

THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION¹³
OF
GARUDA AEROSPACE LIMITED²

This set of Articles of Association has been approved pursuant to the provisions of Section 14 of the Companies Act, 2013 and by a special resolution passed at the Extra-ordinary General Meeting of Garuda Aerospace Limited (the "Company") held on March 19, 2026. These Articles have been adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof.

PRELIMINARY

1. The regulations contained in Table F of Schedule I of the Companies Act, 2013, as amended and the exemptions (from time to time) granted, issued or notified by any governmental authority shall apply to the Company so far as they are applicable to a public company, and to the extent not inconsistent with these Articles.
2. The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, as amended from time to time, be such as are contained in these Articles.
3. The Articles of Association include two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other until the date of listing of the Equity Shares or an earlier date as may be prescribed or suggested by SEBI in connection with the IPO (such date being the "Event"). In case of any inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall prevail and be applicable until the Event. All articles of Part B shall automatically terminate and cease to have any force and effect from the Event and the provisions of Part A shall continue to be in effect and be in force, without any further corporate or other action, by our Company or by its shareholders

PART A

1. DEFINITIONS AND INTERPRETATION

In these Articles, the following words and expressions, unless repugnant to the subject, shall mean the following:

- a. "**Act**" means the Companies Act, 2013 and the rules framed thereunder, including any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.
- b. "**Annual General Meeting**" means the annual general meeting of the Company convened and held in accordance with the Act.

¹ New set of amended restated Articles of Association has been adopted, pursuant to special resolution passed at the Extra-Ordinary General meeting of the Company held on 28th March 2022.

² New set of amended restated Articles of Association has been adopted, pursuant to special resolution passed at the Extra-Ordinary General meeting of the Company held on 07th November 2023.

³ New set of Articles of Association has been adopted, pursuant to special resolution passed at the Extra-Ordinary General meeting of the Company held on November 21, 2025

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- c. **“Articles of Association” or “Articles”** mean these articles of association of the Company, as may be altered from time to time in accordance with the Act.
- d. **“Board” or “Board of Directors”** means the board of directors of the Company in office at applicable times.
- e. **“Chairman” or “Chairperson”** means a Director designated as the Chairman or Chairperson of the Company by the Board of Directors for the time being;
- f. **“Capital”** means the share capital for the time being raised or authorized to be raised for the purposes of the Company.
- g. **“Company”** means Garuda Aerospace Limited, a company incorporated under the laws of India.
- h. **“Depository”** means a depository, as defined in clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996 and a company formed and registered under the Companies Act, 2013 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.
- i. **“Director”** shall mean any director of the Company, including alternate directors, Independent Directors and nominee directors appointed in accordance with and the provisions of these Articles.
- j. **“SEBI”** means the Securities and Exchange Board of India.
- k. **“Shares”** means the Equity shares and Preference shares of the Company unless otherwise mentioned.
- l. **“Equity Shares”** shall mean the issued, subscribed and fully paid-up equity shares of the Company as per the Memorandum of Association.
- m. **“Exchange”** shall mean BSE Limited and the National Stock Exchange of India Limited.
- n. **“Extraordinary General Meeting”** means an extraordinary general meeting of the Company convened and held in accordance with the Act;
- o. **“General Meeting”** means any duly convened meeting of the shareholders of the Company and any adjournments thereof;
- p. **“IPO”** means the initial public offering of the Equity Shares of the Company;
- q. **“Member”** means the duly registered holder from time to time, of the shares of the Company and includes the subscribers to the Memorandum of Association and in case of shares held by a Depository, the beneficial owners whose names are recorded as such with the Depository;
- r. **“Memorandum” or “Memorandum of Association”** means the memorandum of association of the Company, as may be altered from time to time, in accordance with the Act;
- s. **“Office”** means the registered office, for the time being, of the Company;
- t. **“Officer”** shall have the meaning assigned thereto by the Act;
- u. **“Ordinary Resolution”** shall have the meaning assigned thereto by the Act;
- v. **“Register of Members”** means the register of members to be maintained pursuant to the provisions of the Act and the register of beneficial owners pursuant to Section 11 of the Depositories Act, 1996, in case of shares held in a Depository;

- w. “**Special Resolution**” shall have the meaning assigned thereto by the Act.
- x. “**Year**” means the calendar year and the “**Financial Year**” shall have the meaning assigned thereto by Section 2(41) of the Act.

Except where the context requires otherwise, these Articles will be interpreted as follows:

- a. headings are for convenience only and shall not affect the construction or interpretation of any provision of these Articles.
- b. where a word or phrase is defined, other parts of speech and grammatical forms and the cognate variations of that word or phrase shall have corresponding meanings;
- c. words importing the singular shall include the plural and vice versa;
- d. all words (whether gender-specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders;
- e. the expressions “hereof”, “herein” and similar expressions shall be construed as references to these Articles as a whole and not limited to the particular Article in which the relevant expression appears;
- f. the *ejusdem generis* (of the same kind) rule will not apply to the interpretation of these Articles. Accordingly, **include** and **including** will be read without limitation;
- g. any reference to a **person** includes any individual, firm, corporation, partnership, company, trust, association, joint venture, government (or agency or political subdivision thereof) or other entity of any kind, whether or not having separate legal personality. A reference to any person in these Articles shall, where the context permits, include such person’s executors, administrators, heirs, legal representatives and permitted successors and assigns;
- h. a reference to any document (including these Articles) is to that document as amended, consolidated, supplemented, novated or replaced from time to time;
- i. references made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the Ministry of Corporate Affairs.
- j. a reference to a statute or statutory provision includes, to the extent applicable at any relevant time:
 - i. that statute or statutory provision as from time to time consolidated, modified, re-enacted or replaced by any other statute or statutory provision; and
 - ii. any subordinate legislation or regulation made under the relevant statute or statutory provision;
- k. references to writing include any mode of reproducing words in a legible and non-transitory form; and
- l. references to **Rupees, Rs., INR, ₹** are references to the lawful currency of India.
- m. unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company

SHARE CAPITAL AND VARIATION OF RIGHTS

2. AUTHORISED SHARE CAPITAL

The authorised share capital of the Company shall be such amount, divided into such class(es), denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum of Association, with the power of the Board of Directors to increase or reduce such capital from time to time and power to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the regulations of the Company or Articles, subject to the provisions of applicable law for the time being in force.

3. NEW CAPITAL PART OF THE EXISTING CAPITAL

Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

4. KINDS OF SHARE CAPITAL

The Company may issue the following kinds of shares in accordance with these Articles, the Act and other applicable laws:

a. Equity Share capital:

i. with voting rights; and/or

ii. with differential rights as to dividend, voting or otherwise in accordance with the Act; and

b. Preference share capital:

Without prejudice to the power conferred by these Articles and of Section 55 of the Act, the Company shall have power to issue preference shares including redeemable preference shares, with such rights to participation, if any, in profits or surplus profits and/or in any assets or surplus assets in winding up, and subject to such terms, conditions and limitations as the Company in General Meeting or the Board as the case may be, may think fit; and the issue of such preference shares with any such participating rights shall not, unless otherwise expressly provided by the terms of issue be deemed to constitute a variation of rights of any other class or classes of Shares.

The Company may convert any kind of securities into another kind of security in accordance with the provisions of the applicable laws.

5. SHARES AT THE DISPOSAL OF THE DIRECTORS

Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board of Directors who may by sending a letter of offer, issue, allot or otherwise dispose of all or any of such shares to such persons, or employees (under ESOP scheme passed by special resolution) in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with Sections 52, 53 and 54 and other provisions of the Act) and at such time as they may from time to time think fit and with the sanction of the Company in General Meeting give to any person or persons or employee(s) the option or right to call for any shares either at par or at a premium

during such time and for such consideration as the Board of 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. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. As regards all allotments, from time to time made, the Directors shall duly comply with the Act, as the case may be.

6. CONSIDERATION FOR ALLOTMENT

Subject to the provisions of these Articles, the shares shall be allotted on such terms and conditions and such times, as the Board thinks fit and with power to issue any shares as fully paid up in consideration other than Cash.

7. SUB-DIVISION, CONSOLIDATION AND CANCELLATION OF SHARE CAPITAL

Subject to the provision of Section 61 of the Act, the Company in its General Meetings may, by an Ordinary Resolution, from time to time:

- a. increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;
- b. sub-divide or consolidate its shares, or any of them, into shares of smaller amount than is fixed by the memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
- c. cancel shares which at the date of such General Meeting 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;
- d. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; provided that any consolidation and division which results in changes in the voting percentage of shareholders shall require applicable approvals under the Act; and
- e. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.
- f. The cancellation of Shares under point (c) above shall not be deemed to be a reduction of the authorised share capital

8. FURTHER ISSUE OF SHARES

8.1 Where at any time the Board or the Company, as the case may be, propose to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:

- a. to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely-
 - i. The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days (or such lesser number of days as may be prescribed under applicable law) and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined.

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue;

- ii. Unless the articles of the company otherwise provide, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right;
- iii. After the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Members and the Company;

- b. to employees under any scheme of employees' stock option subject to Special Resolution passed by the shareholders of the Company and subject to the rules and such other conditions, as may be prescribed under applicable law; or to any person(s), if it is authorised by a Special Resolution, whether or not those persons include the persons referred to in Article 8.1 (a) or Article 8.1 (b) above either for cash or for a consideration other than cash, if the price of such shares is determined as may be prescribed under the Act and the rules made thereunder;

8.2 Nothing in Article 8.1(a)(iii) shall be deemed:

- a. To extend the time within which the offer should be accepted; or
- b. To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

8.3 Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company

Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of such loans by a Special Resolution passed by the Company in a General Meeting.

8.4 Notwithstanding anything contained in Article 8.3 hereof, where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

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

A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the rules made thereunder. The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act, other applicable provisions of the Act, any SEBI regulations or guidelines, to the extent applicable.

9. **ISSUE OF FURTHER SHARES NOT TO AFFECT RIGHTS OF EXISTING MEMBERS**

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

10. **RIGHT TO CONVERT DEBENTURES AND LOANS INTO CAPITAL**

Notwithstanding anything contained in sub-clauses(s) of Article 8 above, but subject, however, to the provisions of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures or loans raised by the Company to convert such debentures or loans into shares or to subscribe for shares in the Company.

11. **ALLOTMENT ON APPLICATION TO BE ACCEPTANCE OF SHARES**

Any application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register of Members, shall, for the purpose of these Articles, be a Member.

12. **RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT**

The Board shall observe the restrictions as regards allotment of shares to the public contained in the Act, and as regards return on allotments, the Directors shall comply with applicable provisions of the Act.

13. **DEPOSIT, CALLS AND MONEY DUE ON SHARES TO BE A DEBT TO THE COMPANY**

The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, shall immediately on the inscription of the name of allottee in the Register 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.

14. **INSTALLMENTS ON SHARES**

If by the conditions of allotment of any shares, whole or part of the amount or issue price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, shall be the registered holder of the share or his legal representative. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

15. **MEMBERS OR HEIRS TO PAY UNPAID AMOUNTS**

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 these Articles require or fix for the payment thereof.

16. **VARIATION OF SHAREHOLDERS' RIGHTS**

a. If at any time the share capital of the Company is divided into different classes of shares, the rights attached to the shares of any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to provisions of Section 48 the Act, and whether or not the Company is

being wound up, be varied with the consent in writing of the holders of not less than three-fourth of the issued shares of that class or with the sanction of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class, as prescribed by the Act.

- b. Subject to the provisions of the Act, to every such separate meeting, the provisions of these Articles relating to meeting shall *mutatis mutandis* apply.

17. PREFERENCE SHARES

a. Redeemable Preference Shares

The Company, subject to the applicable provisions, and Section 55 of the Act and the consent of the Board, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act, and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

b. Convertible Redeemable Preference Shares

The Company, subject to the applicable provisions, and Section 55 of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such shares into such securities on such terms as they may deem fit.

c. Compulsorily Convertible Preference Shares

The Company, subject to the applicable provisions, and Section 55 of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis compulsorily convertible preference shares, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for conversion of such shares into such securities on such terms as they may deem fit.

18. COMPROMISE, ARRANGEMENTS AND AMALGAMATIONS

Subject to the applicable provisions of the Act, the Company is empowered to enter into any Schemes of Arrangement or compromises with its creditors and/or members of the Company and/or any class of such creditors or members, including but not limited to hive-off or demerger of any of its business or units and also to amalgamate or cause itself to be amalgamated with any other person, firm or body corporate.

SHARE CERTIFICATES

19. ISSUE OF SHARE CERTIFICATE

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

- (i) one certificate for all his shares without payment of any charges; or
- (ii) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two directors or by a director and the company secretary, wherever the Company has appointed a company secretary:

Provided that in case the company has a common seal it shall be affixed in the presence of the persons required to sign the certificate.

In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one share certificate, and delivery of a share certificate for a share to one of several joint holders shall be sufficient delivery to all such joint holders. New share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such share certificate shall be issued in the manner prescribed under Section 46 of the Act and the rules framed thereunder.

Particulars of every share certificate issued shall be entered in the register of members against the name of the person, to whom it has been issued, indicating the date of issue. Every share certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two Directors or by a Director and the company secretary, wherever the Company has appointed a company secretary.

20. RULES TO ISSUE SHARE CERTIFICATES

The Act shall be complied with in respect of the issue, reissue, renewal of share certificates and the format and signing of the share certificates and records of the share certificates issued shall be maintained in accordance with the said Act.

21. ISSUE OF NEW SHARE CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED

If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new share certificate may be issued in lieu thereof, and if any share certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new share certificate in lieu thereof shall be given to the party entitled to such lost or destroyed share certificate. Every share certificate under the Article shall be issued upon on payment of INR 20 for each share certificate. Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any Exchanges or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf. The provision of this Article shall *mutatis mutandis* apply to debentures of the Company.

UNDERWRITING & BROKERAGE

22. COMMISSION FOR PLACING SHARES, DEBENTURES, ETC.

- a. Subject to the provisions of the conferred by sub-section (6) of section 40 of the Act and other applicable laws, the Company exercise the powers of paying commissions to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) to any shares or debentures of the Company or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares or debentures of the Company and provisions of the Act shall apply.
- b. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40 of the Act.
- c. The Company may also, in any issue, pay such brokerage as may be lawful.
- d. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

LIEN

23. COMPANY'S LIEN ON SHARES / DEBENTURES

The Company shall subject to applicable law have a first and paramount lien:

- a. on every share / debenture (not being a fully paid share / debenture) 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 that share / debenture and no equitable interest in any share shall be created upon the footing and condition that this Article will have full effect; and
- b. on all shares/debentures (not being fully paid shares/ debentures) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company. Unless otherwise agreed, the registration of transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares / debentures.

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

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

24. LIEN TO EXTEND TO DIVIDENDS, ETC.

The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares / debentures.

25. ENFORCING LIEN BY SALE

The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made—

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

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

26. VALIDITY OF SALE

- (i) To give effect to any such sale, the Board may authorise any person to execute an instrument of transfer for the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

27. **VALIDITY OF COMPANY'S RECEIPT**

The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case maybe) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

28. **APPLICATION OF SALE PROCEEDS**

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

29. **OUTSIDER'S LIEN NOT TO AFFECT COMPANY'S LIEN**

In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by law) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

30. **PROVISIONS AS TO LIEN TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.**

The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

CALLS ON SHARES

31. **BOARD TO HAVE RIGHT TO MAKE CALLS ON SHARES**

The Board may subject to the provisions of the Act and any other applicable law, from time to time, make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. A call may be revoked or postponed at the discretion of the Board. The power to call on shares shall not be delegated to any other person except with the approval of the shareholders' in a General Meeting.

32. **CALLS TO BE MADE ON A UNIFORM BASIS**

All calls for share capital shall be made on a uniform basis on all shares falling under the same class. For the purposes of this Article, shares of the same nominal value on which different amounts have been required to be paid up shall not be deemed to fall under the same class.

33. **NOTICE FOR CALL**

Each Member shall, subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more Members as the Board may deem appropriate in any circumstances.

34. **CALL WHEN MADE**

The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is so determined a call shall be deemed to have been made at the date when the resolution authorizing such call was passed at the meeting of the Board and may be required to be paid in installments.

