

ARTICLES OF ASSOCIATION

OF

GLOBUS SPIRITS LIMITED
(Formerly Globus Agronics Limited)

(Adopted by Special Resolution passed by the Members of the Company by way of Postal Ballot declared on 29th April 2013)

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| 1. | Save as reproduced herein the regulation contained in Table " A" in Schedule I to the Act Shall not apply to the Company. | Table A not to apply |
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INTERPRETATION

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| 2. | (1) In the interpretation of these Articles, unless repugnant to the subject or context: | Interpretation Clause |
| | "The Company" or "This Company" means "Globus Spirits Limited".
(Formerly Globus Agronics Limited) | The Company or This Company |
| | "The Act" means " The Companies Act 1956" or any statutory modification or re-enactment therefore for the time being in force. | The Act |
| | "Affiliate" in relation to a Person, | |
| | (a) being a corporate entity, shall mean any entity or Person, which controls, is controlled by, or is under the common control of such Person; | |
| | (b) being an individual, shall mean any Relative or any other Person, which is controlled by such Person or a Relative of such individual; | |
| | (c) in any other case shall mean a Person controlled by a Party/Parties to the Shareholders' Agreement. | |
| | The term "control" shall mean the beneficial ownership of or the right to vote in respect of, directly or indirectly, more than 50% of the voting shares or securities of such entity or the power to control the majority of the composition of the board of directors of such entity or the power to direct the management or policies of such entity by contract or otherwise; | |
| | "Annual General Meeting" means a general meeting of the Members held in accordance with the provisions of Section 166 of the Act or any adjourned meeting thereof. | Annual General Meeting |
| | "Auditors" means and include those persons appointed as such for the time being by the Company or its Board. | Auditors |
| | "Bombay Stock Exchange" or "BSE" shall mean the BSE Limited situated at Mumbai, India; | |
| | "Board" or "Board of Directors" or "the Board" means the Board of <i>'Board of Directors for the time being of the Company'</i> . | Board |

<p>"Board Meeting" means a meeting of the Directors or a committee thereof duly called and constituted, or as the case may be, the Directors assembled at the Meeting of the Board of Directors of the Company collectively.</p>	Board Meeting
<p>"Business" shall mean the business of the Company of (a) manufacture, marketing and sale of industrial alcohol including Indian Made Indian Liquor, commonly known as Country Liquor; Indian Made Foreign Liquor and bulk alcohol; and (b) bottling of IMIL and IMFL manufactured by other companies</p>	Business
<p>"Capital" means the share capital for the time being raised or authorised to be raised, for the purpose of the Company.</p>	Capital
<p>"Closing Date" shall have the meaning ascribed to the said term in the Share Subscription Agreement;</p>	Closing Date
<p>"Competitor" means any entity engaged on its own or through its Affiliates in a business or having a substantial interest in a business which is identical or similar to any business being carried on by the Company at the relevant time, or which can be reasonably said to be in competition with any business being carried on by the Company at such relevant time;</p>	Competitor
<p>"Conversion Period" shall mean the period of 18 (eighteen) months from the date of issue of the Promoter Warrants;</p>	Conversion Period
<p>"Debenture" includes debenture-stock.</p>	Debenture
<p>"Deed of Adherence" means a deed to be executed by the transferee of any shares from the Promoters substantially in the form set out in Schedule 2 of the Shareholders' Agreement;</p>	Deed of Adherence
<p>"Dividend" includes interim dividend.</p>	Dividend
<p>"Encumbrance" in relation to Shares, shall mean the creation or continued existence of any security interest, whether by way of pledge, mortgage, hypothecation, lien, charge (whether fixed or floating), trust or other encumbrance of whatsoever nature on such Shares;</p>	Encumbrance
<p>"Equity Shares" shall mean the equity shares of the Company issued from time to time, presently having a face value of Re. 10/- (Rupee ten only) per share;</p>	
<p>"Equity Shareholder" shall mean any Person, who holds Equity Shares in the Company;</p>	Equity Shareholder
<p>"Excess Promoter Holding" shall mean the aggregate shareholding of the Promoters in excess of 45% (forty five percent) of the issued and paid-up share capital of the Company, which is required to be held free from all Encumbrances;</p>	Excess Promoter Holding
<p>"Extraordinary General Meeting", means an extraordinary general of the Members duly called and constituted and any adjourned meeting thereof.</p>	Extraordinary General Meeting
<p>"Financial Investor" shall mean and include (a) any Person engaged in the business of investing in multiple entities with agreed exit rights within specified timelines; and/or (b) any asset management companies, private equity/venture capital entities (incorporated as limited liability partnerships, trusts or companies), 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</p>	Financial Investor

for purely financial returns, provided that the term "Financial Investor" shall exclude entities engaged in the same or similar business as that of the Company;

"Government Authority(ies)" shall mean:

- (a) a government, whether foreign, federal, central, state, territorial, local or otherwise which has or claims jurisdiction over the Company;
- (b) a department, office or minister of a government acting in that capacity and shall include the Foreign Investment Promotion Board, SEBI and the Reserve Bank of India; or
- (c) a commission, agency, board or other governmental, semi-governmental, judicial, quasi judicial administrative, monetary or fiscal authority, tribunal;

"ICDR Regulations" shall mean the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2009, including all the modifications and amendments thereto

"Investor" means Templeton Strategic Emerging Markets Fund IV, LDC, represented by Templeton Asset Management Limited, a company established under the laws of Cayman Islands, having its registered office at c/o Mourant Ozannes Corporate Services (Cayman) Limited, Harbour Centre, 42 North Church Street, P.O. Box 1348, George Town, Grand Cayman KY1-1108;

Investor

"Investor Equity Shares" means Equity Shares issued to the Investor upon conversion of any or all of the Investor Preference Shares, in accordance with the Share Subscription Agreement;

Investor Equity
SharesInvestor

"Investor Preference Shares" means 50,38,168 (fifty lakhs thirty eight thousand one hundred and sixty eight) cumulatively compulsory convertible preference shares having face value of Rs 140/- (one hundred and forty) each issued and allotted at par, carrying a coupon of 4.75% per annum to be allotted to the Investor by the Company in accordance with the Share Subscription Agreement;

Investor
Preference
Shares

"Investor Shares" means Investor Equity Share or the Investor Preference Shares as in reference to the context of the Article.

"Law" includes all applicable statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Government Authority including but not limited to the Foreign Exchange Management Act, 1999, SEBI Insider Trading Regulations and the ICDR Regulations;

Law

"Member" means the duly registered holder from time to time of the shares of the Company and includes the subscribers of the Memorandum of Association of the Company.

Member

Meeting "Meeting" or "General Meeting" means a meeting of members.

Month "Month" means a calendar month.

"National Stock Exchange" or "NSE" shall mean the National Stock Exchange of India Limited situated at Mumbai, India;

Office	"Office" means the registered office for the time being of the Company.
Ordinary Resolution	A resolution shall be an ordinary resolution when at a general meeting of which the notice required under the Act has been duly given, the votes cast (whether on a show of hands, or on a poll as the case may be) in favour of the resolution (including the casting vote, if any, of the chairman) by members, who being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the resolution by members so entitled and voting.
Paid up	"Paid-up" includes credited as paid-up.
Persons	"Persons" includes corporations and firms as well as individuals.
Postal Ballot	"Postal Ballot" shall mean voting by post through ballot papers distributed amongst eligible voters and shall include voting by electronic mode.
Promoter Allottee	"Promoter Allottee" shall mean Chandbag Investments Limited, to whom the Promoter Warrants shall be allotted by the Company in accordance with the terms of the Share Subscription Agreement;
Promoter Warrants	"Promoter Warrants" shall mean the aggregate of 7,63,359 (Seven lakhs sixty three thousand three hundred and fifty nine) optionally convertible share warrants of the Company to be issued by the Company to the Promoter Allottee, each of which Promoter Warrant shall be optionally convertible into one Equity Share at the Promoter Warrant Exercise Price on or prior to the expiry of the Conversion Period subject to the terms of the Share Subscription Agreement;
Promoter Warrant Exercise Price	"Promoter Warrant Exercise Price" shall mean a price of Rs.140/- (Rupees one hundred and forty only) per Promoter Warrant;
Promoters	"Promoters" shall mean Mr. Madhav Kumar Swarup, Mrs. Saroj Rani Swarup, Mrs. Madhavi Swarup, Mr. Ajay Kumar Awarup, Mr. Shekhar Swarup, Mr. Anoop Bishnoi, Mr. Bhupendra Kumar Bishnoi, Mrs. Roshni Bishnoi, Chandbag Investments Limited, Globus Infosys Private Limited and Jaroda Plantations Private Limited
Register of Members	"Register of Members" means the Register of Members to be kept pursuant to the Act.
Registrar	"Registrar" means the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated.
Relative	"Relative" shall mean any lineal ascendants or descendants and shall also include spouses, brothers, sisters, son or unmarried daughter;
Reserved Matters	"Reserved Matters" shall mean and include the following items: <ul style="list-style-type: none"> (a) Issuance of Securities (other than in furtherance of any employee stock option program) at a price per Equity Share lower than Rs. 140/-;

- (b) Incurrence of any debt (including issuance of preference shares not convertible into Equity) by the Company if the debt equity ratio is exceeding 1:1 in the aggregate and the establishment of any mortgage, pledge or lien over any assets of the Company, where for the purposes of these Articles, the term "debt" shall mean all debt, whether long term or short term and whether secured or unsecured and secured and the term "equity" shall mean all forms of equity infusions and all types of reserves;
- (c) Any merger, demerger, arrangement, consolidation or the sale, lease or other disposal of all or substantially all of Company's assets, except for any internal restructuring provided that after completion of such restructuring exercise, the aggregate shareholding of the Promoters continues to remain equal to or higher than 45% of the issued and paid up equity share capital of the Company or any fresh entity which is created as a result of the restructuring exercise;
- (d) Any banking or debt transaction involving any affiliate of one of the Company's shareholders;
- (e) Liquidation, dissolution or winding up of the Company;
- (f) Any change to either the memorandum or articles of association of the Company;
- (g) Any material change in the Business of the Company;
- (h) Any change of statutory auditors of the Company and/or any material change in accounting policies and procedures applicable to the Company.

Secretary

"Secretary" means any individual possessing the qualification prescribed for the time being by or under the Act or any rules made there under and appointed to perform the duties, which may be performed by Secretary under the Act, and any other ministerial or administrative duties.

Seal

"Seal" means the Common Seal for the time being of the Company.

"Securities" shall include the Shares, debentures and any other security that is convertible into Shares;

Share

"Share" means all equity shares in the share capital of the Company and includes (i) wherever the context requires, the Investor Preference Shares; and (ii) stock except where a distinction between stock and share is expressed or implied.

