company to take all steps necessary for the Company to undertake a QIPO, including but not limited to, preparing and signing the relevant offer documents, providing all necessary information and documents necessary for preparing the offer document, obtaining all Consents and doing such further reasonable acts or deeds as may be necessary for undertaking a QIPO.
 - (ii) Ensure that the total offer of Equity Shares to the public shall constitute not less than such percentage (as prescribed under the applicable Law) of the total post issue paid-up share capital of the Company to comply with the listing requirements of the concerned Stock Exchanges and the concerned regulatory authority.
 - (iii) Provide all material information that is necessary to file the prospectus and other documents in relation to the QIPO, and ensure compliance with all Law including the Act, the SEBI Regulations, the listing agreement, etc.
 - (iv) All cost, fees and expenses in respect of the IPO will be borne by the Company and/ or the Selling Shareholders in the IPO, in the manner agreed in the offer agreement which will be executed in relation thereto and in accordance with applicable law.
- (f) The provisions of this Article 43.2 shall apply to any IPO of the Company.

43.3. Buy-Back and Put Option.

- (a) If the Company has been unable to complete a QIPO within the QIPO Period, then at any time within the Exit Period, the Investor shall have, at its own discretion, the right to require the Company to and/ or the Promoters to exercise any or a combination of the following rights, by issuing a notice to the

Company and the Promoters, stating the right which it intends to exercise (“**Option Notice**”) and the details of the Equity Securities with respect to which it intends to exercise its rights under this Article 43.3.

(b) **Put Option.**

- (i) The Investor shall have the right to require the Promoters to purchase all the Investor Shares by delivering the Option Notice (“**Put Option**”). The Company and the Promoters shall undertake all procedures and obtain all Consents necessary to effect the purchase by the Promoters of all the Investor Shares subject to the Option Notice, including obtaining the necessary Board and Shareholder resolutions of the Company. The price to be paid by the Promoters to the Investor shall be, subject to applicable Law, the higher of (i) the Fair Market Value of the Investor Shares; or (ii) 2 (two) times the aggregate of the Investment Amount including any cash/ accrual payments of interest or coupon already paid, on an INR basis (“**Put Option Price**”), provided that any Tax payable by the Investor on receipt of any consideration shall be borne entirely by the Investor.
- (ii) The purchase of the Investor Shares by the Promoters shall be completed within 30 (thirty) Business Days from the date of delivery of the Put Notice.

43.4. **Drag Right.**

- (a) At any time during the Exit Period or thereafter, the Investor shall, by delivering the Option Notice, have the right to require the Company to appoint a reputed investment banker, as may be acceptable to the Investor, to facilitate the sale of the Investor Shares to a Third Party (including a Competitor) at a price and terms acceptable to the Investor. The fees and other expenses in relation to the appointment of the investment banker and the transaction shall be borne by the Company, provided that any Tax payable by the Investor for the sale of Investor Sale Securities (defined herein below) on receipt of any consideration shall be borne entirely by the Investor.
- (b) The Investor shall have the right to Transfer (i) all or any of the Investor Shares in case of a Transfer only by the Investor; and (ii) all (and not less than all) Investor Shares in case of exercise of rights under Article 43.4(c) below (in each case the “Investor Sale Securities”) to such Third Party. The Company shall, and the Promoters shall cause the Company to undertake all procedures and obtain all Consents necessary to effect the sale and purchase by the Third Party of the Investor Sale Securities.
- (c) If the Third Party requires any additional shareholding to be Transferred to consummate the transaction, the Investor shall have the right to require the Promoters to offer such number of Equity Securities from their shareholding,

at a price and on terms and conditions no less favourable than those offered to the Investor (“Drag Securities”) as may be required to give effect to the Drag Right of the Investor (as defined below) and the Promoter shall, upon request by the Investor, be obligated to Transfer the Drag Securities to the Third Party, including a Competitor (the “Drag Purchaser”), along with the Investor Sale Securities. Provided however that if as a result of the Drag Right, the aggregate shareholding of the Promoters falls below 20% (twenty percent) on a Fully Diluted Basis, the Promoters shall have a right to require the Investor to ensure that the Drag Purchaser acquires all and not less than all Equity Securities held by the Promoters along with the Investor Sale Securities. This right of the Investor to require the Promoters to sell all or some of their Equity Securities to the Drag Purchaser shall be referred to as the “Drag Right” and shall be exercised in the manner set forth hereinafter.