35. **LIABILITY OF JOINT HOLDERS FOR A CALL**

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

36. **CALLS TO CARRY INTEREST**

If a Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at the rate of ten percent or such other lower 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. The Board shall be at liberty to waive payment of any such interest wholly or in part.

37. **DUES DEEMED TO BE CALLS**

Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

38. **EFFECT OF NON-PAYMENT OF SUMS**

In case of non-payment of such sum, 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.

39. **EVIDENCE ON ACTION FOR CALL**

On the trial or hearing of any action or suit brought by the Company against any member or his legal representatives for the recovery of any money due for any call or other money in respect of his share, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered is entered in the Register as the holder, or one of the holders, of shares at or subsequently to the date at which the money sought to be recovered is alleged to have become due 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 legal representatives sued, in pursuance of these presents and it shall not be necessary to prove the appointment of the Directors who made such call nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

40. **PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST**

The Board –

- a. may, if it thinks fit, subject to provisions of Section 50 of the Act, agree to and receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- b. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting

shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance. Nothing contained in this Article shall confer on the Member (i) any right to participate in profits or dividends; or (ii) any voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable by him.

41. **PROVISIONS AS TO CALLS TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.**

The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

FORFEITURE OF SHARES

42. **BOARD TO HAVE A RIGHT TO FORFEIT SHARES**

If a Member fails to pay any call, or installment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

43. **NOTICE FOR FORFEITURE OF SHARES**

The notice aforesaid shall:

- a. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- b. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

44. **RECEIPT OF PART AMOUNT OR GRANT OF INDULGENCE NOT TO AFFECT FORFEITURE**

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

45. **FORFEITED SHARE TO BE THE PROPERTY OF THE COMPANY**

Any share forfeited in accordance with these Articles, shall be deemed to be the property of the Company and may be sold, re-allocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board thinks fit.

46. **ENTRY OF FORFEITURE IN REGISTER OF MEMBERS**

When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting Member and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

47. **MEMBER TO BE LIABLE EVEN AFTER FORFEITURE**

A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

48. **EFFECT OF FORFEITURE**

The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.

49. **CERTIFICATE OF FORFEITURE**

A duly verified declaration in writing that the declarant is a Director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

50. **TITLE OF PURCHASER AND TRANSFEREE OF FORFEITED SHARES**

The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of. The transferee shall thereupon be registered as the holder of the share and the transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

51. **VALIDITY OF SALES**

Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and after his name has been entered in the Register of Members in respect of such shares the validity of the sale shall not be impeached by any person.

52. **CANCELLATION OF SHARE CERTIFICATE IN RESPECT OF FORFEITED SHARES**

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

53. **BOARD ENTITLED TO CANCEL FORFEITURE**

The Board may at any time before any share so forfeited shall have been sold, reallocated or otherwise disposed of, cancel the forfeiture thereof upon such conditions as it thinks fit.

54. **SURRENDER OF SHARE CERTIFICATES**

The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering them on such terms as they think fit.

55. **SUMS DEEMED TO BE CALLS**

The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

56. **PROVISIONS AS TO FORFEITURE OF SHARES TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.**

The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

TRANSFER AND TRANSMISSION OF SHARES

57. **INSTRUMENT OF TRANSFER**

- a. The Company shall keep a “Register of Transfers” and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares. The Company shall also use a common form of transfer, as prescribed under the Act and rules notified thereunder and as per applicable requirements specified by the Exchanges. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof. The instrument of transfer shall be in respect of same class of shares and should be in the form prescribed under the Act.
- b. There shall be no restrictions whatsoever on the transactions in relation to shares including transfer of shares between any members or granting of rights or creating an encumbrance on shares by one member in favour of another member. The instrument of transfer shall be in writing and all provisions of Section 56 of the Act and the Rules framed thereunder, and of any statutory modification thereof for the time being and the applicable SEBI Regulations shall be duly complied with in respect of all transfers of Shares and the registration thereof.
- c. In accordance with provisions of Section 29 of the Act read with the Rules made thereto and in accordance with the provisions of the Depositories Act, 1996, every holder of Equity Shares of the Company who intends to transfer the Equity Shares held by him, shall get such Equity shares dematerialized before the transfer.
- d. The transfer of Equity Shares and other securities of the Company shall be in accordance with the provisions contained in the Depositories Act, 1996 and the Rules made thereunder.
- e. The Board shall have power on giving not less than 7 (seven) days previous notice in accordance with Section 91 of the Act and rules made thereunder, by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated, and publishing the notice on the website as may be notified by the Central Government and on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture- holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in the aggregate in the year, as it may deem expedient.
- f. Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may refuse, whether

in pursuance of any power of the Company under these Articles or otherwise, to register the transfer of, or transmission of securities by operation of law, or the right to any securities or interest of a member in the Company. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or any transfer of shares on which the company has a lien.

- g. The Company shall, within 30 (thirty) days or the intimation of such transmission was delivered to the Company, send a notice of refusal to the person giving intimation of such transmission giving reasons for such refusal.
- h. Subject to the provisions of Section 58 of the Act, these Articles, the Securities Contracts (Regulation) Act, 1956, any listing agreement entered into with any recognized stock exchange and other applicable provisions of the Act or any other law for the time being in force, the Directors at their own absolute and uncontrolled discretion and by giving reasons may , decline to register or acknowledge —any transfer of or the transmission by operation of law of the right to, any Shares or interest of a Member in or debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares or other securities.
- i. That registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Issuer on any account whatsoever
- j. In case of the death of any one or more shareholders named in the Register of Members as the joint-holders of any shares, the survivors shall be the only shareholder or shareholders recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other Person. The executors or administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only shareholders recognized by the Company as having any title to the shares registered in the name of such shareholder, and the Company shall not be bound to recognize such executors or administrators or holders of succession certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 58 of these Articles register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased shareholder, as a shareholder.
- k. No fee shall be charged by the Company in respect of the registration of transfer, transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of shares and debentures and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.
- l. Where in the case of partly paid shares, an application for registration is to be made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of the Act.
- m. 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 a person or persons

having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability 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 shall so think fit.

58. TRANSFERS NOT PERMITTED

No share shall in any circumstances be transferred to any minor insolvent or a person of unsound mind, except fully paid shares through a legal guardian.

59. TRANSMISSION OF SHARES

Subject to the provisions of Articles, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any member or members, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of 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.

Further, all limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member

60. RIGHTS ON TRANSMISSION

A Person becoming entitled to a share by reason of the death or insolvency of a member shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a member in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the shares, and if such notice is not complied with within 90 (Ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

61. SHARE CERTIFICATES TO BE SURRENDERED

Before 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 (save as provided in the Act) properly stamped and executed instrument of transfer.

62. TRANSFER AND TRANSMISSION OF DEBENTURES

The provisions of these Articles, shall, *mutatis mutandis*, apply to the transfer of or the transmission by law of the right to any securities including, debentures of the Company.

ALTERATION OF CAPITAL

63. RIGHTS TO ISSUE SHARE WARRANTS

The Company may issue share warrants subject to, and in accordance with provisions of the Act. The Board may, in its discretion, with respect to any share which is fully paid up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require having been paid, issue a warrant.

64. BOARD TO MAKE RULES

The Board may, from time to time, make rules as to the terms on which it shall think fit, a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

65. SHARES MAY BE CONVERTED INTO STOCK

Where shares are converted into stock:

- a. the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;

- b. the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;
- c. such of the Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder"/"Member" shall include "stock" and "stock-holder" respectively.

66. REDUCTION OF CAPITAL

The Company may, by a Special Resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act—

- a. its share capital; and/or
- b. any capital redemption reserve account; and/or
- c. any share premium account; and/or
- d. any other reserve in the nature of share capital.

and in particular without prejudice to the generality of the foregoing power may be: (i) extinguishing or reducing the liability on any of its shares in respect of share capital not paid up; (ii) either with or without extinguishing or reducing liability on any of its shares, cancel paid up share capital which is lost or is unrepresented by available assets; or (iii) either with or without extinguishing or reducing liability on any of its shares, pay off any paid up share capital which is in excess of the wants of the Company; and may, if and

so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly.

67. DEMATERIALISATION OF SECURITIES

- a. Notwithstanding anything contrary contained in these Articles and subject to provisions of the Act and Applicable law, Company shall recognise interest in dematerialised securities under the Depositories Act, 1996 and :
 - i. Issue Equity shares and other securities only in dematerialized form,
 - ii. Facilitate the dematerialization of existing securities,
- b. The Company, before making any offer for issue or buyback or bonus issue or rights offer of Equity shares or other securities in accordance with the provisions of the Act, shall ensure that before making any such issue or buyback or bonus issue or rights offer, the entire holding of Equity Shares and other Securities of the Promoters, Directors, Key Managerial Personnel, has been dematerialized in accordance with provisions of the Depositories Act 1996 and regulations made there under.
- c. Every existing holder of any Equity Shares or securities of the Company, who subscribes to further issue of Equity Shares or securities of the Company, whether by way of private placement or bonus shares or rights issue or otherwise, shall ensure that his entire holding of Equity Shares and other Securities are held in dematerialized form before such subscription.
- d. Every existing holder of any Equity Shares or securities of the Company, who intends to transfer Equity Shares or other Securities of the Company, shall get such Equity Shares or other Securities dematerialized before such transfer.
- e. Notwithstanding anything contained in these Articles but subject to the provisions of Law, the Company shall be entitled dematerialise its existing securities, re materialise its securities held in Depositories and/or offer its fresh securities in the dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.
- f. Where the Equity Shares and other Securities of the Company are issued and held in dematerialized form, the rights and obligations of the holders of Equity Shares and other Securities and other parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof.
- g. If a holder opts to hold his Securities in dematerialized form through a Depository, then notwithstanding anything to the contrary contained in these Articles 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.
- h. Securities in Depositories to be in fungible form:

All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.
- i. Rights of Depositories & Beneficial Owners:
 - i. 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 on behalf of the Beneficial Owner.

- ii. Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.
- iii. Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a member of the Company. The Company shall have the power to keep in any state or country outside India, a branch Register of Members, resident in that state or country. The register and index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be register and index of members and register and index of debenture-holders, as the case may be, for the purpose of the Act.
- iv. The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.
- j. Except as required by law, or a court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder..
- k. Transfer of Securities:
 - i. Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.
 - ii. In the case of transfer or transmission of shares or other marketable Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.
- l. Allotment of Securities dealt with in a Depository:

Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.
- m. Certificate Number and other details of Securities in Depository:

All the provisions in the Act or these Articles regarding the necessity to have certificate number/distinctive numbers for Securities issued by the Company shall not apply to Securities held with a Depository. No certificate shall be issued for the securities held by the Depository
- n. Provisions of Articles to apply to Shares held in Depository:

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

68. BUY BACK OF SHARES

Notwithstanding anything contained in these Articles, but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities

GENERAL MEETINGS

69. ANNUAL GENERAL MEETINGS

The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year. An Annual General Meeting of the Company shall be held in accordance with the provisions of the Act.

70. EXTRAORDINARY GENERAL MEETINGS

All General Meetings other than the Annual General Meeting shall be called “Extraordinary General Meeting”. Provided that, the Board may, whenever it thinks fit, call an Extraordinary General Meeting.

71. EXTRAORDINARY MEETINGS ON REQUISITION

The Board shall, on the requisition of Members, convene an Extraordinary General Meeting of the Company in the circumstances and in the manner provided under the Act.

72. NOTICE FOR GENERAL MEETINGS

All General Meetings shall be convened by giving not less than clear twenty one (21) days’ notice, in such manner as is prescribed under the Act, specifying the place, date and hour of the meeting and a statement of the business proposed to be transacted at such a meeting, in the manner mentioned in the Act. Notice shall be given to all the Members and to such persons as are under the Act and/or these Articles entitled to receive such notice from the Company but any accidental omission to give notice to or non-receipt of the notice by any Member or other person to whom it should be given shall not invalidate the proceedings of any General Meetings.

The Members may participate in General Meetings through such modes as permitted by applicable laws.

73. SHORTER NOTICE ADMISSIBLE

Upon compliance with the relevant provisions of the Act, an Annual General Meeting or any General Meeting may be convened by giving a shorter notice of less than twenty one (21) days.

74. CIRCULATION OF MEMBERS’ RESOLUTION

The Company shall comply with provisions of Section 111 of the Act, as to giving notice of resolutions and circulating statements on the requisition of Members.

75. SPECIAL AND ORDINARY BUSINESS

a. Subject to the provisions of the Act, all business shall be deemed special that is transacted at the Annual General Meeting with the exception of declaration of any dividend, the consideration of financial statements and reports of the Directors and auditors, the appointment of Directors in place of those retiring and the appointment of and fixing of the remuneration of the auditors. In case of any other meeting, all business shall be deemed to be special.

b. In case of special business as aforesaid, an explanatory statement as required under the applicable provisions of the Act shall be annexed to the notice of the meeting.

76. **QUORUM FOR GENERAL MEETING**

The quorum of the General Meeting shall be as required under the Act or the applicable law for the time being in force prescribes, personally present shall be quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the meeting.

77. **TIME FOR QUORUM AND ADJOURNMENT**

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting, a quorum is not present, the meeting, if called upon the requisition of Members, shall be cancelled and in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine. If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be quorum and may transact the business for which the meeting was called.

78. **CHAIRMAN OF GENERAL MEETING**

The chairman, if any, of the Board of Directors shall preside as chairman at every General Meeting of the Company.

79. **ELECTION OF CHAIRMAN**

Subject to the provisions of the Act, if there is no such chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the Directors present shall elect another Director as chairman and if no Director be present or if all the Directors decline to take the chair, then the Members present shall choose a Member to be the chairman.

80. **ADJOURNMENT OF MEETING**

Subject to the provisions of the Act, the chairman of a General Meeting may, with the consent given in the meeting at which a quorum is present (and shall if so directed by the meeting) adjourn that meeting from time to time and from place to place, 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. When the meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as nearly to the original meeting, as may be possible. Save as aforesaid and as provided in Section 103 of the Act, it shall not be necessary to give any notice of adjournment of the business to be transacted at an adjourned meeting.

81. **VOTING AT MEETING**

At any General Meeting, a demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded. The resolutions proposed or to be proposed at the general meetings shall be decided by way of voting through electronic means in accordance with the Act and other laws as may be applicable to the Company. In addition to the voting through electronic means, the Company shall arrange the facility to cast vote by the members at General Meeting, by way of poll either in physical mode or through electronic mode in accordance with the provisions of the Act. Any such objection made in due time shall be referred to the chairperson of the General Meeting, whose decision shall be final and conclusive.

82. **DECISION BY POLL**

If a poll is duly demanded in accordance with the provisions of the Act, it shall be taken in such manner as the chairman directs and the results of the poll shall be deemed to be the decision of the meeting on the resolution in respect of which the poll was demanded.

83. **CASTING VOTE OF CHAIRMAN**

In case of equal votes, whether on a show of hands or on a poll, the chairman of the General Meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled to as a Member, in compliance with the provisions of the Act.

84. **CHAIRMAN'S DECLARATION CONCLUSIVE**

The Chairman shall have all the powers and authorities under law to conduct and regulate the meeting. The Chairman's decision on any of the above matters or on matters of procedure or any matters that arise incidentally during the course of the meeting shall be final and conclusive.

The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting

85. **PASSING RESOLUTIONS BY POSTAL BALLOT**

a. Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Act, to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company.

b. Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under the Act and the Companies (Management and Administration) Rules, 2014, as amended from time.

c. If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a General Meeting convened in that behalf.

VOTE OF MEMBERS

86. **VOTING RIGHTS OF MEMBERS**

Subject to any rights or restrictions for the time being attached to any class or classes of shares:

a. On a show of hands every Member holding Equity Shares and present in person shall have one vote.

b. On a poll, every Member holding Equity Shares therein shall have voting rights in proportion to his share in the paid up Equity Share capital.

c. A Member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

87. **VOTING BY JOINT-HOLDERS**

In case of joint holders, the vote of first named of such joint holders in the Register of Members who tender a vote whether in person or by proxy shall be accepted, to the exclusion of the votes of other joint holders.

88. **VOTING BY MEMBER OF UNSOUND MIND**

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 legal guardian may, on a poll, vote by proxy.

89. **NO RIGHT TO VOTE UNLESS CALLS ARE PAID**

No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien.