"SEBI" shall mean the Securities and Exchange Board of India;

"SEBI Insider Trading Regulations" shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, including all the modifications and amendments thereto;

Share
Subscription
Agreement

"Share Subscription Agreement" shall mean the share subscription agreement dated 19th March, 2013 entered into between the Company, the Investor and the Promoters;

Shareholder

"Shareholder" or "Shareholders" shall mean any Person, who holds Equity Shares or preference shares;

Shareholders' Agreement	"Shareholder's Agreement" shall mean the shareholders' agreement dated 19 th March, 2013 entered into between the Company, the Investor and the Promoters;	
Small Shareholder	"Small Shareholder" means a shareholder holding shares of the nominal value of twenty thousand rupees or less.	
Special Resolution	<p>A resolution shall be a special resolution when</p> <p>(a) the intention to propose the resolution as a special resolution has been duly specified in the notice convening the general meeting or other intimation given to the members of the resolution.</p> <p>(b) the notice required under the Act has been duly given of the general meeting; and</p> <p>(c) the votes cast in favour of the resolution whether on a show of hands, or on a poll as the case may be by members, who being entitled so to do, vote in person, or where proxies are allowed, by proxy, are not less than three times the number of the votes, if any, cast against the resolution by members so entitled.</p>	
	"Takeover Code" shall mean SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, including any modifications and amendments thereto;	Takeover Code
Written and In Writing	"Written" and "In Writing" include printing, lithography, computer modes and other modes of representing or reproducing words in a visible form.	
	"Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(17) of the Act.	Year and Financial Year
	Words importing the singular number include, where the context admits or requires the plural number and vice versa.	Singular Numbers
	Words importing the masculine gender also include the feminine gender.	Gender
	The marginal notes used in these Articles shall not affect the construction or meaning of the subject.	
	Save as aforesaid, words or expressions, defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.	
CAPITAL AND INCREASE AND REDUCTION OF CAPITAL		
	3. The Authorized Share Capital of the company shall be the capital as specified in Clause V of the Memorandum of Association, with power to increase and reduce the Share Capital of the company and to divide the shares in the Capital for the time being into several classes as permissible in law and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for time being be provided in the Articles of Association.	Amount of Capital

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| <p>4. The Company in General Meeting may, from time to time, increase the Capital by the creation of new Shares. Such increase to be of such aggregate amount and to be divided into such shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine, and in particular, such shares may be issued with a preferential or qualified right to dividends, or otherwise and in the distribution of assets of the Company, and with a right of voting at general meetings of the Company in conformity with Section 87 of the Act. Whenever the Capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 97 of the Act.</p> | <p>Increase of Capital by the Company and how carried into effect</p> |
| <p>5. Except in so far as otherwise provided in the conditions of issue of shares by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.</p> | <p>Office</p> |
| <p>6. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue Preference Shares, which at or at the option of the Company are liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.</p> | <p>Redeemable Preference shares</p> |
| <p>Provision applicable on the Issue of redeemable Preference shares</p> | <p>7. On the issue of Redeemable Preference Shares under the provisions of Article 6 hereof, the following provisions shall take effect:</p> <p>(a) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh Issue of shares made for the purpose of the redemption.</p> <p>(b) no such shares shall be redeemed unless they are fully paid.</p> <p>(c) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of the profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account" a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, excepts as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid up share capital of the Company.</p> |
| <p>Reduction of Capital</p> | <p>8. The Company may (subject to the Provisions of Section 78, 80, 100 to capital 105 both inclusive, of the Act) from time to time by Special Resolution reduce its capital, any Capital Redemption Reserve Account or Share Premium Account in any manner for the time being authorized by law, and in particular, capital may be paid off on the footing that it may be called upon again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.</p> |
| <p>Sub-division, consolidation and cancellation of shares</p> | <p>9. Subject to the provisions of Section 94 of the Act, the Company in General Meeting may from time to time sub-divide or consolidate its shares, or any of</p> |

them, and the resolution whereby any share is sub-divided, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other or others. Subject as aforesaid, the Company in General Meeting may also cancel shares, which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Modification of
Rights

10. Whenever the Capital is divided into different classes of shares all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths of nominal value of the issued shares of the class or is confirmed by a Resolution passed at a separate General Meeting of the holders of shares of that class and supported by the votes of the holders of at least three-fourths of those shares, and all the provisions hereinafter contained as to General Meetings shall mutatis mutandis apply to every such Meeting, but so that the quorum thereof shall be members present in person or by proxy and holding three fourths of the nominal amount of the issued shares of the class. This Article is not to derogate from any power the Company would have if it were omitted.

SHARES AND CERTIFICATES

11. The Company shall cause to be kept a Register and Index of Members in accordance with Sections 150 and 151 of the Act. The Company shall be entitled to keep in any State or country outside India a branch Register of Members resident in that State or country.
12. The shares in the Capital shall be numbered progressively according to their several denominations, and except in the manner herein before mentioned, no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.
13. Subject to Article 13A hereof, where at the time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares, either out of the un-issued capital or out of the increased share capital then
- (a) such further shares shall be offered to the persons who on the date of the offer, are holders of the equity shares of the Company, in proportion as near as circumstances admit, to the capital paid-up on those shares at the date.
- (b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than thirty days from the date of the offer and the offer, if not accepted, will be deemed to have been declined.
- (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of

Register and
Index of
Members

Shares to be
Numbered
Progressively
And no share to
be subdivided

Further issue
of capital

any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right. PROVIDED that the Directors may decline without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.

- (d) After the expiry of the time specified in the aforesaid notice 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 as they may think, in their sole discretion, deem fit.

1. Notwithstanding anything contained in the sub-clause (1) thereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub clause (1) hereof) in any manner whatsoever.

- (i) if a special resolution to that effect is passed by the company in general meeting; or
- (ii) where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll, as the case may be) in favour of the proposal contained -in the resolution, moved in the general meeting (including the casting vote, if any, of. the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes if any, cast against the proposal by members so entitled to voting and the Central Government is satisfied on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.

2. Nothing in sub-clause (c) of (1) hereof shall be deemed;

- (a) To extend the time within which the offer should be accepted; or
- (b) To authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
3. Nothing in this article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debenture issued or loan raised by the company:

- (i) To convert such debentures or loans into shares in the company; or
- (ii) To subscribe for shares in the company (whether such option is conferred in these articles or otherwise)

Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with Rules, if any, made by that government in this behalf ; and
- (b) in the case of debentures or loans or other than debentures issued to or loans obtained from government or any institution specified by the Central Government in this behalf, has also been approved by a special

resolution passed by the company in general meeting before the issue of the debentures or raising of the loans.

- 13A 1. Notwithstanding anything contained in these Articles hereof, in the event the Company proposes to make a fresh issue of Securities, the Investor will have the right to subscribe at the then prevailing issue price, subject to applicable Law, within 30 (thirty) days of the proposal being intimated to the Investor in writing, to the pro-rata percentage of the entire issue of such Securities on basis of its then existing shareholding in the Company, so that the Investor is entitled to maintain its 17.49% shareholding in the Company on a fully diluted basis.
2. This pre-emption right of the Investor shall not apply in the event of issuance of Securities (i) in furtherance of any employee stock option program; or (ii) pursuant to any merger, amalgamation or any arrangement in accordance with Section 391-394 of the Act, to which the Company is a party.
3. In the event any Financial Investor who invests in the Company (on a preferential allotment basis) is offered rights that are more favourable to such Financial Investor than those offered to the Investor, the Investor shall automatically be entitled to such favourable rights.

Shares at
the disposal
of the
Directors

14. Subject to the provisions of section 81 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the Directors controls of the directors who may issue, allot or otherwise dispose of the same or any of them such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section 79 of the act) at discount and at such time as they may from time to time think fit and with the sanction of the company in the general meeting to give to any persons the option or right to call for any shares either at par or premium during such time and for such Consideration as the directors think fit and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may, be issued as fully paid up shares and when so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any persons without the sanction of the company in the general meeting.

Conversion
of Investor
Preference
Shares

- 14A 1. Each Investor Preference Share shall be convertible into Equity Shares on or prior to the expiry of 18 (eighteen) months from the Closing Date (the "**Investor Conversion Period**"). Each Investor Preference Share shall convert into 1 (one) Equity Share having face value of Rs.10/- (Rupees ten only).
2. The Investor shall serve a written notice (the "**Conversion Notice**") of minimum seven days during the Investor Conversion Period on the Company, indicating the requirement to convert all or part of the Investor Preference Shares. Provided however that on the last date of the Investor Conversion Period, notwithstanding the receipt of any Conversion Notice, all outstanding Investor Preference Shares shall be automatically converted into Equity Shares as per the ratio specified in Article 14A.1 hereto.
3. On receipt of the Conversion Notice, in respect of conversion of all or part of the Investor Preference Shares (and in relation to each Conversion Notice), the following shall take place:

- (a) The Company shall hold a meeting of the Board or its duly authorized committee and allot the Investor Equity Shares arising upon conversion of the Investor Preference Shares (as stipulated in the relevant Conversion Notice) in favour of the Investor, and shall credit the depository account of the Investor (the details of which shall be stated in the Conversion Notice) with the Investor Equity Shares;
 - (b) within 30 (thirty) days of the allotment of Investor Equity Shares, the Company shall file with the office of the Reserve Bank of India and the Registrar of Companies, requisite form(s), as may be required as regards the issue and allotment of the Investor Equity Shares; and
 - (c) the Company shall within the time period prescribed under applicable Law, make all such disclosures and filings as may be required in the prescribed formats to Bombay Stock Exchange and the National Stock Exchange on which its Equity Shares are listed and other regulatory authorities as prescribed.
4. However, the investment shall not (i) result in the Investor being seen as acting in concert with the Promoters; and/or (ii) result having to make a public offer/ open offer to the Shareholders of the Company under the Takeover Code. In the event that there is any determination by a regulatory authority that the Promoters and Investor are deemed to be Persons acting in concert with each other, any and all obligations imposed, in this regard, under applicable Law, shall be fulfilled by the Promoters without recourse to the Investor.
 5. The investment by the Investor shall be made in compliance with all applicable Laws.
 6. The Investor Equity Shares issued upon conversion of the Investor Preference Shares shall be issued as fully paid-up and shall be free from all Encumbrances and shall at all times rank pari passu with the outstanding issued Equity Shares with respect to all rights including but not limited to voting rights, rights shares, bonus shares and dividends.
 7. Upon conversion of all the Investor Preference Shares into Investor Equity Shares and notwithstanding any conversion/exercise of the Promoter Warrants, the total percentage of Shares and/or voting rights represented by the Investor Equity Shares shall not be less than 17% of the total share capital of the Company but shall not be equal to or more than 25% of the total share capital of the Company and/or the total voting rights in the Company.
- 14B
1. Each Promoter Warrant shall be optionally convertible into one Equity Share on payment of the balance 75% (seventy five percent) of Promoter Warrant Exercise Price during the Conversion Period, at the option of the Promoter Allottee, in one or more tranches and at such time period as such Promoter Allottee may deem fit, on or prior to the expiry of the Conversion Period.
 2. Subject to article 14B.1. hereinabove, upon exercise of the option to convert by the Promoter Allottee, the Company shall, within fifteen (15) days from the receipt of notice from the Promoter Allottee, issue and allot appropriate number of Equity Shares and perform all such actions as are required to give effect to such conversion, including making appropriate credits to the depository account of the Promoter Allottee arising out of such conversion by the Promoter Allottee. The actions contemplated in this sub-article shall

Conversion
of
Promoter
Warrants

be in accordance with the instructions contained in the certificates relating to the Promoter Warrants.

3. Subject to article 14B.1. hereinabove, in the event that the Promoter Allottee exercises the option to convert only a part of the Promoter Warrants during the Conversion Period, the Company shall issue a new Promoter Warrant certificate in respect of the unexercised Promoter Warrants, to be exercised during the remaining Conversion Period, and deliver the same to the Promoter Allottee at the same time as allotment of Equity Shares in respect of the exercised Promoter Warrants.
4. Each Promoter Warrant will represent the right to subscribe to 1 (one) equity share of the face value of Rs. 10/- (Rupees ten only) each.
5. Any unexercised Promoter Warrants that are existing after expiry of the Conversion Period shall automatically lapse and the Promoter Allottee holding such Promoter Warrants shall have no claim against the Company in relation thereto.
15. In addition to and without derogating from the powers for the purpose conferred on the Board under Articles 13 and 14, the Company in General Meeting may, subject to the provisions of Section 81 of the Act and Article 13A hereof, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at a discount as such General Meeting shall determine and with full power to give any person (whether a member or not) the option to call for or be allotted shares of any class of the Company, either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a member or not) the option being exercisable at such times and for such consideration as may be directed by such General Meeting of the Company and the General Meeting may make any other provisions whatsoever for the issue, allotment or disposal of any shares.
16. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share shall be an acceptance of shares within the meaning of these Articles and every person who, does or otherwise accepts shares and whose name is on the Register shall for the purpose of these Articles, be a member.
17. The money (if any) which the Board shall, on the allotment of any share being made by them require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
18. Every member, or his heirs, executors or administrators shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof.

The power also to company in general meeting to authorize issue of shares

Acceptance of shares

Deposit and call to be a debt payable immediately

Liability of Members

Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination

registered in his name, or if the directors so approve (upon paying such fee as the directors may from time to time determine) to several certificates each for one or more of such shares and the company shall complete and have ready for delivery of such certificates within 3 month from the date of allotment, unless the conditions of issue thereof otherwise provide or within 1 month of the receipt of application of registration of transfer, transmission, subdivision or consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and the amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be borne to issue more than one certificates and delivery of a certificate of shares to one of several joint holder shall be sufficient delivery to all such holders.