- (d) In the event that the price offered by the Drag Purchaser for the Investor Shares is less than two (2) times the aggregate of the Investment Amount including any cash/accrual payments of interest or coupon already paid, on an INR basis, then the Promoters shall have the right to purchase the Investor Shares at such price offered by the Drag Purchaser. Within 75 (seventy-five) calendar days from the date of price offered by the Drag Purchaser, the Promoters shall issue a written notice to the Investor of them exercising their right to purchase the Investor Shares at the price offered by the Drag Purchaser along with reasonable documentary evidence to display availability of, or accessibility to, requisite funds with the Promoters for the purchase of Investor Shares. The Promoters shall purchase the Investor Shares at such price offered by the Drag Purchaser within 45 (forty-five) calendar days from the date of issuance of the written notice by the Promoters to the Investor as aforementioned.
- (e) If the Investor exercises the Drag Right, it shall issue a written notice (“Drag Notice”) to the Promoters (“Dragged Sellers”) calling upon them to Transfer the Drag Securities on date specified therein within 60 (sixty) days from the date of the Drag Notice (the “Drag Completion Date”). Subject to Article 43.4(c) above, the Dragged Sellers shall be bound and obligated to Transfer the Drag Securities specified in the Drag Notice to the Drag Purchaser simultaneously with a Transfer of the Investor Sale Securities on the Drag Completion Date. The distribution of the proceeds from the sale pursuant to the Drag Right shall be subject to the provisions of Article 44 below.
- (f) The Parties hereby covenant to take all steps necessary to give effect to the provisions of this Article 43.4 including the passing of all necessary resolutions and obtaining all necessary Consents.

43.5. The Parties agree and undertake that the obligation of the Company and the Promoters to provide an exit to the Investor in accordance with Article 43.4 above shall not be limited to the Exit Period.

XLV - LIQUIDATION PREFERENCE

44. **Liquidation Preference**

- 44.1. In case of a Liquidity Event or a Liquidation Event, the mechanism for distribution shall, subject to applicable Law, be in the manner as provided in this Article 44.
- 44.2. In case of a Liquidity Event, the proceeds shall be distributed in the following order of priority:
- (a) Firstly, to the Investor, until the Investor receives at least 2 (two) times of the Investment Amount, inclusive of any cash/accrual payments of interest or coupon already paid on INR basis;
 - (b) Secondly, to the Promoters and other shareholders (if any), until the Promoters and other shareholders receive, on a per Equity Security basis and for the total number of Equity Securities held, an amount equivalent to what the Investor has received under (a) above on a per Equity Security basis;
 - (c) Thirdly, amongst all Shareholders pro-rata to their shareholding in the Company.
- 44.3. In case of a Liquidation Event, the Investor shall be entitled to a liquidation preference for an amount which would be equal to the Investment Amount, inclusive of any cash/accrual payments of interest or coupon already paid, on an INR basis.