90. **VOTING IN RESPECT OF PREFERENCE SHAREHOLDERS**

Every member of the Company holding any preference share capital shall, in respect of such capital, have a right to vote only on resolution or question placed before the Company which directly affect the rights attached to his preference shares. Any Resolution for winding up the Company or for the repayment or reduction of its share capital shall be deemed directly to affect the rights attached to preference shares within the meaning of this clause.

Subject as aforesaid, every member of the Company holding any preference share capital shall in respect of such capital, be entitled to vote on every Resolution or question placed before the Company at any meeting, subject to the provisions of the Act if the dividend due on such capital or any part of such dividend has remained unpaid.

91. **VOTES IN RESPECT OF SHARES OF DECEASED OR INSOLVENT MEMBERS, ETC.**

Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any Shares may vote at any General Meeting in respect thereof as if he was the registered holder of such Shares, provided that at least forty eight (48) hours before the timing of holding the meeting or adjourned meeting, as the case may be, at which he / she proposes to vote, he / she shall duly satisfy the Board of his / her right to such Shares unless the Board shall have previously admitted his / her right to vote at such meeting in respect thereof. Several executors or administrators of a deceased Member in whose name any Share is registered shall for the purpose of this Article be deemed to be Members registered jointly in respect thereof.

92. **PROXY**

Any Member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

93. **INSTRUMENT OF PROXY**

An instrument appointing a proxy shall be in the form as prescribed under the Act for this purpose. The instrument appointing a proxy shall be in writing under the hand of appointer or of his attorney duly authorized in writing or if appointed by a body corporate under the hand of its officer or attorney duly authorized in writing by it. Any person whether or not he is a Member of the Company may be appointed as a proxy.

The instrument appointing a proxy and power of attorney or other authority (if any) under which it is signed or a notarized copy of that power or authority must be deposited at the Office of the Company not less than forty eight (48) hours prior to the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

Subject to the provisions of the Act, the form of proxy shall be two-way proxies enabling the shareholder to vote for/against any resolution

94. **VALIDITY OF PROXY**

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

95. **CORPORATE MEMBERS**

Any body-corporate or corporation which is a Member of the Company may, by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Member of the Company (including the right to vote by proxy).

DIRECTOR

96. **NUMBER OF DIRECTORS**

- a. Unless otherwise determined by General Meeting, the number of Directors shall not be less than three (3) and not more than fifteen (15), and at least one (1) Director shall be resident of India in the previous year.
Provided that the Company may appoint more than fifteen (15) Directors after passing a Special Resolution.
- b. The Board of the Company shall include such number of independent Directors as prescribed under Applicable Law (“**Independent Directors**”).
- c. The first Directors of the Company shall be:
 1. R N Jayaprakash; and
 2. Agnishwar Jayaprakash

97. **CHAIRMAN**

The chairman, if any, of the Board of Directors shall be the chairman of the Company and shall preside at the Board as well as at every General Meeting of the Company.
An individual appointed as Managing Director can also be appointed as the Chairman of the Company.

98. **SHARE QUALIFICATION NOT NECESSARY**

Any person whether a Member of the Company or not may be appointed as Director and no qualification by way of holding shares shall be required of any Director.

99. **ADDITIONAL DIRECTORS**

Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles. Any such additional director shall hold office only up to the date of the upcoming Annual General Meeting, unless his/her appointment is regularized by the shareholders in such Annual General Meeting.

100. **ALTERNATE DIRECTORS**

- a. The Board may, appoint a person, not being a person holding any alternate directorship for any other Director in the Company, to act as an alternate director for a Director during his absence for a period of not less than 3 (three) months from India (hereinafter in this Article called the “**Original Director**”).
- b. An alternate director 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 if and when the Original Director returns to India. If the term of office of the Original Director is determined before he returns to India the automatic re-appointment of retiring directors in default of another appointment shall

apply to the Original Director and not to the alternate director.

101. **APPOINTMENT OF DIRECTOR TO FILL A CASUAL VACANCY**

If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board which shall be subsequently approved by Members in the immediate next General Meeting. The Director so appointed shall hold office only up to the date which the Director in whose place he is appointed would have held office if it had not been vacated.

102. **REMUNERATION OF DIRECTORS**

- a. A Director (other than a managing Director or whole-time Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of Directors or any committee thereof attended by him. The remuneration of Directors including managing Director and/or whole-time Director may be paid in accordance with the applicable provisions of the Act.
- b. The Board of Directors may allow and pay or reimburse any Director who is not a bona fide resident of the place where a meeting of the Board or of any committee is held and who shall come to such place for the purpose of attending such meeting or for attending its business at the request of the Company, such sum as the Board may consider fair compensation for travelling, and out-of-pocket expenses and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business he shall be entitled to be reimbursed any travelling or other expenses incurred in connection with the business of the Company.
- c. The managing Directors/ whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

103. **REMUNERATION FOR EXTRA SERVICES**

If any Director, being willing, shall be called upon to perform extra services or to make any special exertions (which expression shall include work done by Director as a Member of any committee formed by the Directors) in going or residing away from the town in which the Office of the Company may be situated for any purposes of the Company or in giving any special attention to the business of the Company or as member of the Board, then subject to the provisions of the Act, the Board may remunerate the Director so doing either by a fixed sum, or by a percentage of profits or otherwise and such remuneration, may be either in addition to or in substitution for any other remuneration to which he may be entitled.

104. **CONTINUING DIRECTOR MAY ACT**

The continuing Directors may act notwithstanding any vacancy in the Board, but if the number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company, but for no other purpose.

105. **VACATION OF OFFICE OF DIRECTOR**

The office of a Director shall be deemed to have been vacated under the circumstances enumerated under Act.

ROTATION AND RETIREMENT OF DIRECTOR

106. ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR

At the Annual General Meeting of the Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election.

Provided nevertheless that the managing director / Whole-Time Director appointed or the Directors appointed as a nominee director under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

107. RETIRING DIRECTORS ELIGIBLE FOR RE-ELECTION

A retiring Director shall be eligible for re-election and the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid, may fill up the vacated office by electing a person thereto.

108. WHICH DIRECTOR TO RETIRE

The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lots.

109. POWER TO REMOVE DIRECTOR BY ORDINARY RESOLUTION

Subject to the provisions of the Act, the Company may by an Ordinary Resolution in General Meeting, remove any Director before the expiration of his period of office after giving him a reasonable opportunity of being heard and may, by an Ordinary Resolution, appoint another person instead.

Provided that an independent director re-appointed for second term under the provisions of the Act shall be removed by the Company only by passing a Special Resolution and after giving him a reasonable opportunity of being heard.

110. DIRECTORS NOT LIABLE FOR RETIREMENT

The Company in General Meeting may, when appointing a person as a Director declare that his continued presence on the Board of Directors is of advantage to the Company and that his office as Director shall not be liable to be determined by retirement by rotation for such period until the happening of any event of contingency set out in the said resolution.

PROCEEDINGS OF BOARD OF DIRECTORS

111. MEETINGS OF THE BOARD

- a. The Board of Directors shall meet at least once in every three (3) months with a maximum gap of one hundred and twenty (120) days between two (2) meetings of the Board for the conduct of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year. Place of meetings of the Board shall be at a location determined by the Board at its previous meeting, or if no such determination is made, then as determined by the chairman of the Board.
- b. The chairman may, at any time, and the secretary or such other Officer of the Company as may be authorised in this behalf on the requisition of Director shall at any time summon a meeting of the Board. Notice of at least seven (7) days in writing of every meeting of the Board shall be given to every Director and every alternate Director at their address registered with the Company, provided

always that a meeting may be convened by a shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting and in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least one independent director, if any.

- c. The notice of each meeting of the Board shall include (i) the date and time for the proposed meeting; (ii) the venue for the proposed meeting; and (iii) an agenda setting out the business proposed to be transacted at the meeting.
- d. To the extent permissible by applicable law, the Directors may participate in a meeting of the Board or any committee thereof, through electronic mode, that is, by way of video conferencing or other, audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Any Director participating in a meeting through the use of video conferencing shall be counted for the purpose of quorum.

112. **QUESTIONS AT BOARD MEETING HOW DECIDED**

Questions arising at any time at a meeting of the Board shall be decided by majority of votes and in case of equality of votes, the Chairman, in his absence the Vice Chairman or the Director presiding shall have a second or casting vote.

113. **QUORUM**

Subject to the provisions of the Act, the quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher and the participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

At any time the number of interested Directors is equal to or exceeds two-thirds of total strength, the number of remaining Directors, that is to say the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of Board after deducting there from the number of Directors, if any, whose places are vacant at the time. The term 'interested director' means any Director whose presence cannot, by reason of applicable provisions of the Act be counted for the purpose of forming a quorum at meeting of the Board, at the time of the discussion or vote on the concerned matter or resolution.

To the extent permissible by applicable law, the Directors may participate in a meeting of the Board or any Committee thereof, through electronic mode, that is, by way of video conferencing i.e., audio visual electronic communication facility. The notice of the meeting shall contain information regarding the availability of participation through video conferencing, if arranged by the Company. Any Director participating in a meeting by video conferencing shall be counted for the purpose of quorum.

114. **ADJOURNED MEETING**

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting of the Board, a quorum is not present, the meeting, shall stand adjourned to the same day in the next week at the same time and place or if that day is a national holiday, till the succeeding day, which is not a national holiday at the same time and place or to such other day and at such other time and place as the Directors may determine.

115. **ELECTION OF CHAIRMAN OF BOARD**

- a. The Board may elect a chairman of its meeting and determine the period for which he is to hold office.
- b. If no such chairman is elected or at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one among themselves to be the chairman of the meeting.

116. **POWERS OF DIRECTORS**

- a. 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 applicable law, or by the Memorandum or by the Articles required to be exercised by the Company in a General Meeting, subject nevertheless to these Articles, to the provisions of the Act or any other applicable law and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in a General Meeting; but no regulation made by the Company in a General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
- b. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case maybe, by such person and in such manner as the Board shall from time to time by resolution determine.

117. **DELEGATION OF POWERS**

- a. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such members of its body as it thinks fit.
- b. Any committee so formed shall, in the exercise of the power so delegated conform to any regulations that may be imposed on it by the Board.
- c. The Board shall from time to time form committees of the Board and the Board shall determine the composition of such committees based on the statutory requirements and the skill sets of the Directors seeking representation of the committees and may also nominate Chairperson of such committees.

118. **ELECTION OF CHAIRMAN OF COMMITTEE**

- a. Subject to Article 120, a committee may elect a chairman of its meeting. If no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be the chairman of the committee meeting.
- b. The quorum of a committee may be fixed by the Board of Directors.

119. **QUESTIONS HOW DETERMINED**

- a. A committee may meet and adjourn as it thinks proper.
- b. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present as the case may be and in case of equality of vote, the chairman shall have a second or casting vote, in addition to his vote as a member of the committee.

120. **VALIDITY OF ACTS DONE BY BOARD OR A COMMITTEE**

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 Directors or Committee or person acting as aforesaid, or that they or any of them were disqualified or had vacated office, or that the appointment of any of them was 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 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 his appointment has been shown to the Company to be invalid or to have terminated.

121. **RESOLUTION BY CIRCULATION**

Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the committee then in India, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through electronic means and approved by such of the Directors as are then in India and by a majority of such of them as are entitled to vote at the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or committee duly convened and held.

122. **MAINTENANCE OF FOREIGN REGISTER**

The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of those Sections) make and vary such regulations as it may think fit respecting the keeping of any register.

123. **BORROWING POWERS**

- a. Subject to the provisions of the Act and these Articles, the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this Company or any other company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities; provided however, that the moneys to be borrowed, together with the money already borrowed by the Company apart from temporary loans obtained from the Company's bankers in the ordinary course of business shall not, without the sanction of the Company by a Special Resolution at a General Meeting, exceed the aggregate of the paid up capital of the Company and its free reserves and securities premium. Provided that every Special Resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow shall specify the total amount up to which moneys may be borrowed by the Board of Directors.
- b. The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or managing Director or the manager or any principal officer of the company or in the case of a branch office of the company, the principal officer of the branch office or to any other person permitted by applicable law, if any, within the limits prescribed.
- c. To the extent permitted under the applicable law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and the same shall be in the interests of the Company.
- d. Any bonds, debentures, debenture-stock or other securities may if permissible under applicable law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, attending (but not voting) in the General Meeting, appointment of Directors or otherwise. Provided that debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

124. **NOMINEE DIRECTORS**

- a. Subject to the provisions of the Act, so long as any moneys remain owing by the Company to Financial Institutions regulated by the Reserve Bank of India, State Financial Corporation or any financial institution owned or controlled by the Central Government or State Government or any Non-Banking Financial Company regulated by the Reserve Bank of India or any such company from whom the Company has borrowed for the purpose of carrying on its objects or each of the above has granted any loans / or subscribes to the debentures of the Company or so long as any of the aforementioned companies or financial institutions hold or continue to hold debentures /shares in the Company as a result of underwriting or by direct subscription or private placement or so long as any liability of the Company arising out of any guarantee furnished on behalf of the Company remains outstanding, and if the loan or other agreement with such institution/ corporation/ company (hereinafter referred to as the “**Corporation**”) so provides, the Corporation may, in pursuance of the provisions of any law for the time being in force or of any agreement, have a right to appoint from time to time any person or persons as a Director or Directors whole-time or non whole-time (which Director or Director/s is/are hereinafter referred to as “**Nominee Directors/s**”) on the Board of the Company and to remove from such office any person or person so appointed and to appoint any person or persons in his /their place(s).
- b. The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board meetings and of the meetings of the committee of which Nominee Director/s is/are member/s as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.
- c. The Company may pay the Nominee Director/s sitting fees and reimbursement of expenses to which the other Directors of the Company are entitled, but if any other fees commission, monies or remuneration in any form is payable to the Directors of the Company the fees, commission, monies and remuneration in relation to such Nominee Director/s may accrue to the nominee appointer and same shall accordingly be paid by the Company directly to the Corporation.

125. **REGISTER OF CHARGES**

The Directors shall cause a proper register to be kept, in accordance with the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified.

126. **MANAGING DIRECTOR(S) AND/OR WHOLE TIME DIRECTORS**

- a. The Board may from time to time and in accordance with the applicable provisions of the Act, appoint one or more of the Directors to the office of the managing director and/ or whole time directors for such term and subject to such remuneration, terms and conditions as they may think fit.
- b. The Directors may from time to time resolve that there shall be either one or more managing directors and/ or whole-time directors.
- c. In the event of any vacancy arising in the office of a managing director and/or whole time director, the vacancy shall be filled by the Board of Directors subject to the approval of the Members.
- d. If a managing director and/or whole time director ceases to hold office as Director, he shall ipso facto and immediately cease to be managing director/whole time director.
- e. The managing director and/or whole time director shall not be liable to retirement by rotation as long as he holds office as managing director or whole-time director.

- f. Notwithstanding anything contrary contained in the Articles of Association and in accordance with the applicable law, the Board of Directors shall have the power to appoint the same individual to hold and occupy both the positions, of the Chairman and of the Managing Director or Chief Executive Officer (CEO), in the Company.

127. **POWERS AND DUTIES OF MANAGING DIRECTOR OR WHOLE-TIME DIRECTOR**

The managing director/whole time director shall subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these Articles by the Board of Directors, as they may think fit and confer such power for such time and to be exercised as they may think expedient and they may confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The managing Directors/ whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction.

128. **REIMBURSEMENT OF EXPENSES**

The managing Directors/whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

129. **COMMON SEAL**

- a. The Board may provide for the safe custody of the common seal for the Company and they shall have power from time to time to destroy the same and substitute a new seal in lieu thereof; and the common seal shall never be used except by the authority of the Board of Directors or a Committee of the Board previously given, in the presence of two of the Directors of the Company or in the presence of at least one Director of the Company and Secretary of the Company or such other person as the Board may appoint in this behalf.
The Company shall also be at liberty to have an Official Seal in accordance with the provisions of the Act, for use in any territory, district or place outside India and such power shall accordingly be vested in the Board or by or under the authority of the Board granted, in favour of any person appointed for the purpose.
- b. Every deed or other instrument to which the Seal of the Company is required to be affixed shall be signed by two Directors or at least one Director of the Company and Secretary of the Company or such other person as the Board may appoint in this behalf provided nevertheless that certificates of shares shall be sealed and signed in the manner provided for in these Articles.
- c. Save as otherwise expressly provided by the Act, a document or proceeding requiring authentication by the Company may be signed by a Director, the Manager, the Secretary or other authorised officer of the Company and need not be under its Common Seal.