Issue of New
Certification Place
of One Defaced,
lost Or Destroyed

19. If any certificate be worn out, defaced, mutilated or torn or if there be no production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificates under the article shall be issued without payment of fees if the directors so decide, or on payment of such fees (not exceeding Rs. 2 for each certificates) as the directors shall prescribe, provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced, 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 regulations or requirement of any stock exchange or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or the rules applicable in this behalf.

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

The first
named joint
holder
deemed to be
sole holder

20. If any share stands in the names of two or more persons, the person first named in the register shall, as regards receipt of dividends or bonus or service of notice and all or any other matter connected with the Company, except voting at meetings, be deemed the sole holder thereof, but the joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares for all incidents thereof according to the Company's regulations.

Company not
bound to
recognize any
interest in
share other
than that of
registered
holder

21. Except as ordered by a Court of competent jurisdiction, or as by law required, the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share, or (except provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof; but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

22. The Company shall have power, subject to and in accordance with all the applicable provisions of the Act and the rules made there under, to purchase any of its own fully paid shares or other specified securities whether or not they are redeemable and may make a payment out of its free reserves or

Buy back of
Securities by
the Company

securities premium account of the Company or proceeds of any shares or other specified securities provided that no buy back of any kind of shares or other specified securities shall be made out of the proceeds of an earlier issue of the same kind of shares or same kind of other specified securities or from such other sources as may be permitted by Law on such terms, conditions and in such manner as may be prescribed by the Law from time to time in respect of such purchase.

- 23 A. Subject to Article 13A hereof, any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on the condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing allotment of share, attending (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.

UNDERWRITING AND BROKERAGE

23. Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in or debentures of the Company, but so that the commission shall not exceed in the case of shares, five per cent of the price at which the shares are issued, and in the case of debentures, two and a half per cent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly "in one way and partly in the other.

Commission
may be paid

24. The Company may pay a reasonable sum for brokerage.

Brokerage

INTEREST OUT OF CAPITAL

25. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provision of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period, at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building, or the provision of plant.

CALLS

Directors
may make
calls

27. (a) The Board may, from time to time and subject to the terms on which any shares have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such call as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by installments.
- (b) That option or right to call of shares shall not be given to any person except with the sanction of the issuer in general meetings.

- Notice of calls. 28. Fifteen days notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.
- Calls to date from resolution. 29. A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board
- Calls may be revoked or postponed. 30. A call may be revoked or postponed at the discretion of the Board.
- 30A. The option or right to call of shares not be given to any person except with the sanction of the company in general meeting.
31. The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- Directors may extend time. 32. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who from residence at a distance or other cause, the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a member of grace and favour.
- Calls to carry interest. 33. If any member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest of the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board, but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.
- Sums deemed to be calls 34. Any sum, which may by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable, on the date on which by the terms of issue the same becomes payable and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.
35. On the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member, in respect of whose shares, the money is sought to be recovered appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered, is alleged to have become due on the shares in respect of such money is sought to be recovered; that the resolution making the call is duly recorded in the Minute Book; and that notice of such call was duly given to the member or his representatives used in pursuance of these Articles and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made duly convened or constituted nor any other matters whatsoever, but the proof of the matter aforesaid shall be conclusive evidence of the debt. Proof on trial of suit for money due on shares
36. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude Partial payment not to preclude forfeiture

the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

37. The directors may, if they think fit, subject to the provisions of section 92 of the act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually paid for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the company pay interest at such rate, as the member paying such sum in advance and the directors agree upon provided that 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.

Payment in anticipation of call may carry interest

The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

LIEN

38. The Company shall have a first and paramount lien upon all the shares / debentures (other than fully paid-up shares / debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any shares shall be created except upon the footing, and upon the condition that Article 22 hereof is to have full effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. 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 directors may at any time declare any shares wholly or in part to be exempt from the provision of this clause.

Company to have lien on shares / debentures

39. 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 authorize one of their member to execute a transfer thereof on behalf of and in the name of such member. No sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell, shall have been served on such member or his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.

Application of proceeds of sale

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

FORFEITURE OF SHARE

If call or installment not paid notice may be given.

41. If any member fails to pay any call or installment on or before the day appointed for the payment of the same the Board may at any time thereafter during such time as the call or installment remains unpaid, serve notice on

such member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non payment.

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| Form of notice. | 42. The notice shall name a day (not being less than thirty days from the date of the notice) and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time, and at the place appointed the shares in respect of which such call was made or installment is payable will be liable to be forfeited. | |
| If notice not complied with shares may be forfeited. | 43. If the requisitions of any such notice as aforesaid be not complied with, any shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares -and not actually paid before the forfeiture. | |
| Notice of forfeiture to a member. | 44. When any shares shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated, by any omission or neglect to give such notice or to make any such entry as aforesaid. | |
| Forfeited share to become property of the company | 45. Any share so forfeited shall be deemed to be the property of the Company, and the Board may sell, re allot or otherwise dispose of the same in such manner as think fit. | |
| | 46. The Board may, at anytime before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit. | Power to annual forfeiture. |
| | 47. A person whose share has been forfeited shall cease to be a member in respect of the forfeited share, but shall notwithstanding, remain liable to pay, and shall forthwith pay to the Company, all calls, or installment, interest and expenses, owing in respect of such share at the time of the forfeiture, together with interest thereon, from the time of forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment thereof, to any party thereof, without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not be under any obligation to do so. | Liability on Forfeiture |
| | 48. The forfeiture of a share involve extinction, at the time of the forfeiture, of all interest and all claims and demands against the Company in respect of the share and all other rights, incidental to the share except only such of those rights as by these Articles are expressly saved. | Effect of forfeiture |
| | 49. A duly verified declaration in writing that the declarant is a Director of the Company, and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and such declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof shall constitute a good title to such shares; and the person to whom any such share is sold shall be registered as the member in respect of such share and shall not be bound to see to the application of the purchase money, nor shall his title to such share be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition. | Evidence of forfeiture |

50. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors, shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons, entitled thereto.

Cancellation of share certificate in respect of forfeited shares.

TRANSFER AND TRANSMISSION OF SHARES

51. The Company shall keep a book to be called the "Register of Transfers", and therein shall be fairly and directly entered particulars of every transfer or transmission of any share.

Register of transfers.

52. The instrument of transfer shall be in writing and all provision of section 108 of the companies Act, 1956 and statutory modification there of for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

Instruments of transfer

To be executed by transferor and transferee

53. Every such instrument of transfer shall be executed both by transferor and the transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The Board shall not issue or register a transfer of any share in favour of a minor (except in cases when they are fully paid up).

53 A The Company shall use common form of transfers.

Transfer books when closed.

54. The Board shall have power on giving seven days' previous notice by advertisement in some newspaper circulating in the district in which the Office of the Company is situated to close the transfer books, the Register of Members or Register of Debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as it may deem expedient,

Directors may refuse to register transfer.

55. Subject to the provision of section 111 of the Act and section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the company but in such cases, the director shall within 1 (One) month from the date on which the instrument of transfer was lodged with the company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not, be refused on the ground of the transferor being either alone or jointly with any other person indebted to the Company on any account whatsoever except when the company has a lien on the Shares. Transfer of shares/debentures in whatever lot shall not be refused. Provided however that notwithstanding anything contained in this Article 55, the Directors shall not be entitled to decline to register or acknowledge any transfer of shares, which is made by the Investor in compliance with the procedure stipulated in these Articles.

Nomination.

56. Every holder of shares in, or Debentures of the Company may at any time nominate, in the manner prescribed under the Act, a person to whom his

Shares in or Debentures of the Company shall vest in the event of death of such holder.

Where the Shares in, or Debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the Shares or Debentures of the Company, as the case may be, held by them shall-vest in the event of death of all joint holders.

Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such Shares in or Debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the Shares in, or Debentures of the Company, the nominee shall, on the death of the Shareholders or holder of Debentures of the Company or, as the case may be, on the death of all the joint holders become entitled to all the rights in the Shares or Debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under the provisions of the Act.

Where the nominee is a minor, it shall be lawful for the holder of the Shares or holder of Debentures to make the nomination to appoint, in the prescribed manner under the provisions of the Act, any person to become entitled to the Shares in or Debentures of the Company, in the event of his death, during the minority.

57. Any person who becomes a nominee by virtue of the provision of the above Article, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either:
- (a) to be registered himself as holder of the shares or debentures, as the case may be; or
 - (b) to make such transfer of the shares or debentures, as the case may be, as the deceased shareholder or debenture holder, as the case may be, could have made.

Transmission in
the name of
nominee

If the nominee, so becoming entitled, elects himself to be registered as holder of the Shares or Debentures, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased shareholder or debenture holder and the certificate (s) of Shares or Debentures, as the case may be, held by the deceased in the Company.

Subject to the provisions of Section 109B(3) of the Act and these Articles, the Board may register the relevant Shares or Debentures In the name of the nominee of the transferee as if the death of the registered holder of the Shares or Debentures had not occurred and the notice or transfer were a transfer signed by that shareholder or debenture holder, as the case may be.

A nominee on becoming entitled to Shares or Debentures by reason of the death of the holder or joint holders shall be entitled to the same dividend and other advantages to which he would be entitled if he were the registered holder of the Share or Debenture, except that he shall not before being registered as holder of such Shares or Debentures, be entitled in respect of them to exercise any right conferred on a member or Debenture holder in relation to meetings of the Company.

The Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Shares or Debentures, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses, interest or other moneys payable or rights accrued or accruing in respect of the relevant Shares or Debentures, until the requirements of the notice have been complied with.

58. No share shall in any circumstances be transferred to any insolvent or persons of unsound mind.

No transfer to insolvent etc.

Registration of persons entitled to shares otherwise than by transfer (The transmission article)

59. Subject to the provisions of articles 56 and 57, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member, or the marriage of a female member, or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Board of Directors (which it shall not be under any obligation to give) upon producing such evidence that he sustains the character in respects of which he proposes to act under this article of his title, as the holder of the shares or elect to have some person nominated by him and approved by the Board of Directors, registered as such holder, provided nevertheless, that if such person shall elect to have his nominee registered he shall testify the election by executing to his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares. This Article is referred to in these Articles as the Transmission Article.

Person entitled may receive dividend without being registered as a member

60. A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may give discharge for any dividends or other moneys payable in respect of the share.

Transfer to be presented with evidence of title

61. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the shares and generally under and subject to such conditions and regulations as the Board of Directors shall from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors.

Conditions of registration of transfer

62. For the purpose of the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with (same as provided in Section 108 of the Act) a properly stamped and executed instrument of transfer.

Fee on transfer or transmission

63. 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.

Company not liable for disregard of a notice in prohibiting registration of transfer.

64. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or deferred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right title or interest, or be under any liability whatsoever for refusing or

neglecting so to do, though it may have been entered or referred to in some book of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Board of Directors shall so think fit.

DEMATERIALISATION OF SECURITIES

64A. The provisions of this Article shall apply notwithstanding anything to the contrary contained in, any other Articles.

1. For the purpose of this Article:

Definitions.

'Beneficial Owner means a person or persons whose name is recorded as such with a depository, 'SEBI' means the Securities & Exchange Board of India; established under Section 3 of the Securities & Exchange Board of India Act, 1992 and

'Depository' means a company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration to act as depository under Securities & Exchange Board of India Act, 1992; and wherein the securities of the Company are dealt with in accordance with the provisions of the Depositories Act, 1996.

2. The Company shall be entitled to dematerialize securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996.

Dematerialization of Securities.

3. Every holder of or subscriber to securities of the Company shall have the option to receive certificates for such securities or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any securities in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates for the Securities.

Options for investors

If a person opts to hold his Securities with the depository, the Company shall intimate such depository the details of allotment of the Securities, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the Securities.

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

Securities in depositories to be in fungible form

5. (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of securities of the Company on behalf of the beneficial owner.

Rights of Depositories and beneficial owners.