XLVI - EVENT OF DEFAULT

45. **Event of Default**

- 45.1. (i) Any failure or breach by the Company and/ or Promoters to comply with any of the Identified Terms, or (ii) any fraud by the Promoters with respect to the Company, the Subsidiaries or the Investor shall, if capable of remedy, be remedied by the Company and/ or Promoters within 60 (Sixty) days from the date of receipt of a written notice (the 'written notice') from the Investor requesting the Company and/ or the Promoters to remedy such failure or breach. In the event such failure or breach is not remedied by the Company and/ or the Promoters within such aforesaid stipulated time, after receipt of the 'written notice', such failure or breach shall be considered as an event of default ("**Event of Default**").
- 45.2. On or any time after the occurrence of an Event of Default, the Investor may (in its sole and absolute discretion) (i) serve a notice in writing (a "**Default Notice**") on the Company and the Promoters, informing the Company and the Promoters that an Event of Default has occurred; and (ii) shall be entitled to, subject to applicable Law, exercise the Drag Right in accordance with Article 43.4, either through the Default Notice or under a separate written notice addressed to the Company and the Promoters, provided however that in the event that the Drag Right is not exercised within a period of 6 (Six) months from the date of establishment of the Event of Default, this right of the Investor shall lapse without prejudice to the rights of the Investor in terms of this Article 45, upon the occurrence of any subsequent Event of Default.

- 45.3. Notwithstanding anything to the contrary as may be contained in the Articles, upon occurrence of Event of Default in accordance with Article 30.5, there shall not be any remedy period available to the Promoters as stated in Article 45.1 and the right of the Promoters under Article 36.4(d) shall not be available to the Promoters in case of exercise of Drag Right by the Investor in accordance with Article 43.4.

XLVII - FALL-OFF OF RIGHTS

46. Notwithstanding anything set out in these Articles, in the event the Investor's (calculated at all times, together with Affiliates) shareholding in the Company falls below 8% (eight per cent) on a Fully Diluted Basis, then all the rights available to the Investor (and its Affiliates) under the Agreement, except the information rights under Article 35 and Tag Along Right under Article 30.3, shall fall off and the Investor shall not have the right to exercise any other rights available to it under the Agreement. For the avoidance of doubt, the obligations of the Investor under the Agreement and the Articles shall survive even after the Investor's shareholding in the Company falls below 8% (eight per cent) on a Fully Diluted Basis. Further, subject to applicable law, the restrictions, undertakings and covenants under these Articles will be applicable unless otherwise consented to, or waived, as applicable, in writing, between the relevant parties.

XLVIII - BORROWING POWERS

47. Subject to section 179 of the Companies Act, 2013 and Article 38, Board may from time to time at their discretion raise and borrow and may themselves lend and secure the payment of any sum or sums of money for the purpose of the Company.
48. The Board may raise or secure the repayment of such sum or sums in the manner and upon such terms and conditions in all respect as they deem fit and particular by creation of any mortgage or charge on the undertaking of the whole or any part of the property, or future, or uncalled capital of the Company or by the issue of bonds, redeemable debentures or denture-stock of the Company charged upon all or any part of the property of the Company both present and future including its uncalled capital for the time being.
49. All monies hundies, bills of exchange, notes belonging to the Company shall be deposited with one or more banks as the Board of Directors may decide, into an account to be opened in the name of the Company. Cheques on the banks shall be signed by one or more of the managing directors or working directors or by the members of the staff of the Company to whom the Board assign power of attorney or empower him/them by the Board resolution.
50. The Board of Directors are authorized to open accounts with in any bank in the name of the Company and operate upon those accounts and to invest the funds of the Company in Government or other securities of any kind whatsoever and to collect interest on the same from time to time and/or endorse, transfer or otherwise deal with securities of the company.
51. The Board of Director by proper resolutions shall have the power to do all or any of the acts mentioned in the Memorandum of Association subject to section 179 of the Act.

52. The Company shall comply with the provisions of the Act, or any statutory modification thereof for the time being in force and in particular in regard to the registration of particulars of mortgages and charges affecting the property of the Company or created by it, and to keeping a register of the Directors and to send to the Registrar of Companies an annual return, statutory returns and a summary of particulars relating thereto and notice of any increase of share capital, and copies of special resolutions.
53. Debentures, Debenture-Stock, bonds, or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
54. Subject to applicable Law and these Articles, any debenture, debenture – stock, bonds, or other securities may be issued at 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.