130. **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER**

Subject to the provisions of the Act —

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

financial officer. Further, an individual may be appointed or reappointed as the chairperson of the Company as well as the managing Director or chief executive officer of the Company at the same time.

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

DIVIDEND

131. COMPANY IN GENERAL MEETING MAY DECLARE DIVIDENDS

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

132. INTERIM DIVIDENDS

Subject to the provisions of the Act, the Board may from time to time pay to the Members such interim dividends of such amount on such class of shares and at such times as it may think fit and as appear to it to be justified by the profits of the company.

133. RIGHT TO DIVIDEND AND UNPAID OR UNCLAIMED DIVIDEND

- a. Where capital is paid in advance of calls, such capital, whilst carrying interest, shall not confer a right to dividend or to participate in the profits.
- b. Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called “[Unpaid Dividend Account of Garuda Aerospace Limited]”.
- c. The Company shall, within a period of ninety days of making any transfer of an amount under sub-section (1) to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be prescribed.
- d. If any default is made in transferring the total amount referred to in sub-section (c) or any part thereof to the Unpaid Dividend Account of the company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent. per annum and the interest accruing on such amount shall ensure to the benefit of the members of the company in proportion to the amount remaining unpaid to them.
- e. Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under the Act and the Company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said fund and that authority shall issue a receipt to the Company as evidence of such transfer.
- f. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

- g. All other provisions under the Act will be complied with in relation to the unpaid or unclaimed dividend.

134. **DIVISION OF PROFITS**

All dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

135. **DIVIDENDS TO BE APPORTIONED**

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.

136. **RESERVE FUNDS**

- a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends and pending such application, may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time think fit.
- b. The Board may also carry forward any profits when it may consider necessary not to divide, without setting them aside as a reserve.

137. **DEDUCTION OF ARREARS**

Subject to the Act, no Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares of or otherwise howsoever whether alone or jointly with any other person or persons and the Board may deduct from any dividend payable to any Members all sums of money, if any, presently payable by him to the Company on account of the calls or otherwise in relation to the shares of the Company.

138. **RETENTION OF DIVIDENDS**

The Board may retain dividends payable upon shares in respect of which any person is, under Articles 55 to 68 hereinbefore contained, entitled to become a Member, until such person shall become a Member in respect of such shares.

139. **RECEIPT OF JOINT HOLDER**

Any one of two or more joint holders of a share may give effective receipt for any dividends, bonuses or other moneys payable in respect of such shares.

140. **DIVIDEND HOW REMITTED**

Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

141. DIVIDENDS NOT TO BEAR INTEREST

No dividends shall bear interest against the Company.

142. TRANSFER OF SHARES AND DIVIDENDS

Subject to the provisions of the Act, any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

CAPITALISATION OF PROFITS

143. CAPITALISATION OF PROFITS

- a. The Company by Ordinary Resolution in General Meeting, may, on recommendation of the Board resolve:
 - i. that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution; and
 - ii. that such sum be accordingly set free for distribution in the manner specified in the sub-clause (b) amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportions.
- b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision below, either in or towards:
 - i. paying up any amounts for the time being unpaid on shares held by such Members respectively;
 - ii. paying up in full, unissued share of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;
 - iii. partly in the way specified in sub-clause b(i) and partly that specified in sub-clause b(ii);
 - iv. a securities premium account and a capital redemption reserve account or any other permissible reserve account may be applied as permitted under the Act in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares;
 - v. The Board shall give effect to the resolution passed by the Company in pursuance of these Articles.

BONUS

144. POWER OF DIRECTORS FOR DECLARATION OF BONUS ISSUE

- a. Whenever such a resolution as aforesaid shall have been passed, the Board shall:
 - i. make all appropriations and applications of the undivided profits/reserves resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and
 - ii. generally do all acts and things required to give effect thereto.
- b. The Board shall have full power:

- i. to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions; and
 - ii. to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or other securities to which they may be entitled upon such capitalization or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amount or any parts of the amounts remaining unpaid on their existing shares.
- c. Any agreement made under such authority shall be effective and binding on such Members.

ACCOUNTS

145. WHERE BOOKS OF ACCOUNTS TO BE KEPT

The Books of Account shall be kept at the Office or at such other place in India as the Directors think fit in accordance with the applicable provisions of the Act.

146. INSPECTION BY DIRECTORS

The books of account and books and papers of the Company, or any of them, shall be open to the inspection of Directors in accordance with the applicable provisions of the Act.

147. INSPECTION BY MEMBERS

No Member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorised by the Board.

SERVICE OF DOCUMENTS AND NOTICE

148. MEMBERS TO NOTIFY ADDRESS IN INDIA

Each registered holder of shares from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

149. SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS

If a Member has no registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the region in which Office of the Company is situated shall be deemed to be duly served to him on the day on which the advertisement appears.

150. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF MEMBERS

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

151. **PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS**

Subject to the provisions of the Act and these Articles, notice of General Meeting shall be given:

- a. To the Members of the Company as provided by these Articles.
- b. To the persons entitled to a share in consequence of the death or insolvency of a Member.
- c. To the Directors of the Company.
- d. To the auditors for the time being of the Company; in the manner authorized by as in the case of any Member or Members of the Company.

152. **NOTICE BY ADVERTISEMENT**

Subject to the provisions of the Act any document required to be served or sent by the Company on or to the Members, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district in which the Office is situated.

153. **MEMBERS BOUND BY DOCUMENT GIVEN TO PREVIOUS HOLDERS**

Every person, who by the operation of law, transfer or other means whatsoever, shall become entitled to any shares, shall be bound by every document in respect of such share which, previously to his name and address being entered in the Register of Members, shall have been duly served on or sent to the person from whom he derived his title to such share.

Any notice to be given by the Company shall be signed by the managing Director or by such Director or Secretary (if any) or Officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

WINDING UP

154. Subject to the applicable provisions of the Act—

- a. If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- b. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.
- c. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.
- d. Any person who is or has been a Director or manager, their liability shall be in accordance with the provisions of the Act.

155. **APPLICATION OF ASSETS**

Subject to the provisions of the Act as to preferential payment the assets of the Company shall, on its winding up, be applied in satisfaction of its liabilities *pari passu* and, subject to such application shall be distributed among the Members according to their rights and interests in the Company.

INDEMNITY

156. DIRECTORS' AND OTHERS' RIGHT TO INDEMNITY

Subject to the provisions of the Act, every Director and Officer of the Company shall be indemnified by the Company against any liability incurred by him / her including for defending any proceedings or claims or liabilities, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

157. INSURANCE

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

SECRECY CLAUSE

158. SECRECY

No Member shall be entitled to inspect the Company's works without the permission of the managing director/Directors or to require discovery of any information respectively and detail of the Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the managing director/Directors will be inexpedient in the interest of the Members of the Company to communicate to the public.

GENERAL POWER

159. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

160. At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**Listing Regulations**") or of the Act or of the Secretarial Standard issued by the Institute of Company Secretaries of India ("**Secretarial Standards**"), the provisions of the Listing Regulations or the Act or the Secretarial Standards shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Listing Regulations or the Act or the Secretarial Standards, from time to time.

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PART B

The provisions of Article 158 to 160 (hereinafter this "**Part B**") shall have effect notwithstanding anything contained in the other provisions of this Articles, in the event of any conflict between the provisions of this Part B and the other provisions of the Articles, the provisions of this Part B shall prevail.

Furthermore, if there is a conflict between Article 158 to 160 and the provisions of the A & R SHA (as defined hereunder Article 161.3), the Board shall immediately resolve such conflict by amending this Article of Association as per the terms and provisions of the A & R SHA and the Promoter must ensure the same. During the time taken to resolve such conflict, the concerned provisions of the A & R SHA shall prevail subject to the applicable laws. Any term not defined herein shall have the same meaning as ascribed to it in the A & R SHA.

161. DEFINITIONS

The following capitalized terms used in Part B of these Articles, shall have the meaning set out as follows.

161.1 "Act" shall mean the Companies Act, 2013 and includes amendments thereof, and rules, regulations, notifications, circulars, and clarifications issued thereunder from time to time (and the provisions of the Companies Act, 1956 to the extent in subsistence), as the context may required.

161.2 "Affiliate" in relation to a Person shall mean:

- (i) in the case of an individual, his/her immediate relatives, and any Person, who is Controlled by such individual or an immediate relative of such individual. The term "immediate relative" shall mean that person's father, mother, spouse, and children;
- (ii) in the case of any other Person, who Controls, is Controlled by, or is under common Control with, the first referred Person; and
- (iii) In addition to sub-article (ii) above, with respect to an Investor, without prejudice to the foregoing, (1) any fund, collective investment scheme, trust, partnership (including, any co-investment partnership), special purpose or other vehicle, in which the Investor is a general or limited partner, significant shareholder, investment manager or advisor, settlor, member of a management or investment committee or trustee; (2) any general partner of the Investor; and (3) any fund, collective investment scheme, trust, partnership (including, any co-investment partnership), special purpose or other vehicle in which any general partner of the Investor or an Affiliate of such general manager Is a general partner, significant shareholder, investment manager or advisor, settlor, member of a management or investment committee or trustee.; Provided however the Affiliate of Investor(s) shall not include the portfolio companies of the Investors or their Affiliates;

For the purposes of Articles 166 (b) (c) (e) in relation to the Promoter, an 'Affiliate' shall also include any Person who has entered into a written agreement with such Promoter and/or has issued an irrevocable power of attorney in favour of the Promoter to follow Promoter's directions with respect to his/her investment in the Company.

161.3 "**A & R SHA**" shall mean the amended and restated shareholders agreement dated 18th October 2023, as amended by the deed of adherence from time to time, executed between the Company, the Promoter, the Existing Investors, and the New Investors;

"AVI Consent" shall mean:

- (i) the prior written consent of the Investors so long as it beneficially owns, directly or indirectly, at least 0.5% (zero-point five percent) of the issued and outstanding securities on fully diluted basis for matters listed in Article 162.2 (a) (Operational Reserved Matters); and
- (ii) the prior written consent of the Investors so long as it beneficially owns, directly or indirectly, at least 0.5% (zero-point five percent) of the issued and outstanding securities on fully diluted basis

for matters listed in Article 162.2(b) (Other Reserved Matters); obtained either (a) through the affirmative vote of the nominee Director of such Major Investors / Shareholders / Investors (as may be applicable) in a Board meeting; (b) through the affirmative vote of the authorized representative of such Shareholders / Investors in a Shareholders meeting; or (c) in writing from such Shareholders / Investors prior to the Board or Shareholders meeting, as the case may be

- 161.4 “**Balance Issuance Securities**” means the total Issuance Securities less the number of Securities (if any) elected to be subscribed to by each Pre-Emptive Right Holder under Article 162. a) (Pre-emptive Right) and 162.b) (Procedure);
- 161.5 “**Board**” shall mean the board of directors of the Company as constituted from time to time;
- 161.6 “**Business**” shall mean and include the business of drone services such as designing, building, and customizing unmanned aerial vehicles (UAV’s) or drones for various applications such as agricultural survey, reconnaissance, and surveillance;
- 161.7 “**Business Day**” shall mean a day (other than a Saturday or Sunday or an official public holiday in India) on which scheduled commercial banks are open for business in Chennai, Mumbai, India;
- 161.8 “**Business Plan**” shall mean the business plan of the Company, which shall include an annual operating plan and budget, and amended and approved from time to time;
- 161.9 “**Catalysts Investors**” shall have the meaning assigned to such term in the Series A SSA and the A & R SHA;
- 161.10 “**Cause**” shall mean and include the following reasons:
- (i) The Promoter being charged for any offence involving fraud and/or other white-collar crimes or offences of moral turpitude, which is arising from the acts or omissions relating to the Business, or where the Investors are of the opinion that such offence adversely impacts the operations, revenues, or reputation and goodwill of the Company, along with the report / findings of an independent reputed accounting firms to this effect.
 - (ii) Gross negligence, or wilful misconduct by the Promoter in each case, in connection with the performance of such Promoter’s duties to the Company, or under as provided under the A & R SHA and/or the employment agreement executed between the Promoter and the Company, as determined by an independent reputed accounting firms, after following principles of natural justice;
 - (iii) The Promoter being declared insolvent under the applicable Laws or making any composition or entering into any deed of arrangement with his creditors.
- 161.11 “**Closing Date**” shall have meanings as ascribed to such term under the Series A SSA;
- 161.12 “**Company Subsidiary(ies)**” shall have the meaning assigned to such term in Article 175.ix) (Rights of Investors in relation to Subsidiary Companies);
- 161.13 “**Competitor**” shall have the meaning assigned to such term in the A & R SHA;
- 161.14 “**Confidential Information**” shall mean any data or information that is related or proprietary to the disclosing Party and not generally known to the public, whether in tangible or intangible form, in whatever medium provided, whether unmodified or modified by the receiving Party or its Affiliates, and their respective directors, officer, and/or employees (collectively “**Representatives**”), whenever and however disclosed, including but not limited to: (i) any marketing strategies, plans, financial information, or projections, operations, sales, estimates, business plans and performance results relating to the past, present, or future business activities of such party, its affiliates, subsidiaries, and affiliated companies; (ii) any scientific or

technical information, invention, design, know-how, development tools, process, procedure, specifications, formula, improvement, computer software, source code, technology or method, databases, information and trade secrets; (iii) any information concerning the Company and/or its Business, or any other Party to the A & R SHA or any of their Affiliates or any of their respective Representatives (whether conveyed in written, oral or in any other form and whether such information is furnished before, on or after the Execution Date); or (iv) any information whatsoever concerning or relating to: (A) the contents of the A & R SHA, (B) any dispute or claim between any of the Parties (including disputes arising out of or in connection with the shareholders' agreement) or resolution thereof; or (v) any information or materials prepared by or for a Party or its Representatives that are marked expressly as "Confidential Information"; but expressly excluding information that, (i) is generally available to the public on other than as a result of a disclosure not otherwise permissible hereunder, or (ii) was known, or lawfully disclosed or made available to the receiving party by a third party having no obligation to the disclosing party to maintain the confidentiality of such information;

- 161.15 "Control" or "Controls" or "Controlled" shall mean, the ownership, directly or indirectly, of more than 50% of the voting interest of such entity, or the control over more than 50% (fifty percent) of the composition of the Board of directors / governing body of such entity or the power to direct the management or policies of such entity, whether by operation of law, by contract, or otherwise;
- 161.16 "Deed of Adherence" shall have the meaning assigned to such term in the A & R SHA.
- 161.17 "Director" shall mean and include a director of the Company from time to time;
- 161.18 "Employment Agreement" shall mean the agreement executed with the Restricted Shareholder/ Promoter by the Company;
- 161.19 "**Encumbrance**" (including all grammatical variations such as "Encumber") shall mean any mortgage, charge (whether fixed or floating), pledge, assignment by way of security, hypothecation, security interest, voting agreement, lien, charge, commitment, restriction, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership) right of set-off, any arrangement which has the effect of any of the foregoing, granting security, or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same, or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person;
- 161.20 "Endorsement Agreement" shall mean an agreement executed on 12th May 2022 amongst the Company, MSD and Midas Deals Private Limited;
- 161.21 "Equity Shares" shall mean the equity shares of the Company currently having a par value of INR 2 (Indian Rupees Two Only) each;
- 161.22 "ESOP" shall have the meaning assigned to such term in Article 170 (ESOP and Right to Subscribe (RTS) option with MSD; ESOP) herein below;
- 161.23 "Event of Default" shall mean any of the following:
- (i) material breach by the Company and the Promoter of: (a) their respective obligations and restrictions on transferability of the Promoter Securities provided hereunder, and (b) the undertakings of the Company and the Promoter under Article 174 (Covenants of the Company and the Promoter); or
 - (ii) if the Promoter has committed a fraud, in relation to the Company or its Business, in collusion with each other, or any misappropriation of the Company's funds by the Promoter, which determination shall be made in the same manner as the determination of Cause after following the principles of natural justice, including giving the Promoter a right to be heard;