(b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by ft.

(c) Every person holding securities of the Company and whose name is entered as the beneficial owner of securities in the record of the depository shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities, which are held by a depository and shall be deemed to be a Member of the Company.

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| Service of Documents. | 6. Notwithstanding anything contained in the Act or these Articles to the contrary, where securities of the Company are held in a depository, the records of the beneficiary ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs. |
| Transfer of securities. | 7. Nothing contained in Section 108 of the Act or these Articles, shall apply to a transfer of securities affected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository. |
| Allotment of securities dealt with in a depository. | 8. Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities. |
| Distinctive number of securities held in a depository. | 9. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository. |
| Register and index of Beneficial Owners. | 10. The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles. |

64B Non-Disposal Undertaking by the Promoters

1. The Promoters shall not, without the prior written consent of the Investor, directly or indirectly transfer any Shares held by them whereby their aggregate shareholding in the Company falls below 45% (forty five percent) of the then prevailing issued and paid-up share capital of the Company. Provided however that no prior written consent of the Investor shall be required and the Promoters shall be permitted at all times:
 - a. to transfer their Shares inter-se amongst the Promoters; and/or
 - b. to transfer their Shares to their Affiliates, provided the transferee Affiliate executes and delivers to the Company, a Deed of Adherence (it being understood that any calculation of an Equity Shareholder's shareholding in the Company shall also take into account any Securities of the Company held by the Affiliate of such Equity Shareholder which has executed a Deed of Adherence and any references in these Articles to the terms "Promoters" or "Equity Shareholder" shall (wherever the context so admits), be construed as also including a reference also to such Person's Affiliate that holds any Shares in the Company).
2. The Promoters shall not, during the subsistence of the Shareholders Agreement, without the prior consent of the Investor, create any Encumbrance (other than a Transfer of Shares, to which the provisions of Article 64B.1. shall apply) in respect of any of the Shares held by them except for any Encumbrance over the Excess Promoter Holding for the purposes of (i) the Business or the business of any future subsidiaries of the Company; and/or (ii) for purposes other than the Business of the Company.

64C. Transfer of Shares by the Investor

1. Except for the statutory lock-in period prescribed under applicable Law, the Investor Shares held by the Investor, would not be subject to lock-in at any point of time under any circumstances and will be freely tradable and/ or

transferable and the Investor, at its sole discretion, shall have the right to sell the Investor Shares, without any restrictions. It is expressly clarified that if the Investor Transfers all (and not less than all) the Investor Shares to any Financial Investor, then the Investor shall be entitled to transfer rights available to the Investor under these Articles.

2. Notwithstanding anything to the contrary as mentioned above, the Investor Equity Shares of the Company allotted to the Investor shall at all times rank *pari-passu* with its outstanding issued equity shares with respect to all stock activities including, but not be limited to voting rights, dividends and rights issuance.

64D Tag Along Rights

1. In the event the Promoters or any of them (after having obtained the prior consent of the Investor in terms of Article 64B.1 above) desires to sell any of the Shares held by him/her/it ("**Offer Shares**"), whether cumulatively or in one transaction, such that the Promoters, as a group are likely to hold, less than 45% (forty five percent) of the then issued and paid-up share capital of the Company, after the Transfer of the Offer Shares to a third party purchaser, then the Promoters shall ensure that such third party purchaser also offers ("**Tag Along Offer**") in writing ("**Tag-Along Notice**") to the Investor to purchase all or part of the Investor Shares as may be stipulated in the Notice of Participation ("**Co-Sale Shares**"), at the same price offered by the third party purchaser to the Promoters and on the same terms and conditions as in respect of the Offer Shares being bought from the Promoters.
2. The Tag Along Offer shall be kept open for not less than 30 (thirty) days from the date of receipt of Tag-Along Notice by the Investor.
3. The Investor shall have the right ("**Tag-Along Right**") exercisable upon written notice ("**Notice of Participation**") to the third party purchaser and the Promoters within 30 (thirty) days after receipt of the Tag-Along Notice, to accept the Tag-Along Offer in respect of all of the Co-Sale Shares, on the same terms and conditions as set forth in the Tag-Along Notice.
4. If the Investor fails to give a Notice of Participation electing to accept the Tag-Along Offer within the 30 (thirty) day period specified in sub-article 3 above, the Investor shall be deemed to have declined its Tag-Along Right in relation to the relevant Tag-Along Offer, and the Promoters shall be free to transfer the Offer Shares to the third party purchaser. If the Investor gives a Notice of Participation, the Promoters shall procure that the third party purchaser shall purchase all (and not less than all) the Co-Sale Shares.
5. In the event the third party purchaser is not willing to purchase the Offer Shares along with all the Co-Sale Shares, then the Promoters shall reduce the number of Offer Shares sought to be Transferred to the third party purchaser to ensure that all (and not less than all) the Co-Sale Shares are capable of being transferred to the third party purchaser on the terms and conditions specified in the Tag-Along Notice.
6. The Investor shall not be required to give to the third party purchaser, any representations and/or warranties in respect of the Company or its Business, except for representations and warranties regarding the title, ownership and authority to sell the Co-Sale Shares held by them.

7. It is clarified that this Article 64D shall not apply in the event the third party purchaser is an Affiliate of the Promoters.

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

Copies of Memorandum and articles of Association sent by the company.

65. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 39 of the Act shall be sent by the Board to every Member at his request within fifteen days of the request on payment of Re. 1/- for each copy.

BORROWING POWERS

Power to borrow.

66. The Board may, from time to time, at its discretion subject to the provisions of Section 292 of the Act, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company; provided that the Board shall not without the sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.

Conditions on which money may be borrowed.

67. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by the issue of bonds, perpetual or redeemable, debentures or debenture-stock, or any mortgage, or other security on the undertaking of the whole or any part of the property of the Company (both present and future] including its uncalled capital for the time being.

68. Any debentures, debenture-stock, bonds other securities may be issued at a discount and otherwise debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. Debentures, debenture-stock, bonds or other securities with a right of conversion into or allotment of shares shall be issued only with sanction of the Company in General Meeting.

Issued at discounts etc. with special privileges.

69. Save as provided in Section 108 of the Act, no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the debentures.

Instrument of transfer.

70. If the Board refuses to register the transfer of any debentures, the Company shall, within one month from the date on which the instrument of transfer was lodged with the company, send to the transferee and to the transferor the notice of such refusal.

Notice of refusal to register members

71. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures, and charges specifically affecting the property of the Company, and shall cause the requirements of Sections 118 and 125 and 127 to 144, both inclusive of the Act in that behalf to be duly complied with, so far as they are ought to be complied with by the Board.

Register of mortgages etc. to be kept.

72. The Company shall, if at any time it issues debentures, keep Register and Index of Debenture holders in accordance with Section. 152 of the Act. The Company shall have the power to keep in any State or Country outside India a Branch Register of Debenture-holders, resident in that State or Country.

Register and index of debenture holders.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

73. The Company in General Meeting may convert any paid-up shares into stock; and when any shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interest therein, or any part of such interest, in the same manner and subject to the same regulations as, and subject to which the shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may at any time re-convert any stock into paid-up shares of any denomination.
74. The holders of stock shall, according to the amount of stock held by them have the same rights, privileges and advantages as regards dividends and voting at the meetings of the Company, and other matters as if they held the shares from which the stock arose; but no such privileges or advantages (except participation in the dividends and profits of the Company and in the assets of winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

Shares may
converted to be
stock

Rights of
stockholders

MEETING OF MEMBERS

Annual General
Meeting
Summary

75. General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meeting shall be Extraordinary General Meetings. The first Annual General Meeting shall be held within eighteen months from the date of incorporation of the company and the next Annual General Meeting shall be held within six months after the expiry of the financial year in which the first Annual General Meeting was held and thereafter an Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 166(l) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for on a time during business hours, on a day that is not a public holiday, and shall be held in' the office of the company or at some other place within the city in which the office of the Company is situated as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall be entitled to attend and to be heard at any General Meeting which he attends on any part of the business, concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report (if not already attached in the Audited statement of Accounts) the proxy Register with proxies and the Register of Directors' Share holdings of which latter Register shall remain open and accessible during the continuance of the meeting. The Board shall cause to be prepared the Annual List of Members, summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with Sections 159, 161 and 220 of the Act.

Extraordinary
General
Meeting

76. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid-up capital as at the date carries the right of voting in regard to the matter in respect of which the requisition has been made.

Regulation of the Members to state object of meeting

77. Any valid requisition so made by members must state the object or objects of the meeting proposed to be called and must be signed by the requisitionists and be deposited at the office provided that such requisition may consist of several documents in file form each signed by one or more requisitionists.

On receipt of requisitions Directors to call meeting and in

78. Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if they do not proceed within twenty one days from the date of the requisition being deposited at the office to cause a meeting to be called on a day not later than forty-five days from default requisitionists the date of deposit of the requisition, the requisitionists, or such of their may do so number as, represents either a majority In value of the paid-up share capital of the Company as is referred to in Section 169(4) of the Act, which ever is less, may themselves call the meeting, bid in either case, any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

default requisitionists may do so

79. Any meeting called under the foregoing Articles by the requisitionists shall Meeting called by be called in the same manner, as neatly as possible, as that in which requisitionist meetings are to be called by the Board.

Meeting called by requisitionist

80. Twenty-one days' notice at least of every General Meeting, Annual or Extraordinary and by whosoever called, specifying the day, place and hour of meeting, and the general nature of the business to be transacted thereat, shall be given in the manner, hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of an Annual General Meeting with the consent in writing of all the members entitled to vote thereat and in the case of any other meeting, with the consent of members holding not less than 95 percent of such part of the paid up share capital of the Company as gives a right to vote at the meeting any be convened by a shorter notice. In the case of an Annual General Meeting, I any business other than (I) the consideration of the Accounts, Balance Sheets and Reports of the Board of Directors and Auditors (ii) the declaration of dividend, (III) the appointment of Directors in place of those retiring (iv) the appointment of and f 1xing of remuneration of the Auditors, is proposed to be transacted then in that event there shall be annexed to the notice of the Meeting a statement setting out all materials facts concerning each such item of business including, in particular, the nature of concern or interest, if any, therein of every director, and the Manager (if any). Where any such item of special business relates to or affects any other Company, the extent of shareholding interest in other company of every Director and the Manager, if any, of the Company shall also be set out in the Statement if the extent of such share holding interest is not less than 20 percent of the paid-up share capital of that other company, where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Twenty-one days notice of meeting to be given

81. The accidental omission to give any such notice as aforesaid to any of the members, or the non receipt thereof, shall not invalidate the holding of the meeting or any resolution passed at any such meeting.

Omissions to give notice and to invalidate a resolution passed

82. No General Meeting, Annual or Extra-ordinary, shall be competent to enter Meeting not to transact upon, discuss or transact any business which has not been mentioned in business not the notice or notices upon which it was convened.

Meeting not to transact business not mentioned in notice

83. Five members present in person shall be quorum for a General Meeting.

Quorum of General Meeting

84. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act.

If quorum not present meeting to be dissolved or adjourned

85. If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the meeting, if convened by or upon the requisition of members shall stand dissolved, but in any other case the meeting shall stand adjourned to the same day in the next week or, if that day is a public holiday, until the next succeeding day which is not a public holiday, at the same time and place, or to such other day and at such other time and place in the city or town in which the office of the Company is for the time being situate as the Board may determine and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be quorum and may transact the business for which the meeting was called.

Chairman of General Meeting

86. The Chairman (if any) of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Board, or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting, or if he shall be unable or unwilling to take the Chair, then the directors present may choose one of their member to be the Chairman of the meeting. If no director were present or if all the directors present decline to take the chair, then the Members present shall elect one of their member to be Chairman.

87. No business shall be discussed at any General Meeting except the election of a Chairman, while the chair is vacant.

Chairman with consent may adjourn meeting

88. The Chairman with the consent of the members may adjourn any meeting from time to time and from place to place in the city in which it is held but, no business shall be transacted at any adjourned meeting other than the business, left unfinished at the meeting from which the adjournment took place.