XLIX - DISQUALIFICATIONS OF DIRECTORS

55. The office of a director shall become vacant:
 - 55.1. If by notice in writing to the Company a Director resigns the office of director,
 - 55.2. If a Director ceases to be a director by virtue of the Act or becomes disqualified in accordance with provisions of Section 164 of the Companies Act, 2013,
 - 55.3. If a Director adjudged insolvent, found lunatic or of unsound mind or involved in such offence that tell upon him as committing an act moral turpitude in the eyes of law or does such act during discharge of his duties as director as tantamount to criminal breach of trust.

L - ACCOUNTS AND AUDIT

56. The Board of Director shall cause true account to be kept of the sums of money received and expended by the Company, all sales and purchases of goods by the Company and the matters in respect of which such receipt and expenditure take place and of the assets, credit and liabilities of the Company.
57. The books of accounts shall be kept the registered office of the Company or at such other place or places as the Board of the directors of the Company in writing decide and shall be open to inspection by the directors during business hours.
58. The Company may keep such books of account or other relevant papers in electronic mode in the manner as prescribed under the Companies (Accounts) Rules, 2014, if the Board so decides.
59. The Board shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulation the accounts, books and documents of the

Company and any of them shall be open to the inspection by the members not being the Directors and no member (not being a Director) shall have any right of inspecting any account or books or document of the Company except as conferred by statute or authorized by the Board or by the Company in general meeting.

60. Once at least in every year the accounts of the Company shall be examined and the correctness of the Balance Sheet and Profit and Loss Account ascertained by one or more statutory auditor or auditors.
61. The Company shall, at the annual general meeting, appoint an individual or a firm as an auditor who shall hold office for such period as determined by the Board and the manner and procedure of selection of auditors shall be as prescribed under Section 139 of the Companies Act, 2013 and other applicable provisions of the Act and the Companies (Audit and Auditors) Rules, 2014, provided that the Company shall place the matter relating to such appointment for ratification by members at every annual general meetings. Eligibility, qualifications, disqualification, powers, duties and removal of auditors shall be as prescribed under the Act and Companies (Audit and Auditors) Rules, 2014 as applicable to a public company.
62. The Company may at a general meeting remove any such auditor or all or any of such auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any member of the Company and whose nomination has been given to the members of the Company not earlier than three months but at least fourteen days before the date of the meeting.

LI - DIVIDENDS AND RESERVES

63. Subject to applicable Law, the Board may from time to time recommend and pay to the member such interim dividend as will appear it to be justified by the profit of the Company and the final dividend including interim dividend have to be approved by the general body meeting held thereafter, which shall be payable to such members whose names appear in the members register on the date of declaration at the general body meeting.
64. The general body can't declare dividend more than recommended by the Board.
65. The Board recommend any dividend, but before that set aside out of the profit of the Company such sum as it think proper as a reserves which shall at the discretion of the Board be applicable for any purpose to which the profit of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends and pending such application, may, at the discretion, either be employed in the business of the company or to be invested in such investments (other than shares of the Company) as the Board may from time to time, think fit.
66. The Board may also carry toward any profit which it may think prudent not to divide, with or without setting aside any profit as reserve, but such decision must be supported by cogent reasons recorded in the Boards resolution and must be approved by the members in a following general meeting.

67. Subject to the rights of the persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid in cash according to and in proportion to the amounts paid or credited as paid in respect whereof the dividend is to be paid but if and so long as there be any arrears in any of the calls of the shares in the Company, dividends may be declared according to the amount of the shares already paid and the amounts of dividends may be adjusted against arrears of such calls on the shares.
68. Except as otherwise provided in these Articles and the SHA, all dividends shall be apportioned and paid proportionate to the amount paid or credited as paid on the shares as on the last day of the year but if any share is issued on terms providing that they shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
69. The Board may deduct from any dividend payable to any member all sums of money, if any presently payable to him to the Company on account of calls or otherwise in relation to the share of the Company.
70. Every dividend warrant may be sent by post to last registered address of the member entitled thereto and the receipt by the person whose name at the date of declaration of the dividend appears on the Register of Members as the owner of the share or in case of joint holder, the receipt by any one of such holders shall be a good discharge to the Company for all payments made in respect of such dividend.
71. **Right to unpaid or unclaimed dividend**
- (a) If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank or private sector bank.
 - (b) Any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund".
 - (c) No unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law and such forfeiture, if effected, shall be annulled in appropriate cases.