- 161.24 “Fully Diluted Basis” shall mean that the calculation is to be made assuming that all outstanding convertible securities (whether or not by their terms then currently convertible, exercisable, or exchangeable), stock options, warrants, including but not limited to any outstanding commitments to issue stock and / or shares at a future date whether or not due to the occurrence of an event or otherwise, have been so converted, exercised, or exchanged;
- 161.25 “Existing Investors” shall have the meaning as assigned to such a term in the A & R SHA;
- 161.26 “Exit” shall mean a transaction or series of transactions as provided under below Article 171 (Exit) undertaken with AVI Consent;
- 161.27 “Existing Investors DoA” shall mean the Deed of Adherence to be executed by the existing Investors, if applicable.
- 161.28 “Existing Investor Securities” mean and include the Securities held by the Existing Investors from time to time;
- 161.29 “Financial Year” or “FY” shall mean the financial year of the Company commencing on April 1 of a year and ending on March 31 of the succeeding year, or such other financial year of the Company, as the Company may from time to time legally designate as its financial year.
- 161.30 “FMV” or “Fair Market Value” shall mean the fair market value per Security as determined by any of the merchant bankers appointed by the Company; provided that, such fair market value shall not be less than the price per Security in the last round of funds raised by the Company during the period of 12 (Twelve) months immediately preceding such determination of fair market value;
- 161.31 “Founder” or “Promoter” shall mean Agnishwar Jayaprakash;
- 161.32 “Fully Diluted Basis” shall mean that the calculation is to be made assuming that all outstanding convertible securities (whether or not by their terms then currently convertible, exercisable, or exchangeable), stock options, warrants, including but not limited to any outstanding commitments to issue stock and / or shares at a future date whether or not due to the occurrence of an event or otherwise, have been so converted, exercised, or exchanged
- 161.33 “Governmental Authority” shall mean and include any government, governmental authority, statutory authority, government department, agency or instrumentality of any government, ministry, department, commission, self-regulatory, organization, court, tribunal or arbitral tribunal, arbitrator, recognised stock exchange, that is authorised to make laws, rules or regulations or pass directions having or purporting to have jurisdiction (including any state or other subdivision thereof or any municipality, district, or other subdivision thereof) and any authority exercising powers conferred by Law;
- 161.34 “INR” or “Rupees” or “Rs.” shall mean Indian Rupees, the lawful currency of India for the time being;
- 161.35 “Intellectual Property” shall mean all copyrights, patents, trademarks, moral rights, service marks, logos, registered designs, domain and sub-domain names and utility models, inventions, brand names, database rights, software, know-how, programming (including source code) and business names and any similar rights of whatever nature situate in any country and the benefit (subject to the burden) of any of the foregoing (in each case whether registered or unregistered, whether now or hereinafter existing and including applications for the grant of any of the foregoing and the right to apply for any of the foregoing in any part of the world);
- 161.36 “Investor” or “Investors” shall mean and include the New Investors, New VCATS Group Investors and the Existing Investors (as further detailed in the Series A SSA, A & R SHA and the New VCATS Group Investors DOA);
- 161.37 “Investor Securities” means the Securities held by the Investors from time to time;

- 161.38 “IPO” shall mean the initial public offering of the Company on a Stock Exchange, comprising fresh issuance of Equity Shares by the Company and offer for sale of Equity Shares including Equity Shares arising from conversion of compulsorily cumulative convertible preference shares / debentures by existing Shareholders, in accordance with applicable law;
- 161.39 “IPO Matters” shall mean material decisions / actions required to be undertaken in connection with an IPO, including but not limited to appointing a merchant banker, finalizing the draft prospectus / the final prospectus of the Company in relation to the IPO, deciding upon the issue amount, and mode of issues, as well as entering into any agreements in connection with the IPO, including the underwriters and the relevant Stock Exchanges and all such other actions required under applicable Law (*excluding pricing and allocation in the IPO*) in order to complete the listing of the Securities of the Company on a Stock Exchange.
- 161.40 “Issuance” means any issuance of Securities by the Company to any Person;
- 161.41 “Key Managerial Personnel” or “KMP” in relation to the Company shall mean (i) Chief Executive Officer, (ii) Managing Director, (iii) Company Secretary, (iv) Chief Financial Officer, (v) Whole time Director, (v) such other officer, not more than one level below the Directors who is in whole-time employment, designated as Key Managerial Personnel by the Board, and (vi) such other officer as may be prescribed under the applicable Law..
- 161.42 “Law” shall mean and include all applicable statutes, enactments, acts of the state legislature or parliament, laws, ordinances, rules, byelaws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority, statutory authority, tribunal, board, court, or recognised stock exchange, as may be applicable, of India;
- 161.43 “Liquidity Event” shall mean:
- (i) liquidation, dissolution, bankruptcy, insolvency or winding up of the Company; or ii. merger, acquisition, reorganization or other similar transaction (whether in one or a series of transactions) of the Company resulting in its shareholders (immediately prior to such transaction), collectively, retaining less than a majority of the voting power of the Company or the surviving entity immediately following such transaction; or
 - (ii) a sale, lease, license, or other transfer of over 50% (Fifty percent) of the Securities or assets of the Company (including Intellectual Property of the Company or intangible Assets);
- 161.44 “Long Stop Date” shall be the earlier of: (a) 12 months from the date of receipt of the final observations from the Securities and Exchange Board of India on the Pre-filed Draft Red Herring Prospectus, or (b) such other date as mutually agreed to amongst the Parties in writing, (c) withdrawal of the IPO;
- 161.45 “Major Investor” shall mean and include an Investor who holds at least 3% (three percent) of the paid-up share capital of the Company on a Fully Diluted Basis, it being clarified that in computing the shareholding of an Investor, the Securities held by its Affiliates shall be considered as being held by such an Investor;
- 161.46 “Material Adverse Change” shall mean and include any event, change, circumstance, effect or other matter, including change in applicable Law that has or could reasonably be expected to have, either individually or in the aggregate with all other events, changes, circumstances, effects or other matters, with or without notice, lapse of time or both, a material adverse change/ effect on: (i) the Business, assets/ properties, liabilities, financial condition, operations of the Company, (ii) the ability of any Party to perform its respective obligations under the A & R SHA or to timely consummate the transactions contemplated under the A & R SHA, (iii) ability of the New Investors to exercise their full rights of ownership on, and benefits associated with, Investors Securities, and/or (iv) the status and validity of any governmental approval required by the Company to carry on the Business;
- 161.47 “MSD” shall mean Mr. Mahendra Singh Dhoni, S/o Sh. Pan Singh, and R/o Vara (Dhoni’s Farm), Ring

Road, Simaliya, Near Daladali Chowk, Ranchi -835222, India;

- 161.48 “Memorandum” shall mean the Memorandum of Association of the Company as the same may be amended from time to time;
- 161.49 “New Investors Securities” shall mean 23 (Twenty-Three) Equity Shares (as defined herein below) and 3412 (Three Thousand Four Hundred and Twelve) Series A CCPSs;
- 161.50 “New VCATS Group Investors DOA” shall mean deed of adherence executed by and amongst New VCATS Group Investors, Promoter and the Company on February 16, 2026.
- 161.51 “New VCATS Group Investors” shall have the meaning as assigned to such terms in the New VCATS Group Investors DOA;
- 161.52 “Non-Compete Activities” shall have the meaning as assigned to such a term in the A & R SHA;
- 161.53 “Non-Compete Period” with respect to the Promoter shall mean the period commencing from the Effective Date and ending on the expiry of:
- (i) in case of resignation by the Promoter from the employment of the Company or Termination for Cause, 1 (One) year from the later of the date that such Promoter ceases to be a Shareholder of the Company or an employee of the Company; and
 - (ii) in case of Termination Without Cause, later of:
 1. such period from the date of Termination Without Cause as may be determined by the Board; provided that such period shall be no less than 1 (One) year from the date of Termination Without Cause but no more than 2 (Two) years from the date of Termination Without Cause; and the Promoter shall be entitled to the relevant Severance Pay payable during such period, and
 2. subject to the clauses of Article 173(c) (Promoter Non-Compete & Non-Solicit; Non-Compete in the event of Termination Without Cause), 2 (Two) years from the date that such Promoter ceases to be a Shareholder of the Company;
- 161.54 “Ordinary Course of Business” shall mean an action taken in accordance with existing policies of the Company and shall include practices which are approved as per Business Plan or approved in a meeting of the Board;
- 161.55 “Other Interests” shall have the meaning assigned to such term in Article 172(c) (Promoter Non-Compete and Non-Solicit);
- 161.56 “Party” or “Parties” shall mean and include the Company, the Promoter and the Investors;
- 161.57 “Person” shall mean and includes any natural person, an individual, general partnership, limited partnership, proprietorship, corporation, limited or unlimited liability company, Hindu undivided family, incorporated organization or association, trust, union, board, enterprise, authority, or business organization, Governmental Authority, or any other entity, whether incorporated or not that may be treated as a person under Law;
- 161.58 “Related Party” with reference to the Company means:
- a. director or his relative;
 - b. key managerial personnel or his relative;

- c. firm, in which a director, manager or his relative is a partner
- d. private company in which a director or manager or his relative is a member or director;
- e. public company in which a director or manager is a director and holds along with his relatives, more than two percent of its paid-up share capital;
- f. anybody corporate whose Board of directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager; any Person on whose advice, directions, or instructions a director or manager is accustomed to act:

Provided that nothing in sub clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity; any company which is (a) a holding, subsidiary, or an associate company of such company; or (b) a subsidiary of a holding company to which it is also a subsidiary; and such other Person as may be prescribed by Applicable Law;

- 161.59 “Reserved Matters” shall mean and include any matter(s) listed in Article 167;
- 161.60 “Restrictive Covenants” shall have the meaning assigned to such term in the A & R SHA;
- 161.61 “Restricted Shareholder” shall mean Agnishwar Jayaprakash, the Promoter;
- 161.62 “Right to Subscribe (RTS) Agreement” shall mean an agreement dated 12th May 2022 amongst the Company, MSD and Midas Deals Private Limited;
- 161.63 “SEBI” shall mean the Securities and Exchange Board of India, a body established under the provisions of the Securities and Exchange Board of India Act, 1992;
- 161.64 “Securities” shall mean Equity Shares, Series A CCPS, any options, warrants, convertible preference shares, compulsorily cumulative convertible preference shares, convertible debentures, convertible bonds, share / stock options, loans and /or other securities that are directly or indirectly convertible into, or exercisable or exchangeable for, Shares, membership interests, or other ownership interests in the Company (whether or not then currently convertible, exercisable, or exchangeable);
- 161.65 “Series A Compulsorily Convertible Preference Shares” or “Series A CCPS” shall mean 0.001% compulsory cumulative convertible preference shares issued to the New Investors;
- 161.66 “Series A Investors” shall mean the New Investors;
- 161.67 “Series A SSA” shall mean the series A share subscription agreement dated 18th October 2023 executed between the Company, the Promoter and the New Investors;
- 161.68 “Series A Transaction” shall mean the issuance of New Investors Securities to the New Investors, by the Company, pursuant to the Series A SSA;
- 161.69 “Severance Pay” shall mean all benefits, salary, incentive compensation, and any/or all other amounts payable by the Company to the Promoter (including those in arrears), in accordance with the terms and conditions of applicable Laws and the terms of the relevant employment agreement for such Promoter;
- 161.70 “Shareholders” shall mean the holders of any Securities of the Company from time to time;
- 161.71 “Shareholder Super Majority” shall mean such number of Shareholders who collectively hold no less than 60% (Sixty Percent) of the total outstanding Securities of the Company on a Fully Diluted Basis, which shall include at least 3 (Three) Major Investors;
- 161.72 “Stock Exchanges” shall mean the National Stock Exchange, Bombay Stock Exchange, or such other

recognized stock exchange.

- 161.73 “Tag Pro Rata Shareholding” with respect to an Investor shall mean the number of Securities held by such Investor multiplied by a fraction, the numerator of which is the number of Securities proposed to be transferred by the Promoter to the Proposed Transferee and the denominator of which is the total number of Securities held by the relevant transferring Promoter, in each case on a Fully Diluted Basis;
- 161.74 “Tag Shares” shall mean: (a) where such proposed transaction does not result in a change of Control of the Company, Securities held by the Investors up to their Tag Pro Rata Shareholding as elected by each Investor with respect to the respective Securities held by such Investor; (b) where such proposed transaction results in a change in Control of the Company, up to all the Securities held by the Investor as elected by each of the Investor with respect to the respective Securities held by such Investor; and (c) where a proposed transaction or series of transactions by the Promoter results in a change of 50% or more of the maximum Securities held by the Promoter since Closing Date, up to all the Securities held by the Investor as elected by each of the Investor with respect to the respective Securities held by such Investor. It is hereby clarified that granting of affirmative voting rights or veto rights to any person shall not be construed as change in Control;
- 161.75 “Termination for Cause” shall mean termination of employment of a Restricted Shareholder/ Promoter with the Company pursuant to the affirmative vote of the majority of the Board (excluding the participation of the relevant Restricted Shareholder/ Promoter) for Cause, in accordance with the terms and conditions of the A & R SHA and applicable Law;
- 161.76 “Termination Without Cause” shall mean termination of employment of a Restricted Shareholder/ Promoter other than Termination for Cause or voluntary resignation by such Restricted Shareholder/ Promoter, and in accordance with the terms and conditions of the A & R SHA and Applicable Law;
- 161.77 “Transaction Documents” shall mean the A & R SHA, Series A SSA, the Restated Articles and any other document or agreement that the Parties may mutually agree to classify as a transaction document;
- 161.78 “Transfer” (including the terms “Transferred”, “Transferee” and “Transferability”) shall mean to directly or indirectly, transfer, sell, assign, dispose of, Encumber in any manner, exchange, gift, or transfer by operation of law, whether or not voluntarily;
- 161.79 “VCAGF” shall mean Venture Catalysts Angel Growth Fund Scheme 1, Garuda Series A, a Sub-scheme of Venture Catalysts Angel Growth Fund (erstwhile ZNL Growth Fund Scheme 1, Garuda Series A, a Sub-scheme of Z Nation Lab Growth Fund”).
- 161.80 “VCATS Group Investors” shall mean and include New VCATS Group Investors, VCAGF and the Catalysts Investors.

The Interpretation clause of the A&R SHA shall apply, mutatis mutandis, to Part B of these Articles; provided that, wherever any reference is made to the percentage threshold or shareholding of VCAGF and Catalysts Investors, such reference shall be construed as referring to the collective shareholding of each of the VCATS Group Investors.