Questions at general meeting decided

89. At any General Meeting a resolution put to vote at the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least five members having the right to vote on the resolution and present in person or by proxy, or by the Chairman of the Meeting or by any member or members holding not less than one-tenth of the total voting power in respect of the resolution or by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid-up on all the shares conferring that right, and unless a poll is demanded, a declaration by the Chairman that a resolution has on a show of hands, been carried unanimously, or by a particular majority, or lost, and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution.

Chairman's casting vote

90. In the case of an equality of votes, the Chairman shall, both on a show of hands and at a poll (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a member.

91. If a poll is demanded as aforesaid, the same shall, subject to Article 89 Poll if be taken if be taken at such time (not later than forty-eight hours from the time when demanded the demand was made) and place in the city or town in which the Office of the Company is for the time being situated and either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand. **Poll if be taken if demanded**
92. Where a poll is to be taken, the Chairman of the meeting shall appoint two Scrutinizer at poll Scrutinizers to scrutinize the vote given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting provided such member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a Scrutinizer from office and fill vacancies in the office of Scrutinizer from such removal or from any other cause. **Scrutinizer at poll**
93. Any poll duly demanded on the election of Chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith. **In what case poll taken without adjournment**
94. The demand for a poll except on the questions of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. **Demand of poll not to prevent transaction of other business**
- VOTE OF MEMBERS**
95. No member shall be entitled to vote either personally or by proxy, at any Members In general meeting or meeting of a class of shareholders, either upon a show of hands or upon a poll 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, and has exercised any right of lien. **Members in arrears not to vote**
96. Subject to the provisions of these Articles and without prejudice to any number of vote special privileges or restrictions as to voting for the time being attached to which a person entitled any class of shares for the time being forming part of the Capital of the company, every member not disqualified by the last preceding Article shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting rights of every member present in person or by proxy shall be in proportion to his shares of the paid-up equity share capital of the Company. Provided, however, if any preference share-holder be present at any meeting of the Company, save as provided in clause (b) of subsection (2) of Section 87, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares. **Number of vote which a person entitled**

- Casting on votes by a member entitled more than one vote 97. On a poll taken at meeting of the Company a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he used or may abstain from voting.
- How members non composmentia and minor may vote 98. A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy may vote whether on a show of hands or on a poll, by his committee or other legal guardian; and any such committee or guardian may, on poll vote by proxy, if any member be a minor, the vote in respect of his share or shares shall be by his guardian, or any of his guardians, if more than one, to be selected in case of dispute by the Chairman of the meeting.
- Vote of joint holders 99. If there be joint holders of any shares, anyone of such person may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled thereto by the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint-holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these Articles to be deemed joint holders thereof.
- Voting in person or by proxy 100. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act, and such representative shall be entitled to exercise the same rights and powers (including the rights to vote by proxy) on behalf of the body corporate which he represents as the body could exercise if it were an individual member.
- Votes In respect of shares of deceased and insolvent members 101. Any person entitled under Article 60, to transfer any share may vote at any General Meeting in respect thereof in the same manner, as if he were the registered holder of such shares, provided that forty eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
- Appointment of proxy 102. Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation, or be signed by an officer or any attorney duly authorised by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meeting.
- Proxy either for specified meeting or a period 103. An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof

or it may appoint. for the purpose of every meeting of the Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

104. A member present by proxy shall be entitled to vote only on a poll.
105. The instrument appointing a proxy and the power of attorney or other Deposit of authority (if any) under which it is signed or a notarially certified copy of Instrument of appointment that power or authority shall be deposited at the office not later than forty eight hours before the time for holding the meeting at which the person named in the Instrument proposes to vote, and in default the Instrument of proxy shall not be treated as valid. No Instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution. Deposit of instrument of appointment
106. Every instrument of proxy whether for a specified meeting or otherwise shall, Form of proxy as nearly as circumstances will admit, be in any of the forms set out in Schedule IX of the Act. Form of Proxy
107. A vote given in accordance with the terms of an instrument of proxy shall Validity of votes given by proxy be valid notwithstanding the previous death or Insanity of the principal, or notwithstanding revocation of the proxy of any power of attorney under which such proxy death of member was signed, or the transfer of the share in respect of which the vote is given, provided that no Intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting. Validity of votes given by proxy notwithstanding death of member
108. No objection shall be made to the validity of any vote, except at any Time for objection meeting or poll, at which such vote shall be tendered, and every vote of votes whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever. Time for objection of votes
- 108A. Notwithstanding any thing contained in the foregoing, the company shall Passing of transact such business, as may be specified by the Central Government, resolution by postal ballot from time to time, through the means of postal ballot. In case of resolutions to be passed by postal ballot, no meeting need to be held at a specified time and space requiring physical presence of members to form a quorum. Where a resolution will be passed by postal ballot the company shall, in addition to the requirements of giving requisite clear days notice, send to all the members the following: Passing of resolution by postal ballot
- i) Draft resolution and relevant explanatory statement clearly explaining the reasons thereof.
 - ii) Postal ballot for giving assent or dissent, in writing by members: and
 - iii) Postage prepaid envelope (by Registered Post) for communicating assents or dissents on the postal ballot to the company with a request to the members to send their communications within 30 days from the date of dispatch of Notice.

The Company shall also follow such procedure, for conducting vote by postal ballot and for ascertaining the assent or dissent, as may be prescribed by the Act and the relevant Rules made there under.

Chairman of meeting to be the judge of validity of any vote

109. Subject to applicable Laws, the Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

Minutes of General Meeting and inspection thereof by

110. (1) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof In books kept for that purpose with their pages consecutively numbered.
- (2) Each page at every such book shall be initiated or signed and the last page of the record of proceedings of such meeting in such books shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or liability of that Chairman- within that period, by a Director duly authorised by the Board for the purpose.
- (3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (4) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (5) All appointments of Officers made at any meeting aforesaid shall be included in the minutes of the meetings.
- (6) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting
- (a) is or could reasonably be regarded, as, defamatory of any person
or
- (b) is irrelevant or immaterial to the proceeding, or
- (c) is detrimental to the interest of the Company.

Subject to applicable Law, the Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.

- (7) Any such minutes shall be evidence of the proceedings recorded therein.
- (8) The book containing the minutes of proceedings of General Meetings shall be kept at the office of the Company and shall be open during business hours for such periods not being less in the aggregate than two hours in each day as the Directors determine, to the inspection of any member without charge.

DIRECTORS

111. 1. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors shall not be less than three nor more than fifteen. The Board shall include 1 (one) director of the Investor. The Board shall, at all times, comprise of such number of independent non-executive Directors in compliance with the provisions of the Act and relevant listing agreements executed by the Company with the BSE and the NSE.

2. The first Directors of the Company were the following:

- i) Mr. Gautam Khandelwal
- ii) Mr. Ashok Kumar
- iii) Mr. Sukhbir Singh Arya
- iv) Mr. Rajat Sangal

112. If at any time the Company obtains any loan or any assistance in connection Power to appoint there with by way of guarantee or otherwise from any person, firm, body exofficio directors corporate, local authority or public body (hereinafter called "the institution") or if at any time the Company issues any shares, debentures and enters into any contract or arrangement with the institution, whereby the institution subscribes for or underwrites the issue of the Company's shares or debentures or provides any assistance to the Company in any manner and it is a term of the relative loan, assistance, contract or agreement that the institution shall have the right to appoint one or more directors to the Board of the Company, then subject to the provisions of Section 225 of the Act and subject to the terms and conditions of such loan, assistance, contract or arrangement, the institution shall be entitled to appoint one or more director or Directors, as the case may be, to the Board of the Company and to remove from office any director so appointed and to appoint another in his place or in the place of Director so appointed who resigns or otherwise vacates his office, Any such appointment or removal shall be made in writing and shall be served at the office of the Company The director or directors so appointed shall neither be required to hold any qualification share nor be liable to retire by rotation and shall continue in the office for so long as the relative loan, assistance, contract or arrangement, as the case may be, subsists.

Power to appoint
exofficio directors

113. If it is provided by the Trust Deed, securing or otherwise in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debenture, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as Debenture Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director maybe appointed in his place. A Debenture Director shall not be allowed to hold any qualification share.

113A. If the Company at any time have a minimum paid up capital of Rupees Five Crore or such sum as may be prescribed and at least one thousand or more small shareholders, then the company may, suo motto or upon requisition of not less than one tenth of the total number of small shareholders, proceed to appoint a nominee from amongst small shareholders as a Director of the Company. The small 'shareholders'

director shall before his appointment, file his consent, to act as a Director, in writing to the Company and the tenure of such appointment shall be three years at a time without retirement by rotation, but shall be eligible for reappointment for another tenure. He shall, however, not be appointed as Managing Director or Whole Time Director under any circumstances and shall be subject to same disqualifications and shall vacate his office on the same grounds as are applicable to other Directors, in pursuance of these Articles. The company shall follow such Rules as may be prescribed by the Central Government in this behalf.

**Restrictions
on
directorship**

No small shareholders' director appointed in accordance with the provisions of this Article shall hold office at the same time as "small shareholders' director' in more than two companies.

113B. Appointment of Directors by the Investor and nature of Directorship

1. The Board shall include 1 (one) director of the Investor (the "**Investor Director**"). The Investor will have the right to appoint 1 (one) Investor Director (*including alternate directors in place of such nominated director*) to the Board. The Investor shall ensure that the Investor Director it nominates shall not at the time of such appointment and thereafter be also nominated or appointed as a director on the board of any Competitor.
2. The Investor Director shall also be nominated as a member of the audit and remuneration committee of the Board or any other committees constituted by the Board in future. The Investor Director, shall be a permanent member on all such committees during the validity of the Shareholders' Agreement.
3. The Investor Director shall be a non-executive Director and shall have no responsibility for the day-to-day management of the Company and shall not be liable for any failure by the Company to comply with applicable Law. Subject to applicable Law, the Investor Director shall not be held to be 'officer in default' of the Company or 'occupier' of any of the Company's premises. In the event that any notice or proceedings have been filed against the Investor Director by reason of him/ them being included within the scope of "officer(s) who is in default", the Company shall, subject to compliance with applicable Law, take all necessary steps to ensure that name of the Investor Director is / are excluded / deleted and the charges / proceedings against the Investor Director is withdrawn and shall also take all steps to defend the Investor Director against such proceedings and shall pay all costs, damages, fines, levies etc. that may be levied against the Investor Director;
4. Notwithstanding anything to the contrary, the Investor Director (or his alternate) shall not be required to hold any qualification Shares in the Company;
5. The Investor Director shall not be liable to retire by rotation.

**Appointment
of alternate
directors**

114. The Board may appoint an Alternate Director to act for a Director (hereinafter called "the Original Director") during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original director in whose place he has been appointed and shall vacate the office of the Original Director when he returns to that State. If the terms of office of the Original Director are determined before he so returns to that state, any provisions in the Act or in these Articles for the automatic

reappointment of any retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

Directors' power to add to the Board or the appointment of Additional director 115. Subject to the provisions of Sections 260 and 264 of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be an Additional Director, but so that the total number of Directors shall not at any time exceed the maximum 15 fixed under the Article 111. Any such Additional Director shall hold office only up to the date of the next Annual General Meeting.

Share qualification of directors 116. Until otherwise determined by the Company in General Meeting, a Director shall not be required to hold any shares in the capital of the Company as his qualification

Directors can act before acquiring qualification 117. Without prejudice to the restrictions imposed by Section 226 of the Act, a Director who is required to hold qualification shares may act as a Director before acquiring such shares but shall, if he is not already qualified, obtain his qualification, and every Director other than a Director appointed by the Central or a State Government shall file with the Company a declaration specifying the qualification shares held by him within two months from his appointment as a director.

Director's power to fill casual vacancies members 118. Subject to the provisions of Section 262, 264 and 284(6) of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date to which the Director in whose place he is appointed would have held office if it had not been vacated by him.

119. (1) Subject to the provisions of the Act, a Managing Director, or Managing Remuneration of Directors or Director who is/are in the whole-time employment of the Directors Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

Remuneration of Directors

(2) Subject to the provisions of the Act, a Director who is neither in the whole-time employment nor a Managing Director, may be paid remuneration either.