LII - THE SEAL

72. The Directors shall provide for the safe custody of the seal.
73. The seal of the Company shall not be affixed to any instrument except by authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least one Director and of the secretary or such other person as the Board may appoint for the purpose; and that one Director and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

LIII - INDEMNITY

74. The Company shall be bound by the indemnification provisions as provided under clause 19 of the Agreement.
75. The Directors, manager, auditor, secretary and other officers for the time being of the Company and any trustees for the time being acting in relation to any affairs of the Company and the heirs, executors and administrators respectively shall be indemnified for the losses which any of them shall or may incur or sustain by reason of any act done or committed in or about the execution of their duty in their respective offices of trust (except such) (if any) as they shall incur or sustain by or through their own willful neglect or default respectively) and no such officer or trustee shall be answerable for the acts, receipts, neglects or defaults of any other officer or trustee or for joining in any receipt, for the sake of conformity or for the solvency or honesty of any bankers or other person with whom any money or effects belonging to the Company may be lodged or deposited for the safe custody or for any insufficiency or deficiency or any security upon which any money of the Company shall be invested or for any other loss or damages due to any such cause as aforesaid or which may happen in or about the execution of his office or trust unless the same shall happen through the willful neglect or default of such office or trustee. This Article is subject to section 197 of the Act.
76. Every officer or agent for the time being 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 favour or in which he is acquitted.

LIV - FAIR MARKET VALUE OF SHARES

77. The Fair Market Value of the Equity Securities for the purposes of these Articles and the Agreement shall be determined by a Valuer appointed based on mutual agreement of the Investor and the Promoters at the relevant time, it being understood that the Investor and Promoters shall use their best endeavours to ensure such determination within 30 (Thirty) days of appointment of the Valuer.
78. If the Investor and the Promoters are unable to agree on a Valuer, then within 30 (Thirty) days of such disagreement, the Investor and the Promoters shall each appoint a Valuer.
79. The Shareholders shall ensure that each Valuer has such information relating to the Company as it reasonably requires for determination of the Fair Market Value.
80. For arriving at the Fair Market Value, each Valuer shall take into account all factors it considers to be relevant.
81. If the difference in Fair Market Value determined by each of the Valuers is 15% (fifteen percent) or less, the average of the Fair Market Value determined by each of the Valuers shall be taken as the Fair Market Value.
82. If the difference in Fair Market Value determined by each of the Valuers is more than 15% (fifteen percent), the two Valuers shall jointly appoint a third Valuer (“**Third Valuer**”), who shall review the findings of the two Valuers and independently determine the Fair Market Value

it deems more accurate from amongst the two, taking into account the factors it considers to be relevant. Upon the Third Valuer's determination of the Fair Market Value, the Third Valuer shall set out the correct Fair Market Value in a certificate signed by him and issued to the Promoters and the Investor.

83. The Valuers and the Third Valuer (as the case may be) shall determine the Fair Market Value within 30 (thirty) days of their respective appointment and shall notify the Promoters and the Investor of their determination. Each party shall bear the fees of the respective Valuers appointed by them. The fees of the Third Valuer appointed under this Section XXXIV shall be paid by the Company.

84. Each of the Valuers and the Third Valuer shall act as an expert and not as an arbitrator.

LV - SECRECY CLAUSE

85. Every Director, (except institutional/ex-officio Director) auditor, 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 pledging himself to observe strict secrecy respecting all transactions and affairs of the Company and all matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by 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 of these Articles.

86. No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which, in opinion of the Director, it would be inexpedient in the interest of the Company to disclose.