162. **PRE-EMPTIVE RIGHT:**

- a) Pre-emptive Right: In any future Issuance of Securities following the Closing Date, each of the Investor (“Pre-emptive Right Holder”) shall have the right but not an obligation to participate in such future Issuance to the extent necessary to maintain its proportionate shareholding (“Pro-Rata Share”) in the Company in accordance with the provisions of this Articles. Provided however that, nothing contained herein shall apply to any Securities issued or allotted (i) as a consequence of employee incentive programs including any Issuance to any trust formed/to be formed to hold Securities, arising out of the current ESOP Pool; and/or (ii) pursuant to exercise of anti-dilution or conversion rights, in accordance with the Articles; and/or (iii) pursuant to the Company providing any Exit including an IPO under Article 171 of the Articles; and/or (iv) pursuant to the Additional

Equity Raise; and (v) pursuant to any share split, bonus, dividend by the Company;

- b) Procedure: The Pre-emptive Right shall be offered by the Company by issuing a written notice to the Pre-emptive Right Holder (“Issuance Notice”) setting forth in detail the terms of the proposed Issuance, including the price of the proposed Issuance (“Issuance Price”), the date of closing of the proposed Issuance (which shall not be less than 7 (Seven) days and no later than 21 (Twenty-One) days from the date of the Issuance Notice), and the number of Securities proposed to be issued (“Issuance Securities”).
- c) If a Pre-emptive Right Holder wishes to exercise its Pre-emptive Right, then within 3 (Three) days from the date of receipt of the Issuance Notice (“Pre-emptive Period”), it shall issue a notice (“Exercise Notice”) to the Company notifying its intention to exercise the Preemptive Right on all or part of its Pro Rata Share of the Issuance Securities. If a Pre-emptive Right Holder does not exercise its Pre-emptive Right within the Pre-emptive Period, then the remaining Pre-emptive Right Holder, shall have increased Pre-emptive Right on Pro-Rata Shares in the manner such that the Pro-Rata Shares not exercised by the Pre-emptive Right Holder shall be exercised by the remaining Pre-emptive Right Holders pursuant to issuance of Exercise Notice. Further on the date of closing of the Issuance, the Pre-emptive Right Holder shall pay for and subscribe to such number of the Issuance Securities as it wishes to subscribe to (but up to its Pro Rata Share as the case may be) at the Issuance Price and on the terms and conditions set out in the Issuance Notice. Subject to the receipt of the payment against exercise of the Pre-emptive Right by the Pre-emptive Right Holder, the Company shall issue and allot the Issuance Securities to the Pre-emptive Right Holder on the date of closing of the Issuance as stated in the Issuance Notice. The Company expressly agrees that it shall solely bear all the costs related to issue and allotment of Issuance Securities to the Pre-emptive Right Holder.
- d) Further, if a Pre-emptive Right Holder does not exercise its Pre-emptive Right and / or does not make payment to the Company against such exercise within the time period specified in Article 162 (c) above, then the Company may issue and allot the Balance Issuance Securities to any Person at the Issuance Price and on the terms and conditions mentioned in the Issuance Notice.
- e) The Issuance shall be completed no later than 21 (Twenty-One) days from the date of the Issuance Notice, failing which the right of the Company to make the Issuance shall lapse and the provisions of this Article 162 shall once again apply to such Issuance. It is hereby clarified that the time required for any approval/consent/permission required from any Government Authority for the Issuance/allotment shall be excluded for the purposes of the calculation of 21 (Twenty-One) days referenced in this Article 162(e).
- f) The Parties hereby agree that, notwithstanding the above, there exists no commitment by the Investors and/or its Affiliates to further capitalize the Company or provide financial assistance to the Company in any form whatsoever.

163. ANTI-DILUTION PROTECTION

- 163.1 In the event, the company offers any issuance of Securities at a price per Security that is lower than the price at which the Securities held by the Investor were subscribed to by such Investor, the relevant Investor shall be entitled to a broad based weighted average antidilution protection as per schedule 6 of the A & R SHA.
- 163.2 The anti-dilution protection shall be by way of: (a) adjustment to the conversion ratio of the Securities held by the Investors that are convertible preference shares, subject to applicable Law; (b) fresh issuance of the additional Securities to the Investors at the lowest permissible price under applicable Law (including by way of a rights issue), and/or (ii) implementation of alternate mechanism permissible under applicable Law and mutually agreed between the Major Investors and the Company;
- 163.3 In such an event, the Company and the Promoter shall forthwith take necessary steps to give effect to the respective anti-dilution protection of the Investors.

163.4 It is clarified that in the event that any relevant Investor is entitled to any Securities pursuant to Articles 163.1, as the case may be, such Securities shall be included towards calculation of the total Securities held by such Investor (including towards Securities to be issued to such Investor pursuant to any Issuance as required by Article 162 (Pre-Emptive Right) above). If such Investor opts to be issued any Securities pursuant to the provisions of Article 162 (Pre-Emptive Right) which are in addition to the Securities contemplated in Articles 163.1 above, as the case may be, then the price which would be payable by such Investor in relation to the Securities to be issued to it under Article 162 (Pre-Emptive Right) shall, to the maximum extent possible, be reduced by the price payable to the Company by such Investor pursuant to Article 163.1 (as the case may be), and this Article 163.4. The Promoter and the Company shall continue to make best efforts to achieve the purpose of this Article 163, including proposing alternate mechanisms if so required in order for such Investors to make a suitable choice and such Investors shall cooperate to the extent commercially reasonable, with the Company and the Promoter in this regard, and in finalizing a mechanism and structure in order to achieve the intent of this Article 163.

164. **LIQUIDATION PREFERENCE**

- a. On the occurrence of any Liquidity Event, first, and before any payment is made to any other Shareholder, each of the Investors held shares that convertible preference shares (“Liquidation Preference Investors”) shall, pari passu with each other, receive from the total proceeds from such Liquidity Event (“Distributable Proceeds”) the higher of the amounts mentioned below (in respect of each as the case may be a (“Liquidation Preference Amount”):
 - i. an amount equal to 100% (One Hundred Percent) of the amounts respectively invested by the Liquidation Preference Investors (as the case maybe) from time to time towards subscription of the Securities held by them, plus any accrued or declared but unpaid dividends on the Securities respectively held by them; or
 - ii. such amount that is pro rata portion of the Distribution Proceeds based on each Liquidation Preference Investor’s proportionate shareholding in the Company on a Fully Diluted Basis on such date.
- b. The Parties agree that in the event the total proceeds from the Distributable Proceeds are less than the respective Liquidation Preference Amounts receivable by the Liquidation Preference Investors, the entire Distributable Proceeds shall be distributed between Liquidation Preference Investors pro rata to the amounts invested by them in the Company towards the subscription of Securities.
- c. If the Liquidity Event is a merger or a demerger involving the Company, each of the Liquidation Preference Investors shall have the right to require that they receive, pursuant to such merger or demerger, such number of securities or other consideration in the resulting entity (pursuant to merger and/or demerger, as the case may be) whose value is at least equivalent to the value of the Liquidation Preference Amount.
- d. In the event the Transfer of some (but not all) of the Securities of the Company constitutes a Liquidity Event, the liquidation preference right contained in this Article 164 shall apply to the holders of such Securities in proportion to the number of Securities transferred by such holder of Securities, in such Liquidity Event. Accordingly, in the event a holder of Securities does not Transfer any Securities in a Liquidity Event entailing sale of Securities of the Company, such holder of Securities shall not have any right to receive distributions pursuant to this Article 164.

165. **VESTING OF PROMOTER SECURITIES**

- (a) Promoter Securities: The Securities of the Promoter (“Promoter Securities”) shall be subject to vesting for a period of 48 (forty-eight) months from the Closing Date (“Restricted Period” or “Lock-in Period”). 90% (Ninety Percent) of the Securities held by the Promoters as on the Closing Date shall be deemed to be unvested/ Restricted Securities (“Restricted Securities”) for the purpose of this Article until the completion of the Restricted Period for vesting of all or part of the Securities held by the Promoter, in accordance with this Article 165. 10% (Ten Percent) of the Promoters’ Securities shall be vested/ released as on the Execution Date and shall be known as the (“Unrestricted Securities” or “Released Securities”).
- (b) Vesting: Subject to Article 165, from the Closing Date, the Restricted Securities of the Promoter shall be released on a monthly basis in equal instalments, from the Closing Date till the completion of the Restricted Period in the favour of the Promoter as per the terms contained herein during the Restricted Period. There shall be an accelerated vesting of the Restricted Securities held by the Promoter upon the occurrence of the Liquidity Event and in relation to the Promoter, upon the death or permanent disability of the Promoter.
- (c) Termination Event with respect to Promoter:
 - i. Termination for Cause: In case the employment of the Promoter is terminated by the Company for Cause, the Released Securities as on the date of termination shall be, at the option of the Board, bought back by the Company, or transferred to such Person as identified by the Board [excluding such Restricted Shareholder/ Promoter (as may be applicable)], in each case, at FMV. The Restricted Securities as on the date of termination shall be, at the option of the Board, bought back by the Company, or transferred to such Person as identified by the Board (excluding such Restricted Shareholder/ Promoter) at FMV.
 - ii. Termination without Cause: In case the employment of the Promoter is terminated for without Cause, the Promoter shall be entitled to continue to retain the Released Securities as of the last working day of such Promoter in the Company. If required by the Investors, the Restricted Securities that have not vested with such Promoter, as on the last working date of such Promoter in the Company shall be bought back by the Company or transferred to such Person as identified by the Board (excluding such Promoter/ Restricted Shareholder at par value) at FMV. Provided however that, this right of the Investor(s) with respect to the Restricted Securities of the Restricted Shareholder/ Promoter as contained herein shall not be transferred to any Person (with or without Transfer of Securities by the Investors).
 - iii. Termination due to death or permanent disability: The Parties agree and acknowledge that in the event of termination of employment of the Promoter due to his death or permanent disability then the Promoters’ Released Securities (calculated as on the date of the death or permanent disability of the Promoter) shall be Transferred at face value or transmitted, as the case may be, to the legal heirs or kin of the Promoter. It is agreed and clarified that the Lock-in restriction as set out in Article 166(a) below, shall continue on such Transferred or transmitted Promoters Securities, as the case may be. However, all other restrictions on the Securities of the Promoters such as Lock-in, restriction on sale to Competitors, Investors Right of First Offer over Promoters’ Securities (Article 166(c)), Tag-Along Right of Investors (Article 166(d)) shall continue to be applicable on the Securities of the Promoter except the Promoters’ Liquidity.

- (d) Upon the occurrence of any of the events as set out under Article 165(c)(i) to Article 165(c)(iii), the leaving Promoter shall also immediately resign from the position of the director of the Company, in case if he is a director of the Company. It is further agreed that, upon the occurrence of any of the events mentioned in Article 165(c)(i) to Article 165(c)(iii) hereinabove, the Promoter will have the right to appoint a director on the Board in the place of such leaving promoter who was a director on the Board. The lock-in restrictions as specified in Article 165 (Vesting of Promoter Securities) shall continue to apply on the Promoter Securities, even in case of the transferee to whom the Securities of the leaving Promoters are Transferred.
- (e) The Released Securities held by the Promoter, as the case may be, or their Transferees in accordance with Article 165(a) shall continue to be subject to the terms of this Article including Article 165 (a) (Transfer of Shares and Restrictions Thereon).
- (f) The Promoter shall at all times continue to receive dividend in respect of the Restricted Shares held by the Promoter and be entitled to exercise their voting rights in the Securities held by them to the full extent of their respective shareholding and their voting rights shall not be in any manner restricted on account of provisions contained in this Article 165. Provided however that, in the event of termination of employment for Cause, the Promoter agree to abstain from exercising any voting rights with respect to the Released Securities and/or Restricted Securities required to be bought back by the Company, or transferred to such Person as identified by the Board, from the date of such termination of employment for Cause and until the date of such Transfer of Released Securities and/or Restricted Securities of the Promoter.
- (g) Notwithstanding anything contained herein, in case of a takeover, strategic acquisition, trade sale, merger or amalgamation of the Company or any other action (including a secondary sale transaction by an Investor pursuant to events such takeover, strategic acquisition, trade sale, merger or amalgamation of the Company), through which the Investors receive a complete 100% (Hundred Percent) exit, then the 100% (Hundred Percent) of the Restricted Securities of the Promoter shall be deemed to have vested/ released in the Promoter, immediately prior to such transaction.
- (h) Termination Without Cause: It is hereby agreed by the Parties, that any Termination Without Cause shall require the affirmative vote of at least 2/3rd (two-thirds) of the entire Board. Further, any such decision regarding termination of employment of the Promoter shall be made by the Board after following due process, including granting such Promoter- (i) a right to be heard in accordance with principles of natural justice, and (ii) a cure period of at least 60 (Sixty) days to remedy any breach / cause or other reason on account of which such Promoter's employment with the Company is being proposed to be terminated. Further, if the Board by majority approves of such Termination Without Cause, then intimation of such Termination Without Cause shall be promptly provided to the Shareholders. Upon receipt of such intimation, any overturning / rejection by the Shareholders of such decision of the Board may be undertaken only if a Shareholder Super Majority approves of such Termination Without Cause. For the purposes of determining such Shareholder Super Majority, the vote of the interested Promoter/ Restricted Shareholder shall not be considered.
- (i) Termination for Cause: It is hereby agreed by the Parties that any Termination for Cause shall require the affirmative vote of majority of the Board, post the determination by any independent reputed accounting firms in writing, after providing a hearing to such Promoter, that such Promoter has committed Cause. or a deliberate and intentional fraud in connection with the Company or its Business. Further, any such decision regarding termination of employment of the Promoter for Cause shall be made by the Board after following due process, including granting such Promoter a right to be heard in accordance with principles of natural justice. Further, if the Board by majority approves of such Termination for Cause, then intimation of such Termination for Cause shall be promptly provided to the Shareholders. Upon receipt of such intimation, any overturning / rejection by the Shareholders of such decision of the Board may be undertaken only if a Shareholder Super Majority approves of such Termination for Cause. For the purposes of determining such Shareholder Super Majority, the vote of the interested Promoter/ Restricted Shareholder shall not be considered.

- (j) Notwithstanding anything contained in this Article 165, the provisions of Article 165(a) and Article 165(b) shall be suspended solely to the extent necessary (i) to comply with SEBI lock-in requirements, and (ii) to the extent of offering its Securities in the offer for sale component of the IPO. Such Securities held by the Promoter shall be considered as Released Securities on and from date of filing of Pre-Filed Draft Red Herring Prospectus, subject to the condition that if the IPO is not consummated by the Long Stop Date, such Securities shall immediately and automatically cease to be Released Securities, to the extent applicable, for such remaining period of the Restricted Period (as defined in Article 165) and shall be subject to all restrictions under the Shareholders' Agreement ab initio.

166. **TRANSFER OF SHARES AND RESTRICTIONS THEREON**

- (a) **Transfer of Securities held by the Investors:**
- (i) Subject to the terms and conditions of this A & R SHA, each of the Investors shall at its sole discretion have the right to freely Transfer its Securities in the Company together with all rights hereunder (in full or in part) to any Person (“Investor Transferee”). Provided that Investors shall not be permitted to Transfer its Securities to a Competitor or a founder/promoter or director of such Competitor until the earlier of: (a) expiry of the Exit Period (as defined hereinabove), and/or (b) the occurrence of Event of Default, which if curable / remedied has not been cured/ remedied within the EoD Cure Period.
 - (ii) Any Transfer of Securities by the Investors shall be subject to the execution of a Deed of Adherence hereby agreeing to be bound by the terms of the Articles. Provided further, in the event any Transferee of the Securities held by the Investors also subscribes to Securities of the Company (simultaneously with the acquisition / secondary purchase of Securities from the Investor(s)) and executes a shareholders’ Agreement with the Company and the continuing Investors agree to provide for their inter-se rights and obligations in the Company, then such Transferee shall not be required to sign a Deed of Adherence.
- (b) *Transfer of Securities held by the Founder:*
- i. Subject to Article 166(b)(ii) and Article 165(a), the Promoter shall not be entitled to sell or Transfer, directly or indirectly, any Securities held by him to any Person without obtaining AVI Consent (“Lock-in”). Any Transfer of Securities by the Promoter for which the AVI Consent has been obtained shall be in accordance with below Articles 166(c) (Investors Right of First Offer) and 166 (d) (Tag Along Right).
 - ii. Notwithstanding anything contained in the Articles, and nothing contained herein shall be applicable to any sale or Transfer of Securities by the Promoter’s inter-se transfer to its relatives or any of its affiliates and notwithstanding the Restricted Period/ Lock-in Period, the Promoter shall be entitled to freely sell or Transfer such number of Securities constituting up to 10% (Ten Percent) of his total Securities of the Company on a Fully Diluted Basis (calculated as on the Closing Date), to any Person or any entity (meeting the KYC requirements of the Investors) [excluding a Competitor but including Persons acting as current or future advisors of the Company and including any of the Investors (or their respective Affiliates)], without any restrictions whatsoever including Articles 101(c) (Investors Right of First Offer) and 166(d) (Tag Along Right) (“Promoter’s Liquidity”). Upon such consummation of the Promoter’s Liquidity, such Securities shall no longer be considered as Promoters Securities, and shall no longer be subject to any restrictions applicable to the Securities held by the Promoter.
 - iii. Subject to Article 166(b)(ii) above, any Transfer of Securities by the Promoter shall be in accordance with Article 166(c) (Investors Right of First Offer).
 - iv. Any Transfer of Securities by the Promoter, the incoming Investor(s) shall be subject to execution of Deed of Adherence by the transferee.