(i) by way of monthly, quarterly or annual payment with the approval of the Central Government, or

(ii) by way of commission if the Company by a special resolution authorised such payment.

(3) The fees payable to a Director (including a Managing or whole-time Director, if any), for attending a Meeting of the Board or Committee thereof may be in accordance with and subject to the provisions of Section 309 of the Act or such other sum as the Company in General Meeting may from time-to time determine.

120. The Board may allow any pay to any director who is not a bonafide resident Reimbursement of the place where the meetings of the Board are ordinarily held and who of expenses to Directors for shall come to such place for the purpose of attending any meeting, such attending meeting sum as the Board may consider fair compensation for traveling, boarding, of the Board lodging and other expenses, in addition to his fee for attending

Reimbursement of expenses to Directors for meeting of the Board

such meeting as above specified; and if any Director be called upon to go or resided out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any traveling or other expenses incurred in connection with business of the Company. It is clarified that the Investor Director shall be paid out of pocket expenses (including travel and stay expenses) by the Company for attending Board and committee meetings of the Company as is customary with the practices of the Company.

121. The continuing Directors may act notwithstanding any vacancy in their body Directors may but it, and so long as their number is reduced below the minimum number act notwithstanding fixed by the Article 111 hereof, the continuing Directors not being less than any vacancies three, may act for the purpose of increasing the number of directors to that number or for summoning a General Meeting but for no other purpose.

Directors may act notwithstanding any vacancies

122. (1) The office of a Director shall ipso facto be vacated if: -

Vacation of office of director

- (a) he fails to obtain within the time specified in sub-section (1) of Section 270 of the Act, or at any time thereafter ceases to hold, the share qualification, if any necessary for his appointment; or
- (b) he is found to be of unsound mind by a Court of competent jurisdiction; or
- (c) he applies to be adjudicated an insolvent;
- (d) or he is adjudged insolvent; or
- (e) he is convicted by a Court in India of any offence and is sentenced in respect thereof to imprisonment for not less than six month or
- (f) he fails to pay any call in respect of shares of the Company h by him, whether alone or jointly with others, within six month from the last date fixed for the payment of the call; or
- (g) he absents from three consecutive meetings of the Board or from all meetings of the Board for a continuous period of three months whichever is the longer, without obtaining leave of absence from the Board; or
- (h) he or any firm of which he is a partner or any private company of which he is a director, accepts a loan, or any guarantee, security for a loan, from the Company in contravention of Section 295 of the Act; or
- (i) he acts in contravention of Section 299 of the Act; or
- (j) he has been removed from office in pursuance of Section 203 c the Act; or
- (k) by notice in writing to the Company that he resigns his office; or
- (l) any office or place of profit under the Company or under an subsidiary of the Company is held in contravention of Section 314 of the Act and by operation of that Section he is deemed to vacate the office.

(2) Notwithstanding any matter or thing in sub-clauses (d), (e) and 0) of clause (1), the disqualification referred to in those sub-clauses shall not take effect

- (a) for thirty days from the date of adjudication sentence or order; or
- (b) where an appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence, or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or
- (c) where within the seven days aforesaid any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification until such further appeal or petition is disposed of.

**Director
may contract
with company**

123. (1) A Director or his relative, a firm in which such Director or relative is a partner, or any other partner in such firm or a private company of which the Director is a member or a private company of which the Company is a member or director, may enter into any contract with Company for the sale, purchase or supply of any goods, materials, or services or for underwriting the subscription of any shares in, or debentures of the Company, provided that the sanction of the Board is obtained before or within three months of the date on which the contract is entered into in accordance with Section 297 of the Act

- (2) No sanction shall, however, be necessary for
 - (b) any purchase of goods and materials from the Company, or the sale of the goods or materials to the Company, by any such director, relative, firms partner or private company as aforesaid for cash at prevailing market prices; or
 - (c) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other side for sale, purchase or supply of any goods, materials and services in which either the Company or the director, relative, firm, partner or private company, as the case may be, regularly trades or does business, where the value of the goods and materials or the, cost of such services does not exceed Rs. 5,000/(Rupees Five Thousand only) in the aggregate in any year comprised in the period of the contract or contracts.

Provided that in the circumstances of urgent necessity, a Director, relative, firm, partner or private company as aforesaid may without obtaining the consent of the Board enter into any such contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or the cost of such services exceeds Rs. 5,000/- (Rupees Five Thousand only) in the aggregate in any year comprised in the period of the contract and the consent of the Board shall be obtained to such contract or contracts at a meeting within three months of the date on which the contract was entered into.

124. A director of the Company who is in any way, whether directly or indirectly Disclosure of concerned or interested in a contract or proposed contract or arrangement interest entered into or to be entered into by or on behalf of the company, shall disclose the nature of his concern or interest at a

Disclosure of
interest

meeting of the Board in the manner provided in Section 299(2) of the Act; provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the Directors of the Company either himself or along with his relatives holds or hold two per cent of the paid-up share capital in any such other company.

125. A General Notice given to the Board by the Directors, to the effect that he General notice of is a director or member of a specified body corporate or is a member of a interest specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired of such general notice and no renewal thereof, shall be of effect unless it is given at a meeting the 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

General notice of interest

Interested director not to participate or vote in Board's proceeding

126. No director shall as Director take any part in the discussion of, or vote on any contract or arrangement entered into by or on behalf of the Company if he is in any way whether directly or indirectly concerned or interested such contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided however, that nothing here! contained shall apply to:

(a) any contract of indemnity against any loss that the Directors or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company.

(b) any contract or arrangement entered into or to be entered into with, public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely:

(i) in his being:

(a) a director in such company, and

(b) the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by the Company

or

(ii) in his being a member holding not more than 2% of its paid-up , share capital.

Register of contracts In which directors are interested

127. The Company shall keep a Register in accordance with Section 301(I) - and shall within the time specified in section 301 (2) enter therein such of the particulars as may be relevant having regard to the application thereto of Section 297 or Section 299 of the Act as the case may be. The Register aforesaid shall also specify, in relation to each Director of the Company & the names of the bodies corporate and firms of which notice has been given by him under Article 125. The Register shall be kept at the office of

the company and shall be open to inspection at such office, and extracts may be taken there from and copies thereof in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provision of Section 163 of the Act shall apply accordingly.

Directors may be directors of companies promoted by the company

128. A Director may be or become a director of any company promoted by the Company or "in which it may be interested as a vendor, shareholder, or otherwise, and no such director shall be accountable for any benefits received as director or shareholder of such company except in so far as Section 209(6) or Section 314 of the Act may" be applicable.

Retirement and rotation of directors

129. At every Annual General Meeting of the Company, one-third if such of the Directors for the time being as are liable to retire by rotation or if there number is not three or a multiple of three, the number nearest to one-third shall retire from office.

130. Subject to Section 256(2) of the Act, the Directors to retire by rotation under Article 129 at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but, as between persons who became -directors on the same day, those who are to retire, shall, in default of, and subject to any agreement among themselves, be determined by lot.

Ascertainment of Directors retiring by rotation and filling of vacancies

131. A retiring Director shall be eligible for re-election.

Retiring Director eligible for re-election

132. Subject to Sections 258 and 259 of the Act, the Company at the General Meeting at which a Director retires in manner aforesaid may fill up the vacated off ice by electing a person thereto.

Filing up of vacancies at general meeting

133. (a) If the place of the retiring Director is not so filled up and the meeting Provisions for has not expressly, resolved not to fill the vacancy, the meeting shall default of appointment stand adjourned until the same day in the next week, at the same time and place.

Provision for default of appointment

(b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be so deemed to have been reappointed at the adjourned meeting, unless:

- (i) at that meeting or at the previous meeting the resolution for the reappointment of such Director has been put to the meting and lost;
- (ii) the retiring Director has, by a notice in writing addressed to the Company or its Board expressed his unwillingness to be so reappointed;
- (ii) he is not qualified or is disqualified for appointment;
- (iv) a resolution whether special or ordinary, is required for the appointment or reappointment by virtue of any provisions of the Act; or
- (v) the provision to sub-section (2) of Section 263 of the Act is applicable to the case.

134. Subject to Section 259 of the Act, the Company may, by Ordinary Company may Resolution, from time to time, increase or reduce the

Company may increase or reduce the number of directors

number of directors, Increase or reduce the and may after their qualifications the Company (subject to the provisions number of Section 284 of the Act) and subject to Article 113B hereof, remove any Director before the expiration of his directors period of office and appoint another qualified person in his seat. The person so appointed shall hold Office during such time as the director in whose place he is appointed would have held the same if he had not been removed.

Notice of candidate for office of directors except in certain cases

135. (1) No person not being a retiring Director, shall be eligible for appointment to the office of director at any General Meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office.
- (2) Every person (other than a director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 257 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director, shall sign and file with the Company, the consent in writing to act as a Director, if appointed.
- (3) A person other than a Director reappointed after retirement by rotation of immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 262 of the Act, appointed as a Director or reappointed as an Additional or Alternate Director, immediately on the expiry of his term of office, shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

Register of Directors etc and notification of charge to Registrar

136. (a) The Company shall keep at its office a Register containing the particulars of its Directors, Managers, Secretaries and other persons mentioned in Section 303 of the Act and shall otherwise comply with the provisions of the said Section in all respects.
- (b) The Company shall in respect of each of its Directors also keep at its office a Register, as required by Section 307 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.

Disclosure by directors of appointment only in other body corporate **members**

137. (a) Every Director (including a person deemed to be a Director by Virtue of the Explanation to sub-section (1) of Section 303 of the Act) Managing Director, Manager, or Secretary of the Company, shall within twenty days of his appointment to any of the above offices in any other body corporate, disclose to the Company the particulars relating to his office in the other body which are required to be specified under sub-section (1) of Section 303 of the Act.

Disclosure by a Director of his holding of share and debenture of company etc.

- (c) Every Director and every person deemed to be a Director of the Company by virtue of sub-section (10) of Section 307 of the Act, shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provision of that section.

MANAGING DIRECTOR

Board may
appoint
Managing
Director or
Managing
Directors

138. Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint from time to time any of its member or members as Managing Director or Managing Directors of the Company for fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit and subject to the provisions- of Article 140, the Board may by resolution vest in such Managing Director or Managing Directors such of the powers hereby vested In the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine. The remuneration of a Managing Director may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all these modes, or any other mode not expressly prohibited by the Act.

139. The Managing Director or Managing Directors shall not exercise the powers to:

Restriction on
management

- (a) make calls on shareholders in respect of money unpaid on the shares in the Company;
- (b) issue debentures and except to the extent mentioned in the resolution passed at the Board meeting under Section 292 of the Act, shall also not exercise the powers to
- (c) borrow moneys, otherwise than on debentures;
- (d) invest the funds of the Company, and
- (e) make loans.

140. The Company shall not appoint or employ, or continue the appointment or employment of a person as its Managing or whole-time Director who

Certain persons
appointed

- (a) is an undischarged insolvent, or has at any time been adjudged as insolvent;
- (b) suspends, or has at any time suspended payment to his creditors, or makes, or has at any time made a composition with them; or
- (c) is, or has, at any time been convicted by a Court of an offence involving moral turpitude.

141. A Managing Director shall not while he continues to hold that office be subject to the retirement by rotation, in accordance with Article 129. If he ceases to hold the office of Director, he shall ipso facto and immediately cease to be a Managing Director.

Managing
Director Special
position of
Managing
Director

PROCEEDINGS OF THE BOARD OF DIRECTORS

142. The Directors may meet together as a Board for the dispatch of business from time to time, and shall so meet at least once in every three months and at least four such meetings shall be held in every year. Any Director shall be entitled to convene a meeting of the Board in accordance with the articles of association of the Company

Meetings of
Directors

143. Notice of every meeting of the Board shall be given in writing to every Director at the address notified from time to time by such Director, at least

Notice of Meeting

7 (seven) days prior to such meeting, provided that, the notice period of 7 (seven) days may be shortened by written consents of all the Directors (including the Investor Director). Save where agreed upon otherwise in writing by the Directors including the Investor Director, each notice notifying of a Board meeting shall be accompanied with an agenda of the meeting specifying in reasonable details the matters to be discussed at the relevant meeting accompanied by the relevant papers for discussion shall be given to each Director and no decision shall be taken and/or any resolution passed on any matter that has not been included in the agenda, provided however that any routine and operational matters may be taken up at a meeting of the Board with permission of the chairman of the relevant Board meeting. Any notice sent to an address outside India shall be sent by courier and by electronic message.