- (c) Investors Right of First Offer over Promoters' Securities:
- i. Subject to Article 166(b) (Transfer of Securities held by the Promoter), in the event a Promoter intends to sell or transfer any of its Securities held by him in the Company ("Promoters' ROFO Securities") to any Person ("Selling Promoter"), then such Selling Promoter shall first notify in writing its intention to the Investors ("Non-selling Investor(s)"). The Selling Promoter shall first offer such Shares ("Selling Promoters' Offered Shares") to the Non-selling Investor by a written notice ("ROFO Transfer Notice"), which shall specify details of the Offered Shares, which are being offered ("Investors ROFO"). The Non-selling Investor shall have the option to elect to purchase the said Selling Promoters Offered Shares of the Selling Promoter, by serving an acceptance notice which shall specify the sale price at which they wish to purchase the Offered Shares ("ROFO Sale Price") and other material terms ("ROFO Acceptance Notice") within 30 (Thirty) Business Days after receipt of the ROFO Transfer Notice ("ROFO Acceptance Period").
 - ii. If the Non-selling Investor issues a ROFO Acceptance Notice within the ROFO Acceptance Period, and the ROFO Sale Price is acceptable to the Selling Promoter, then the Non-selling Investor and the Selling Promoter shall be bound to consummate the sale and purchase of the Selling Promoters' Offered Shares within a period of 30 (Thirty) Business Days from the date of receipt of the ROFO Acceptance Notice. iii. If however, (i) the Non-selling Investor does not issue the ROFO Acceptance Notice within the ROFO Acceptance Period; or (ii) the Non-selling Investor indicates in writing its intention of not to purchase the Offered Shares ("ROFO Rejection Notice"); or (iii) if the ROFO Price offered by the Non-selling Investor is not acceptable to the Selling Promoter, then the Selling Promoter shall be free to offer the Selling Promoters' Offered Shares to the proposed purchaser ("Purchaser"), and complete such transfer to the Purchaser within a period of 120 (One Hundred and Twenty) days from the date of the ROFO Rejection Notice or expiry of the ROFO Acceptance Period, as may be applicable ("Purchaser's Sale Period"). Provided however, the Selling Promoter shall not offer the Selling Promoters' Offered Shares to the Purchaser at a price lesser than the ROFO Sale Price and/or on terms which are more favourable to the Purchaser as compared to the terms offered by the Non-selling Investor. If the terms offered to the Purchaser are more favourable than the terms offered to the Non-selling Investor or if the sale of the Selling Promoters' Offered Shares to the Purchaser is not completed within the Purchaser's Sale Period, then the sale process initiated to sell the Selling Promoter's Offered Shares to the Purchaser in terms of this Article 166(c) shall lapse and the Selling Promoter shall be required to once again comply with the provisions of this Article 166(c). Provided, further, that the Purchaser shall acquire the Selling Promoter's Offered Shares subject to executing the Deed of Adherence.
- (d) Tag Along Right of Investors
- i. In the event the Selling Promoter is the Transferor, in addition to the Investors Right of First Offer/ Investors ROFO as available to each Investors under Article 166(c) above, each of the Investors shall have the right (but not the obligation) to require the Promoter to ensure that the Purchaser purchases its respective portion of the Tag Shares along with the Promoters' ROFO Securities being Transferred by the Promoter at the ROFO Sale Price and on the Promoters' ROFO Securities sale terms (the "Tag Along Right").
 - ii. If an Investor wishes to exercise its Tag Along Right, then such Investor shall have the Tag Along Right by serving upon the Promoter a written notice (the "Tag Election Notice") before the expiry of the ROFO Acceptance Period, specifying the number of Tag Shares that the Investor seeks to sell to the Purchaser. In the event that a Investor does not issue the Tag Election Notice within the ROFO Acceptance Period, such Investor shall be deemed to have not exercised its Tag Along Right.

- iii. The concerned Promoter shall ensure that the Purchaser completes the purchase of the Tag Shares of the Investors for which Tag Election Notice is served, on the same terms and conditions on the Promoters' ROFO Securities. Further, to the extent that a Investor exercises Tag-Along Right in accordance with the terms and conditions set forth in this Article 166 (d), the number of Promoters' ROFO Securities that a Selling Promoter may sell/transfer in the proposed Transfer shall be correspondingly reduced to accommodate such exercise of Tag Along Right and sale of Securities by the Investor.
 - iv. The Promoter shall Transfer the Promoters' ROFO Securities to the Purchaser at the ROFO Sale Price and on the Promoters' ROFO Securities sale terms simultaneous with the Tag Shares of the Investor(s) in accordance with this Article 166 (d), provided that if the Promoter does not complete the Transfer of the Promoters' ROFO Securities within a period of 60 (Sixty) days from the expiry of ROFO Acceptance Period, then the Promoter shall not be entitled to sell any Securities without again offering the Investors, the Investors ROFO as under Article 166 (c) above after obtaining the AVI Consent. It is hereby clarified that the time period required for any approval/consent/permission required from any Government Authority for the transfer shall be excluded for the purposes of the calculation of 60 (Sixty) days referenced in this Article 166 (d)iv
- (e) Promoters' Right of First Offer over Investors Securities:
- i. If any of the Investors are desirous of selling any of their Investor's Securities to any Person ("Selling Investors"), the Selling Investors shall notify in writing their intention to the Promoter ("Non-selling Party"). The Selling Investors shall first offer such Shares ("Offered Shares") to the Non-selling Party by a written notice ("ROFO Transfer Notice"), which shall specify details of the Offered Shares, which are being offered. The Non-selling Party shall have the option to elect to purchase the said Offered Shares of the Selling Investors, by serving an acceptance notice which shall specify the price at which they wish to purchase the Offered Shares ("ROFO Price") and other material terms ("ROFO Acceptance Notice") within 30 (Thirty) Business Days after receipt of the ROFO Transfer Notice ("ROFO Acceptance Period").
 - ii. If the Non-selling Party issues a ROFO Acceptance Notice within the ROFO Acceptance Period, and the ROFO Price is acceptable to the Selling Investors, then the Non-selling Party and the Selling Investors shall be bound to consummate the sale and purchase of the Offered Shares within a period of 30 (Thirty) Business Days from the date of receipt of the ROFO Acceptance Notice.
 - iii. If however, (i) the Non-selling Party does not issue the ROFO Acceptance Notice within the ROFO Acceptance Period; or (ii) the Non-selling Party indicates in writing its intention of not to purchase the Offered Shares ("ROFO Rejection Notice"); or (iii) if the ROFO Price offered by the Non-selling Party is not acceptable to the Selling Investors, then the Selling Investors shall be free to offer the Offered Shares to a third party ("Third-Party Buyer"), and complete such transfer to the Third Party Buyer within a period of 120 (One Hundred and Twenty) days from the date of the ROFO Rejection Notice or expiry of the ROFO Acceptance Period, as may be applicable ("Third Party Sale Period"). Provided however, the Selling Investor(s) shall not offer the Offered Shares to a Third-Party Buyer at a price lesser than the ROFO Price and/or on terms which are more favourable to the Third-Party Buyer as compared to the terms offered by the Non-selling Parties. If the terms offered to the Third-Party Buyer are more favourable than the terms offered to the Non-selling Party or if the sale of the Offered Shares to the Third-Party Buyer is not completed within the Third Party Sale Period, then the sale process initiated to sell the Offered Shares to a Third Party Buyer in terms of this Article 166 (e) shall lapse and the Selling Investors shall be required to once again comply with the provisions of this Article 166 (e). Provided, further, that the Third-Party Buyer shall acquire the Offered Shares subject to executing the Deed of Adherence.

167. **RESERVED MATTERS REQUIRING AFFIRMATIVE CONSENT**

Notwithstanding any other provision clauses of this Articles, the Company shall not, and the Promoter shall ensure that the Company shall not, take any of the actions listed below (the “Reserved Matters”), whether at a Board or at a Shareholders meeting or otherwise, without the Company having received the respective AVI Consent.

a. Operational Reserved Matters:

- (i) approve or materially amend the Company’s annual business plan, operating plan, and budget which results in more than 20% (twenty percent);
- (ii) extend any corporate guarantee by the Company entailing an obligation in excess of INR 2,00,00,000 (Indian Rupees Two Crore only) except in the Ordinary Course of Business;
- (iii) incur any debt in excess of INR 5,00,00,000 (Indian Rupees Five Crore only) outside the approved annual business plan other than (a) in the Ordinary Course of Business, (b) guarantees extension in connection with any corporate credit cards used by the Company’s employees, and (b) other budgetary allocations whether or not currently reflected in the Company’s business plan as on the date of this Article;
- (iv) incur any capital expenditure in excess of INR 5,00,00,000 (Indian Rupees Five Crore only) beyond what is approved by the Board in the annual business plan;
- (v) any appointment of an Affiliate of the Promoter as an employee of the Company having remuneration in excess of INR 50,000 (Indian Rupees Fifty Thousand only) per month;
- (vi) hire/ fire or change the compensation or terms of employment of the Promoter, their Affiliate(s)/ Relatives and/or whole time director(s) and/or Key Managerial Personnel (KMP); *Provided*, however that, the termination of employment of any Promoter, in case of a Termination for Cause and/or a Termination Without Cause event, shall necessarily be subject to the prior written consent of the Board of the Company in the manner as set out in the Articles, and in no event shall the vote of the interested Promoter be considered for such purpose;
- (vii) Transfer (excluding license) or otherwise dispose any intellectual property used by the Company unless such Transfer is between the Company and its subsidiary; and except where such Transfer is necessitated in terms of a contract with a customer;
- (viii) conversion of the Company from a private company to a public company;
- (ix) creation or dissolution of a wholly owned subsidiary of the Company and/or permitting such wholly owned subsidiary of the Company to issue stock;
- (x) Creation of any Encumbrance on the Shares/ Securities or assets of the Company, including by way of guarantee or pledge and the Company giving guarantee, indemnity, or security in respect of the obligations of any Person;
- (xi) Any investment in non-fixed income bearing securities for treasury operation including deployment of redemption reserves, excluding short-term (only in the case of Fixed Income securities) and working capital investments;
- (xii) entering into any strategic/ financial/ other alliance arrangement/ agreement with a third party which results in investments by the Company or offers certain exclusive rights to such third party; and
- (xiii) Each of the above with respect to the wholly owned subsidiary of the Company.

b. Other Reserved Matters:

- (i) Cancellation or otherwise reorganizing, or altering any of the rights, benefits, preferences attached to any Securities of the Company;
- (ii) make any change in the authorized, issued, subscribed or paid-up Share Capital (including any equity securities), including any re-organization of Share Capital, making new issuance (including warrants or option), allocation, redemption, or buyback of securities (including equity, convertibles, options, etc.) in the Company, including by an initial public offering, any exit or changes to the capital structure of the Company in any manner whatsoever other than pursuant to the terms of the shareholders' agreement;
- (iii) sell / pledge or create any encumbrance on the Shares/ Securities or assets of the Company held by any Shareholder other than in terms of the shareholders' agreement, and other than the: (a) Investors in the Company; (b) Promoter pursuant to Article 166(i) (**Error! Reference source not found.** (ii)).
- (iv) Increase in, or change in the number of authorised directors or the composition of the board or grant or delegate any powers of the board to a committee or any person (except for implementation of any resolutions passed in a board or committee meeting);
- (v) make material change in accounting policies or principles, tax policies or accounting year of the Company other than in accordance with the applicable Law;
- (vi) implement an ESOP scheme, make any change to, or renew the existing ESOP scheme or create similar arrangement for incentivizing employees, increase in, or alter the size of ESOP Pool of the Company/ incentive pool increases (including adoption or creation of a new ESOP scheme/ pool) except if such increase is out of the unallocated portion of the ESOP pool, allocation or issuances which shall not include creation of an ESOP trust;
- (vii) make any material change in the nature of the Business or enter, commence, or acquire a new line of business (other than any business that is ancillary to the Business);
- (viii) creation or dissolution of a Company Subsidiary (other than a wholly owned subsidiary);
- (ix) any non-compete arrangement or material strategic arrangements not contemplated in the business plan;
- (x) enter into Related Party transactions that are not in Ordinary Course of Business or not on an arm's length basis or not approved in the Company's annual business plan;
- (xi) consummate or engage in a transaction that is a Liquidity Event or any other event such as merger, consolidation, substantial sale of the Company's assets or any other transaction where a majority interest of the Company's voting power is acquired by a Person or affiliated group, business combination with, reorganisation, or acquisition of, any other Person or similar transaction or entering into any joint venture, partnership or similar arrangement by the Company or Consummating an Exit;
- (xii) Acquire any equity interest or subscription to debentures in any entity or Person or acquisition of any new material project or business activities, creation of any material financial joint ventures/ partnerships or profit/ revenue sharing arrangement, acquiring or disposing of any interest in any business or company, creation of subsidiaries or branch offices, acquisition, disposal of or surrender or assignment of any freehold or leasehold properties, lease, license or material disposal of all or a substantial part of its business, undertaking or assets whether by a single transaction or a series of transactions, related or not, or any material capital expenditure unless any of the aforesaid is already approved under the Company's annual business plan of more than INR 5,00,00,000 (Indian Rupees

Five Crores Only) in value;

- (xiii) declare/ payment of dividends or making other distributions on any class of stock/shares of the Company or distribute profits;
- (xiv) appointment or reappointment of internal auditor(s) and statutory auditor(s) for the Company;
- (xv) make any amendments to the charter documents or the Company's certificate of incorporation other than any amendments which is a requirement under Law;
- (xvi) Mergers, acquisitions, change of Control, amalgamation, consolidations, or spin-offs, substantial sale of assets (including the intellectual property(ies) of the Company), bankruptcy, voluntary liquidation, dissolution, winding up, compromise with creditors, other similar or related actions, either by or the of the Company and/or its subsidiary(ies) or any other Liquidity Event;
- (xvii) Commencement or settlement of any litigation or dispute or settlement of any litigation or dispute where the subject matter in the litigation or dispute is in excess of INR 10,00,000 (Indian Rupees Ten Lakhs); and
- (xviii) Each of the above with respect to Company Subsidiary (other than a wholly owned subsidiary).

168. **SHAREHOLDERS MEETING**

- (a) Notice: A general meeting of the Shareholders shall be convened by serving at least 7 (Seven) days written notice to all Shareholders, with an explanatory statement containing all relevant information relating to the agenda for the general meeting; provided that a meeting may be convened by a shorter notice in accordance with applicable Law.
- (b) Quorum: The quorum for a general meeting of the Shareholders, shall be as prescribed under the Act.
- (c) If on the date of the general meeting, a valid quorum is not present within 30 (Thirty) minutes of the scheduled time of the general meeting, the meeting shall automatically stand adjourned to the same day and time and at the same venue in the following week, or if that day is not a Business Day, on the next Business Day, at the same time and place and Shareholders present at such meeting shall form good quorum and will be entitled to decide on all matters, excluding the Reserved Matters, unless prior AVI Consent has been procured in relation to such Reserved Matter.
- (d) The Investors and the Promoter agree that at any general meeting duly convened for the purpose of voting on any matter required to be transacted by the Shareholders, they may be present in person through their duly authorized representatives, or a proxy, appointed in accordance with the applicable provisions of the Act, and shall vote on all Securities owned and held by them at such general meeting in accordance with this Article. Subject to applicable Law, the Shareholders may participate (including for purposes of determining quorum and voting purposes) in general meetings by telephone or video conference.
- (e) Each of the Shareholders, hereby, undertakes to ensure that its representatives, proxies, and agents representing them at general meetings shall at all times exercise their votes in respect of the Securities in such manner so as to comply with, and to fully and effectually implement, the provisions of the Transaction Documents.
- (f) Voting Rights: Each of the Investors shall have the right to such number of votes as is equal to the number of Equity Shares issuable upon conversion of preference shares held by them. Subject to applicable Law, the holders of preference shares of the Company shall vote with the holders of Equity Shares on all matters.

169. **BOARD OF DIRECTORS**

- i. Except where the approval of the Shareholders is required under applicable Law and/or as per the Articles of the Company or this Article, the management and Control of the Business and affairs of the Company shall vest in the hands of the Directors of the Company.
- ii. Constitution of the Board: On the Execution Date, the composition of the Board shall be such that the Promoter shall be entitled to nominate Promoter Director(s) as follows:
 - (i). Subject to the Promoter holding at least 10% (Ten Percent) of the issued and paid-up share capital of the Company, on a Fully Diluted Basis (excluding the ESOP Pool), the Promoter shall be entitled to nominate 2 (two) individuals as directors on the Board (“Promoter Directors”). It is hereby agreed by the Promoter that, in the event of voluntary resignation by the Promoter from the employment of the Company or Termination for Cause, such Promoter shall cease to have this right to nominate directors on the Board irrespective of his shareholding in the Company.
 - (ii). In the event of Termination Without Cause, the Promoter shall have the right to be appointed as a director on the Board until the Promoter ceases to hold at least 10% (Ten Percent) of the issued and paid-up share capital of the Company, on a Fully Diluted Basis (excluding the ESOP Pool).