- When meeting to be convened 144. The Secretary shall, as and when directed by the Directors to do so convene a meeting of the Board by giving a notice in writing to every other Director.
- Chairman 145. The Board shall appoint a Chairman of its meetings and determine the period for which he is to hold office. If no Chairman is appointed, or if at any meeting of the Board the Chairman is not present within five minutes after the time appointed, for holding the same, the Directors present shall choose some one of their member to be the chairman of such meeting.
- Quorum 146. The quorum at a Board meeting shall be 2 (two) Directors or one-third of its total strength, whichever is higher, provided that for any Board meeting for which the agenda contains a Reserved Matter, the relevant Reserved Matter(s) shall not be put to vote at the relevant meeting of the Board without the presence of the Investor Director and such agenda matter shall be taken up at the next Board meeting or at an adjourned Board meeting. If within 30 (thirty) minutes of the time appointed for holding any Board meeting, the required quorum is not present, then the Directors present at such meeting shall resolve to adjourn the meeting to a specified place, at the same day and time in the week following the week of the adjourned meeting. If at such adjourned meeting also the required quorum is not present within half an hour from the time appointed for holding the meeting, then at such adjourned meeting any two or more Directors present shall validly constitute the quorum provided that no agenda items which were not specifically set out on the agenda for the meeting, which was adjourned, may be considered at the adjourned meeting. It is clarified that if a Reserved Matter was part of the original meeting, at an adjourned meeting, such Reserved Matter shall be capable of being resolved by a majority of Directors present and voting, provided that if the Investor Director is present, such resolutions on a Reserved Matter shall require the affirmative vote of the Investor Director.
- Exercise of powers to be valid in meetings where quorum is present 147. A meeting of the Board of which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board.
- Matter to be decided on majority of votes 148. Subject to the provisions of Sections 316, 327(4) and 386 of the Act, and Article 148A hereinbelow, questions arising at any meeting shall be decided by a majority of votes, and- in case of any equality of votes, the Chairman shall have a second or casting vote.

148.A. Reserved Matters

1. No action or resolutions of the Company (whether at a Board meeting or a meeting of the Shareholders) shall be taken or passed with

respect to any of the Reserved Matters without the prior written consent of the Investor. Subject to Article 146 hereof, no Reserved Matters shall be put to vote at a meeting of the Shareholders unless it has been approved by a duly constituted meeting of the Board and the Investor has granted its written consent to the passing of a resolution with respect to such Reserved Matter at a meeting of the Board.

2. 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, provided that where such resolution relates to a Reserved Matter, the prior written consent of the Investor shall be required.
3. Any decisions with respect to the Reserved Matters in respect of any Subsidiaries shall not be undertaken without the prior written consent of the Investor.

Power to
appoint committee
and a delegate

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

The Investor Director shall also be nominated as a member of the audit and remuneration committee of the Board or any other committees constituted by the Board in future. It is expressly agreed that the Investor Director, during the validity of the Shareholders' Agreement shall be a permanent member on all such committees.

Proceeding of
committee

150. The meetings and the proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto, and are not superseded by any regulations made by the Board under the Article 149.

Resolution
without Board
Meeting

151. Save in those case where a resolution is required by Sections 262, 292, 297, 316, 372(4) and 386 of the Act, to be passed at a meeting of the Board, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee of the Board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee of the Board, as the case may be, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors, or members of the Committee, at their usual address in India, and has been approved by such of them as are then in India, or by a majority of them as are entitled to vote on the resolution.

152. All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained In the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a Director after

Acts of Board
Committee valid
notwithstanding
formal
appointment

his appointment has been shown to the Company to be invalid or to have been terminated.

Minutes of
proceedings of
meeting of Board

153. (1) The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in the books kept for that purpose with their pages consecutively numbered.
- (2) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- (3) In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by a pasting or otherwise.
- (4) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (5) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings.
- (6) The minutes shall also contain
- (a) the names of the Directors present at the meeting; and
- (b) in the case of each resolution passed at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.
- (7) Nothing contained in sub-clause (1) to (6) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting :
- (a) is, or could reasonably be regarded as defamatory of any person.
- (b) is irrelevant or immaterial to the proceedings; or
- (c) is detrimental to the interest of the Company.
- (8) The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.

**Power of
Director**

154. The Board may exercise all such powers of the Company and do all such acts, and things as are not, by the Act, or any other Act, or by the Memorandum, or by the Articles of the Company, required to be exercised by the Company in General Meeting subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company in General Meeting:
- (a) sell, lease or otherwise dispose of the whole, or substantially the whole of the undertaking of the Company, or where the Company

owns more than one undertaking, of the whole, or substantially the whole of any such undertaking.

- (b) remit, or give time for the repayment of any debt due by a Director.
- (c) invest, otherwise than in trust securities, the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertaking as is referred to in clause (a), or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time.
- (d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid up capital of the Company and its free reserves - that is to say, reserve not set apart for any specific purpose. Provided further that the powers specified in Section 292 of the Act shall, subject to these Articles, be exercised only at meetings of the Board, unless the same be delegated to the extent there in stated; or
- (e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed twenty-five thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during the three financial years immediately preceding, whichever is greater.

Absolute Powers of Board in certain cases

155. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in these Article, it is hereby declared that the Directors shall have the following powers; that is to say, power

- (1) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.

(39)

- (2) To pay any charge to the capital account of the Company and Commission or interest lawfully payable there out under the provisions of Sections 76 and 208 of the Act.
- (3) Subject to Sections 292 and 297 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;
- (4) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in shares, bonds, debentures, mortgages, or other securities of the Company, and

such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon all or any part of the property of the Company and its uncalled capital or not so charged;

- (5) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the firm being or in such manner as they may think fit;
- (6) To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;
- (7) To appoint any person to accept and hold in trust for the Company and property belonging to the Company, in which it is interested, or for any other purposes; and execute such deeds and do all such things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;
- (8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, And of any claim or demands by or against the Company and to refer any differences to arbitration, and observe and, perform any awards made thereon;
- (9) To act on behalf of the. Company in all matters relating to bankrupts and insolvents;
- (10) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- (11) Subject to the provisions of Sections 292, 295, 370 and 372 of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being shares of this Company), or without security and in such manner as they think fit, and from time to time to vary the size of such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name;
- (12) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- (13) To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts and documents and to give the necessary authority for such purpose;
- (14) To distribute by way of bonus amongst the staff of the Company, share or shares in the profits of the Company, and to give to any

officer or other person employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;

- (15) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions; funds or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit; and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise;
- (16) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund, or to an Insurance Fund, or as a Reserve Fund, or Sinking fund, or any Special Fund to meet contingencies or to repay Debentures or Debenture stock, or for special dividends or for equalized dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purpose (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section. 292 of the Act, to invest the several sums so set aside or so much thereof as required to be invested upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of any apply and expand all or any part thereof for the benefit of the Company, in such manner and for such purpose as the Board in their absolute discretion think conducive to the interest of the Company, notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special Funds as the Board may think fit, with full power to transfer the whole, or any portion of a Reserve Fund or division of a Reserve Fund to another Reserve Fund or division, of a Reserve Fund and with full power to employ the assets constituting all or any of the above Funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of Debentures or debenture-stock, and without being bound to keep the same, separate from the other assets and without being bound to pay interest on the same with power, however, to the Board at their, discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.
- (17) Subject to the provisions of the Act to appoint, and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisor, clerks, agents and servants of permanent, temporary or special services as they may for time to time think fit, and to determine their powers and duties and fix their salaries or

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

- (18) To comply with the requirements of any local law which in their opinion it shall, in the interest of the Company be necessary of expedient of comply with;
- (19) From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to the members of such Local Boards and to fix their remuneration;
- (20) Subject to Section 292 & 293 of the Act from time to time and at any time, delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow or moneys, and to authorize the Members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.
- (21) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these presents and excluding the powers to make calls and excluding also, except in their limits authorised by the Board, the power to make loans and borrow moneys) And for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of the members or any of the Members of any Local Board, established as aforesaid or in favour of any company, or the share holders, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly by the Board and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;
- (22) Subject to Sections 294, 294A, 297 and 300 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such contracts, and to execute and do all such, acts, deeds and things in the name and on behalf of the Company as they may consider expedient;
- (23) Subject to the provisions of Companies Act, 1956, the Board may pay such remuneration to Chairman/Vice Chairman of the Board upon such conditions as they may think fit.

THE SECRETARY

- Secretary** 156. The Directors may from time to time appoint, and at their discretion, remove the Secretary provided that where the Board comprises only three Directors, neither of them shall be the Secretary. The Secretary appointed by the directors pursuant to this Article shall be a whole-time Secretary. The Directors may also at any time appoint some person, who need not be Secretary, to keep the registers required to be kept by the Company.

THE SEAL

- The seal its custody and use** 157. (a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.
- (b) The Company shall also be at liberty to have an official Seal in accordance with Section 50 of the Act, for use in any territory, district or place outside India.
158. Every Deed or other instrument, to which the seal of the Company is required to be affixed, shall unless the same is executed by a duly constituted attorney, be signed by two Directors or one Director and Secretary or some other person appointed by the Board for the purpose, provided that in respect of the Share Certificate, the Seal shall be affixed in accordance with the Article 19(a).

DIVIDENDS

159. The profits of the Company, subject to any special rights relating thereto created or authorized to be created by these Articles, and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively.

Division of profits

The Investor shall be entitled to 4.75% p.a. dividend payable semi-annually on the face value of the Investor Preference Shares from the Closing Date.

160. The Company in General Meeting may declare dividends to be paid to The company in members according to their respective rights, but no dividend shall exceed general meeting may declare a the amount recommended by the Board, but the company in general meeting dividend may declare a smaller dividend.

The company in general meeting may declare a dividend

161. No dividend shall be declared or paid otherwise than out of the profits of the financial year arrived at after providing for depreciation in accordance with the provisions of Section 205 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both, provided that ;

Dividend only to, be paid out of profits

- (a) if the Company has not provided for depreciation for any previous financial year or years, it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or years.

- (b) if the Company has incurred any loss in any previous financial year or years, the amount of the loss or any amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the company for the year for which the dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of sub-section (2) of Section 205 of the Act, or against both.

	162. The Board may, from time to time, pay to the Members such interim Dividend as in their judgment, the position of the Company justifies.	Interim dividend
	163. Where capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.	Calls in advance not to carry rights to participate in profits
	164. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.	Payment of prorate dividend
Dividend to be kept in advance	165. The Board may retain the dividends payable upon shares in respect of which any person is under the Article 60 entitled to become a member or which any person under that Article is entitled to transfer; until such a person shall become a member, in respect of such shares or duly transfer the same.	
Receipts for dividends	166. Anyone of several person who are registered as joint-holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.	
Deduction of money owed to the company	167. No member shall be entitled to receive payments of any interest or dividend in respect of his share or shares, while any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever, either alone or jointly with any other person or persons and the Board may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.	
Rights to dividend where shares transferred	168. A transfer of share shall not pass the right to any dividend declared thereon before the registration of the transfer.	
Manner of paying dividend	169. Unless otherwise directed, any dividend may be paid by cheque or warrant or by a pay-slip or receipt having the force of a cheque or warrant sent through the post to the registered address of the member or person entitled or in case of joint-holders to that one of them first named in the Register in respect of the joint-holdings. Every such cheque or Warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or Warrant or pay-slip or receipt lost in transmission, or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any pay-slip or receipt or the fraudulent recovery of the dividend by any other means.	
Non-forfeiture of unclaimed dividend	170. No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the company shall comply with the	

provision of Sections 205A and 205C of the Act in respect of all unclaimed or unpaid dividends.

Dividend may be set off against calls

171. Any General Meeting declaring a dividend may, on the recommendation of the Directors, make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend and the dividend may, if so arranged between the Company and the member, be set off against the calls.

171A. Where the company has declared a dividend but which has not been paid or dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the company shall within 7 days from the date of the expiry of said period of 30 days open a special A/C in that behalf in any scheduled bank called "Unpaid dividend of Globus Spirits Limited" and transfer to the said account the total amount of unpaid dividend or where no dividend warrant has been posted. Any money transferred to the unpaid dividend account of the Company which remains unpaid/unclaimed for a period of 7 year from the date of such transfer, shall be transferred by the Company to the General Revenue A/C of the Central Govt.

A claim to any money so transferred to the general revenue account may be preferred to the central govt. by the shareholders to whom the money is due. No unclaimed/ unpaid dividend shall be forfeited by the board.

CAPITALISATION OF RESERVES

172. Any General Meeting may resolve that any moneys, investments, or other assets forming part of undivided profits of the Company standing to the credit of the Reserves, or any Capital Redemption Reserve Fund, in the hands of the company and available for dividend or representing premiums received on the issue of shares and standing to the credit of the Share Premium Account be capitalised and distributed amongst such of the members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such members in paying up in full any unissued shares, debentures, or debenture-stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the said capitalised sum. Provided that any sum standing to the credit of a Share Premium Account or a Capital Redemption Reserve Fund may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

Issue of Bonus Shares

173. A General Meeting may resolve that any surplus money arising from the realization of any capital asset of the Company or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income tax, be distributed among the members on the footing that they receive the same as capital.

Utilization of undistributed capital profits

174. For the purpose of giving effect to any resolution under the two last preceding articles hereof the Board may settle any difficulty which may arise in regard the distribution as it thinks expedient and in particular may issue fractional certificates, and may fix the value of distribution of any specific assets, and may determine that cash payment shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest such cash or specific assets in trustees

Resolving issues of fractional certificates

upon such trusts for the persons entitled to the Board. Where requisite, a proper contract shall be filed in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the person entitled to the dividend or capital fund, and such appointment shall be effective.

Directors to keep true accounts

175. (1) The company shall keep at the office or at such other place in India as the Board thinks fit, proper Books of Account in accordance with Section 209 of the Act, with respect to
- (a) all the sums of moneys received and expended by the Company and the matters in respect of which the receipts and expenditure take place.
 - (b) all sales and purchases of goods by the Company.
 - (c) the Assets and liabilities of the Company.
- (2) Where the Board decides to keep all or any of the Books of Account at any place other than the office of the Company, the Company shall within seven days of the decision file with the Registrar a notice in writing giving, the full address of that other place.
- (3) The Company shall preserve in good order the Books of Account relating to the period of not less than eight years preceding the current year together with the vouchers relevant to any entry in such Books of Account.
- (4) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to date at intervals of not more than three months are sent by the branch office to the Company at its offices at other place in India, at which the Company's Books of Account are kept as aforesaid.
- (5) The Books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transaction. The Books of Account and other books and papers shall be open to inspection by any Directors during business hours.

Places of keeping accounts

176. The Board shall from time to time determine whether and to what extent and at what times and place and under what conditions are regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors, and no person (not being a member) shall have any right of inspecting any account or books or document of the Company except as conferred by law or authorised by the Board.

Laying of accounts before

177. The Directors shall from time to time, in accordance with Sections 210, 211, 212, 215, 216 and 217 of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheets, Profit and Loss Account and Reports as are required by these Sections

Annual General Meeting

178. A copy of every such Profit and Loss Account and Balance Sheet (including the Auditors' Report and every other document required by law to be annexed or attached to the Balance Sheet), shall at least twenty-one days before the meeting at which the same are to be laid before the

Accounts when to be sent

members, be sent to the members of the Company, to holders of debentures issued by the Company (not being debentures which ex facie are payable to the bearer thereof); to trustees for the holders of such debentures and to all persons entitled to receive notice of General Meeting of the Company.

AUDIT

- | | | |
|------|---|---------------------------|
| 179. | Auditors shall be appointed and their rights and duties regulated in accordance with Sections 224 to 233 of the Act. | Accounts to be audited |
| 180. | The First Auditor or Auditors of the Company shall be appointed by the Board within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the First Annual General Meeting provided that. the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons who have been nominated for appointment by any member of the Company and of whose nomination notice has been given to the members of the company not less than fourteen days before the date of the Meeting provided further that if the Board fails to exercise its powers under this Article, the Company in General, Meeting may appoint the first Auditor or Auditors. | First auditor or auditors |
| | The aforesaid provisions shall mutatis mutandis apply to any Secretarial Auditor appointed under the relevant provisions of the Act. | Secretarial auditor |

DOCUMENTS AND NOTICES

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| 181. (1) | A document or notice may be served or given by the Company on any member either personally or sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him. | Service of documents and notice |
| (2) | Where a document or notice is sent by post, services of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of the doing so; service of the documents or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to have been effected in the case of Notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post. | |
| Newspaper advertisement of notice to be deemed duly served | 182. A document or notice advertised in a newspaper circulating in the neighborhood of the Office shall be deemed to be duly served or sent on the day on which the advertisement appears to every member who has no registered address in India and has not supplied to the Company an address within India for serving of documents on or the sending of notices to him. | |
| Notice to whom served | 183. A document or notice may be served or given by the Company on or given to the joint-holders of a share by serving or giving the document or notice | |

on or to the joint-holders named first In the Register of Members in respect of the share.

- Notice to be served to representatives 184. A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through post in a prepaid letter addressed to him or them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purpose by the persons claiming to be entitled, or (until -such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.
- Service of notice of General Meetings 185. Documents or notices of every General Meeting shall be served or given in the same manner hereinbefore on or to (a) every member (b) every person entitled to a share in consequence of the death or Insolvency of a member, and (c) the Auditor for the time being of the Company.
- Members bound by notice 186. Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document or notice in respect of such shares, previously to his name and address being entered on the Register of Members, shall have been duly served on or given to the person from whom he derives his title to such shares.
- Document or notice to be signed 187. Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorised by the Board of Directors for such purpose and the signatures thereto may be written, printed or lithographed.
- Notice to be served by post 188. All documents or notices to be served or given by members on or to the Company or any office thereof shall be served or given by sending it to the Company or Officer at the Office by post under a certificate of posting or by registered post, or by leaving it at the office.
- Investor not to be considered Promoter 188A. Subject to applicable Law, the Shareholders agree that:
1. that the Investor shall not be considered / classified to be one of the 'promoters' of the Company for any reason whatsoever; and
 2. the Promoters shall not engage in any act, deed or omission which may result in the Investor being considered / classified to be the 'promoters' of the Company.
- Termination 188B.EFFECT AND TERMINATION
1. The rights available to the Investor and the Promoters under these Articles shall stand terminated upon termination of the Shareholders' Agreement, which may be terminated on the occurrence of any of the following events:
 - 1.1. the Investor ceasing to hold at least 4% (four percent) of the issued and paid up equity share capital of the Company on a fully diluted basis; or
 - 1.2. the expiry of 8 (eight) years from the date of allotment of the Investor Preference Shares,

whichever is earlier.

- 1.3 by either Party for failure of a defaulting Party to remedy a breach of any of the provisions of the Shareholders' Agreement after a 30 (thirty) days cure period provided a 15 (fifteen) days notice of termination is served on the defaulting Party.
2. For the purpose of this Article 188B, reference to the term "Parties/Party" shall mean parties to the Shareholders' Agreement.

WINDING UP

Liquidators
powers

189. The Liquidator on any winding-up (whether voluntary, under supervision or compulsory) may, with the sanction of a Special Resolution but subject to the rights attached to any preference share capital, divide among the Contributories in specie any part of the assets of the Company and may with the like sanction; vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the Liquidator, with the like sanction shall think fit.

INDEMNITY AND RESPONSIBILITY

190. Every Officer or Agent for the time being of the Company shall be indemnified out of the assets of the Company against all liability incurred by him in defending any proceeding, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of Act, in which relief is granted to him by the Court.
- 190.A The Company shall ensure that the Investor Director is covered under the Company's directors and officers liability insurance.
- 190.B. Subject to the provisions of the Companies Act, the Company shall indemnify the Investor Directors against any direct losses, costs, and charges including reasonable out-of-pocket expenses suffered by the Investor Director arising directly out of:
- (i) any act, omission or conduct (including, without limitation, contravention of any Law) of or by the Company and the Promoters or, its officials, employees, managers, representatives or agents as a result of which, in whole or in part, such Investor Director is made a party to, or otherwise incurs any loss including loss pursuant to, any action, suit, claim or proceeding arising out of or relating to any such conduct; or
 - (ii) contravention of any Law by the Company including, without limiting the generality of the foregoing, the Foreign Exchange (Management) Act, 1999, or any Laws relating to provident fund, gratuity, labour, environment and pollution; and any action or proceedings taken against the Investor Director in connection with any such contravention or alleged contravention.

Person when to
be indemnified by
the company

SECRECY

191. Subject to the provisions of these Articles including but not limited to Article 192 below and the Act no member, or other person (not being a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Directors or to require discovery of or any information

No member to
enter the
premises of the
company without
permission

respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interest of the Company to communicate.

192. a. During the validity of the Shareholders Agreement, the Company and Promoters shall ensure that the agenda (circulated to each Director including the Investor Director) for each meeting of the Board, shall contain the following information/documents as prepared by the Company (in a format mutually agreed by the Investor and Promoters) prior to the conduct of the relevant meeting of the Board:
1. monthly unaudited statements of income and cash flows of the Company;
 2. quarterly unaudited statements of income and cash flows of the Company on a quarterly basis;
 3. audited statements of income, cash flows, and shareholders' equity of the Company for each financial year and a balance sheet as of the end of such financial year;
 4. monthly management review detailing key operational performance indicators on a periodic basis;
 5. annual operating and capital budgets for any relevant financial year, by March 15 of the preceding financial year;
 6. board, committee and Shareholder meeting information after such events;
 7. notice of any material events impacting the Company; and
 8. all other relevant information including business plans, capital expenditure budgets and management reporting information as may be deemed reasonable or necessary by the Company.
- a. However, no unpublished price sensitive information shall be provided to the Investor.
- b. It is hereby clarified that upon termination of the Shareholders Agreement, the Investor shall be entitled to receive such information which is available to the shareholders of the Company under applicable Law.
193. Subject to the applicable laws including guidelines/directions issued by Securities Exchange Board of India ("SEBI") and Depositories Act, 1956, all dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.

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

Names, Description Occupation and Address of subscribers	No. of Equity Shares taken by each Subscribers	Signature of Subscribers	Name, address and description of witness or witnesses
1. Mr. Gautam Khandelwal S/o Late Sh. P. N. Khandelwal 13, Alta Mount Road, Bombay	10 (Ten)	Sd/-	I hereby witness the signatures of all the subscribers at New Delhi Sd/- (D DUTTA) Chartered Accountants S/o Sh. Jal Yogi Raj 4-C, Ansari Road, Darya Ganj, New Delhi
2. Mr. Ashok Kumar S/o Late Sh. A. N. Talwar B-12/11, Double Storey Flats Ramesh Nagar, New Delhi - 15 Service	10 (Ten)	Sd/-	
3. Mr. Sukhbir Singh Arya S/o Sh. Hukam Chand Arya F-9, Shastri Nagar, Meerut Technocrat	10 (Ten)	Sd/-	
4. Mr. Rajat Sangal S/o Dr. Om Prakash 13, Cross Road, Dehradun Business	10 (Ten)	Sd/-	
5. Mr. S.S. Sharma S/o Sh. Parash Ram Sharma New Mandi, Muzaffar Nagar Service	10 (Ten)	Sd/-	
6. Mr. Suveen Kapoor S/o Sh. Suraj Kapoor 21, Nizam-ud-Din East New Delhi Business	10 (Ten)	Sd/-	
7. Mr. Amitash Sangal S/o Dr. Om Prakash 13, Cross Road, Dehradun Business	10 (Ten)	Sd/-	
TOTAL	70 (Seventy Equity Shares)		

Place: New Delhi Dated 22nd day of January, 1993

For Globus Spirits Limited

Raj Khandelwal
Company Secretary