The Promoter shall at any given time be required to satisfy the minimum number of directors required to be appointed by the Company under the Act.
- iii. Board Observer: The Parties hereby agree and acknowledge that VCATS Group Investors (collectively) shall have the right (but not an obligation) to appoint 1 (one) individual as a non-voting observer, on the Board of the Company (including any sub-committees thereof) (“VCATS Group Investors Board Observer”). The Board Observer shall not have any voting rights in the Board meetings of the Company. However, the Company shall: (i) invite the Board Observer to attend all the meetings of the Board, committees and sub-committees of the Board (as the case may be); (ii) send notices, agenda, minutes, documents and other materials for all meetings of the Board, committees, and sub-committees of the Board (as the case may be) to the Board Observer in the same manner and time as provided to the directors; (iii) invite the Board Observer to take part in all discussions at the meetings of the Board, committees, and sub-committees of the Board (as the *case* may be); and (iv) provide all such relevant documents pertaining to the Company and its affairs as may be reasonably requested by the Board Observer. Further, only VCATS Group Investors may, at their discretion, require the removal and/or appointment and/or replacement of their Board Observer (as may be applicable).
- iv. VCATS Group Investors having the right to nominate 1 individual as non-voting observer as set out under Article 169(c) above, shall use its best effort, in good faith, to ensure that the observer shall not have been appointed on the board of directors, either in the capacity of director or observer, of any entity(ies) engaged in the Competitor’s business.
- v. Further, the Promoter shall have the right, at their option, to call upon any 2 (two) Persons who bring in technical expertise as invitees/observers on the Board or its committees (“Special Invitees” or “Other Observers”). Such Special Invitees or Other Observers shall also not be entitled to vote at a meeting of the Board or any sub-committees of the Board.
- vi. Liability of the Board Observer: The Promoter and the Company expressly agree and undertake that the Board Observer, as the case may be, shall not be in charge of, or responsible for the day-to-day management or affairs of the Company and shall not be deemed to be an “officer in default” as the terms is defined in the Act and shall accordingly not be liable for any default or failure of the Company and/or other subsidiary of the Company in complying with the provisions of any applicable Law. The Promoter and the Company expressly agree that the Board Observer shall not be identified as an ‘occupier’ of any premises used by the Company or an employer or the employees of the Company. The Board Observer shall be entitled to reimbursement of reasonable actual costs including, but not limited to, cost of air travel, accommodation, conveyance, and any other cost(s) incurred by the Board Observer in connection with the attendance of physical meetings.

The Company shall indemnify, defend, and hold harmless at any time from time to time, the Board Observer, who was or is a party to any pending, threatened or completed action, litigation, or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he is or was an observer on the Board of the Company.

- vii. Appointment to Committees: Each of the existing Directors on the Board of the Company shall have the right to participate in any of the committees formed by the Board, subject to compliance of with applicable Laws and the corporate governance requirements. Further, so long as any Major Investor holds at least 3% (Three Percent) of the issued and paid-up share capital of the Company, on a Fully Diluted Basis, such Major Investor shall have the right to nominate its respective nominee Director / representative on all committees formed by the Board (“Nominee”), subject to compliance of such Nominee(s) with applicable Laws and the corporate governance requirements and internal corporate policies of the Company. Provided that, the composition of the Committees shall, at all times, be in compliance with the corporate governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).
- viii. Remuneration of Directors: Subject to applicable Law, except the Promoter, who is entitled to receive remuneration in accordance with the Employment Agreement, none of the Directors (including the Chairman) is entitled to receive remuneration, except for the payment or reimbursement of their travel expenses including international travel, accommodation expenses and other ancillary expenses in relation to such meetings and such remuneration as may be approved by the Board and Shareholders in accordance with provisions of the applicable Law. The Company shall ensure that the payment/ reimbursement for participation in the Board meeting(s) shall be the same for all the Directors, to the extent applicable in accordance with applicable Law and as per the policy approved by the Board in this regard. Further, the Independent Directors shall be entitled to receive sitting fees as decided by the Board from time to time.
- ix. Board Meetings.
 - i. Frequency. The Board shall, as a minimum, meet with such frequency as is required under applicable Law.
 - ii. Notice: Written notice of at least 7 (Seven) days of each meeting of the Board or a committee thereof shall be given to each of the Directors and their alternates and the Investor Observers; provided that a meeting may be convened by a shorter notice with consent of the majority of Directors. The notice of each Board meeting shall include an agenda setting out in detail the items of business proposed to be transacted at a meeting of the Board or committee thereof. Unless waived in writing by majority Directors on the Board, any item not included in the agenda of a meeting shall not be considered or voted upon at that meeting of the Board.
 - iii. Quorum: The quorum for a Board meeting shall be as per applicable law, which shall, at all times, include one of the Major Investor nominee Director, if such Major Investor nominee Director exists in the board and the Promoter Director, unless waived by the concerned Director and the Promoter. Subject to AVI Consent requirement, all decisions of the Board shall be taken by majority vote of the Directors present and voting at the meeting. If a quorum is not achieved within 15 (Fifteen) minutes of the scheduled time for any meeting of the Board or ceases to exist at any time during such meeting, then the meeting will be adjourned till the same day in the next week, at the same time and place, or if that day is not a Business Day, on the next Business Day, at the same time and place. At such adjourned Board Meeting, if the concerned Major Investor nominee Director(s) is not present, but there is adequate quorum under applicable Law, then all matters set out in the agenda for the Board meeting (except Reserved Matters, unless AVI Consent has been procured prior to such Board meeting) shall be considered and voted upon in the adjourned meeting. In case of a deadlock (on matters other than Reserved Matters for which, AVI Consent shall always be required prior to such Board meeting), the matter shall be referred to a Shareholders’ meeting, and the decision of the Shareholder Super Majority shall have

the casting vote to break such deadlock.

- iv. Chairperson: The chairperson of the Board and the shareholders meeting shall always be the Promoter.
- v. Condition Subsequent to form part of Notice: Until the satisfaction of all Conditions Subsequent (as defined in the Series A SSA), the agenda of each Board meeting following the Effective Date shall include status of the pending Conditions Subsequent.
- vi. Meeting Procedures: Subject to applicable Law, and other provisions of this Article, Directors, or members of any committee of the Board may participate in meetings of the Board or committee of the Board through video or telephonic conference. The Company shall use its best efforts to provide appropriate infrastructure/ facilities in order to enable participation of the Directors or members of any committee of the Board, in such meetings through video conferencing or other audio-visual means.
- vii. Board Meeting Expenses: All expenses, including reasonable travel, hotel and related expenses incurred by the nominee Directors/ representatives of the Investors for attending meetings of the Board and its committees, shall be borne by the Company, in accordance with the Company policy on Director expenses.
- x. Removal/Resignation of Major Investor nominee Director: Subject to Article 169(k) below, such investor may require the removal of its respective nominee Director(s) at any time and shall be entitled, to nominate another representative as a Director in place of any Director so removed, and the Parties shall exercise their rights in such manner so as to cause the appointment of the representative of the other as a Director as aforesaid.
- xi. Major Investor nominee Directors and Board Observers' Indemnity, Liability, and Insurance:
 - i. The Major Investor nominee Directors are not, and shall not be, responsible for the day-to-day management or affairs of the Company. Accordingly, the Major Investor nominee Directors and/or any alternate to such Director, Board Observers and any other Director who may be nominated by the relevant Investors pursuant to the Articles and/or any future arrangements, as may be applicable, shall not be liable for any default or failure of the Company, whether under contract, Law or otherwise.
 - ii. The Promoter and the Company shall not identify any of Major Investor nominee Directors or any of the Board Observers as 'n 'officer in default' of the Company for the purposes of the Act or any other statute, or as occupiers of any premises used by the Company or as employers under applicable Laws. Further, the Promoter and the Company undertake to ensure that the other Directors or suitable persons are nominated as compliance officers, occupiers and/or employers, as the case may be.
 - iii. The Company to indemnify the Major Investor nominee Directors and the Board Observers for any liability, cost or expense (including legal expenses) accruing, incurred, suffered, and /or borne by them in connection with the business of the Company (irrespective of whether the liability, cost or expense happens during or after the term of directorship) to the extent such liability is not covered under the D&O Policy (*as defined below*). Notwithstanding anything stated in the Articles, it is hereby clarified that such indemnification shall survive, (i) in relation to the Major Investor nominee Director, even post the cessation of the Major Investor nominee Director as a Director on the Company /Company Subsidiary; and (ii) termination of the Articles.
 - iv. The Company to ensure that all the Major Investor nominee Directors are also included in the directors' and officers' liability insurance (the "D&O Policy") procured by the Company.

170. **ESOP AND RIGHT TO SUBSCRIBE (RTS) OPTION WITH MSD**

- (a) ESOP: On or prior to the Closing Date, the Company shall create and/or shall have created a virtual Employee Stock Option Plan (“ESOP”) pool comprising of 6,000 options, with each such option convertible on a 1:1 ratio and constituting of 5% (Five Percent) of the share capital on a Fully Diluted Basis as of the Closing Date (“ESOP Pool”), for the benefit of employees (other than Promoter(s)).
- (b) Right to Subscribe option with MSD: Notwithstanding anything contained in the Articles, the Company, the promoter, and the Investors agree to abide by the terms and conditions of the Right to Subscribe Agreement and Endorsement Agreement. Once the shares are vested against MSD as per RTS Agreement, he is entitled to exercise the vested shares and the company, and the board of directors shall take all necessary steps to allot shares to MSD and the company to bear all incidental cost attached to this allotment of shares.

171. **EXIT**

171.1 The Company shall, and the Promoter shall cause the Company to, facilitate an exit to the Investors by way of an IPO or a Third-Party Sale in accordance with Article 171.3(i) (IPO) and Article 171.4(d) (Third Party Sale) respectively below by no later than 5 (Five) years from the Closing Date (“Exit Period”). If an IPO or a Third Party Sale is not completed by the Exit Period, then the Company shall, and the Promoter shall cause the Company to, facilitate an Exit through one or more of the means set out under Articles 171.3 to 171.6 below at any time after the Exit Period as may be elected by the Investor with the majority of 2/3rd and it is further agreed that post the Exit Period, no AVI Consent shall be required to consummate an Exit.

171.2 The failure by the Company and Promoter to provide an Exit prior to the expiry of the Exit Period shall not be construed as a breach of the terms of the A & R SHA by the Company or the Promoter.

171.3 **IPO**

- i. The Company shall and the Promoter shall cause the Company to facilitate the consummation of an IPO prior to the expiry of the Exit Period.
- ii. In the event of an IPO, the Investors shall be entitled to sell their Securities in the IPO to the maximum extent permissible under applicable Law, *pro rata* to their inter se shareholding in the Company in preference to the Promoter.
- iii. Notwithstanding the approval given for conducting the IPO, the Company and the Promoter shall continue to be responsible for procuring AVI Consent for all IPO Matters.
- iv. The Promoter and the Company shall render all assistance necessary to facilitate the successful completion of the IPO including, but not limited to, providing for the lock-in of the Securities as held by the Promoter to enable the Company to meet the requirements of the IPO and to ensure that the Investors are not classified as “Promoter” of the Company or subject to any restrictions applicable to “Promoter” of the Company, obtaining regulatory approvals, preparing the necessary documents and providing the logistics for successfully conducting the IPO. The Company shall indemnify the Investors to the maximum extent permitted under applicable Law, against any loss, claim, damage, liability (including reasonable attorneys’ fees), cost or expense arising out of or relating to any misstatements and omissions of the Company in any registration statement, offering document, and like violations of applicable securities laws by the Company or any other error or omission of the Company in connection with a public offering hereunder, other than with respect to information provided by such Investors, in writing, expressly for inclusion therein.

171.4 Third Party Sale

In the alternative, the Company shall, and the Promoter shall cause the Company to facilitate, during the Exit Period, an Exit to the Investors through a third-party buyer for any or all Securities held by the Investors (“**Third Party Sale**”).

171.5 Company Buyback

In the event an IPO or Third-Party Sale has not been consummated during the Exit Period, at any time after the Exit Period, the Company shall facilitate a buyback of all or any of Investor Securities (“**Buyback**”). The Promoter shall renounce any buyback of its Securities for the purposes of such Buyback, until the Investor Securities are bought back in full.

It is clarified that each Investor shall have the right and flexibility to determine the quantum of Investor Securities as the case may be which shall be offered by them in the event of a Buyback by the Company.

The Promoter shall cooperate and take all steps necessary to facilitate the Buyback including making of any fresh investments, subscriptions or undertaking any other action to finance the Buyback.

171.6 Investors' Drag Along Right

- i. In the event the Investors have not been provided with an exit within the Exit Period (as defined above), then the Investors shall have the right at any time thereafter to cause the Promoter and all or part of the other Shareholders (excluding the Investors), if any (“**Dragged Shareholders**”), to simultaneously sell, transfer or otherwise dispose any or all of their shareholding in the Company in accordance with this Article (“**Drag Along Right**”), to the purchaser (including a Competitor) (“**Buying Third Party**”) to whom Investors are selling their Securities on such terms and conditions the Investors deems fit (“**Drag Sale**”). The Company and Promoter will cooperate fully and facilitate all activities in connection with the Investors exercising the Drag Along Right including by extension of reasonably necessary co-operation in any due diligence conducted by the Buying Third Party. The Company and the Promoter shall provide customary representations and warranties to the Buying Third Party required for consummation of the sale of their Securities pursuant to exercise of the Drag Along Right. However, in the event of Dragged Shareholders exercising the Drag Along Rights, the Investors would not be required to provide any representations, warranties, and indemnities, except in relation to title to Securities, authority, and capacity of the Investors.
- ii. The sale of Securities of the Dragged Shareholders pursuant to Article 171.6(i) above, to the Buying Third Party, shall be on the same commercial terms and conditions including the price, as is agreed by Investors for sale of their Securities to the Buying Third Party in a Drag Sale. Also, the Dragged Shareholders and the Investors shall be entitled to simultaneously receive the sale consideration for the sale of their respective Securities to the Buying Third Party with respect to exercise of Drag Sale.
- iii. Any costs and transaction expenses incurred in connection with Drag Sale in accordance with this Article 171.6 (including any costs and expenses in relation to payment of stamp duties as per applicable Laws) shall be borne solely by the Company (only to the extent costs/ expenses are not borne by the Buying Third Party.)

171.7 Support on Exit

Notwithstanding anything else stated herein, in connection with any Transfer of Securities by the Investors to any Person as part of an Exit or otherwise, including, without limitation, pursuant to (i) its rights under Article 101(a)(i) (*Transfer of Securities held by the Investors*), (ii) a Liquidity Event, or (iii) Tag Along Right of the Investors:

- i. The Company and the Promoter shall do all acts, deeds, and things necessary to give effect to such transactions including, appoint relevant financial or technical advisors, bankers, lawyers, and accountants and/or other intermediaries.

- ii. The Company and the Promoter shall cooperate in any due diligence conducted with regard to such Transfer.
- iii. The Company and the Promoter shall provide all necessary indemnities, representations and warranties relating to the Company as mutually agreed, its assets and the Business as well relating to the Promoter, as may be required, for effecting such Transfer or undertaking the public offering.
- iv. Each of the Investors shall only be required to provide customary warranties relating to clear title to its Securities, and legal authority and capacity of the Investors to transfer such Securities.
- v. Furthermore, in connection with any Transfer of Securities by the Investors to any Person as part of an Exit, the Company shall bear all costs and expenses including legal fees, accounting fees, investment/merchant banker costs and expenses, etc. relating to the Exit.

172. PROMOTER NON-COMPETE & NON-SOLICIT

- (a) The Promoter shall devote all of their working time to the management and operations of the Company.
- (b) Without prejudice to the generality of Article 107(a) above, the Promoter and their respective Affiliates shall during the Non-Compete Period, refrain from directly or indirectly (including but not limited to as an employee, consultant, independent contractor, partner, shareholder, member or in association with any other Person or in any other capacity) carrying on, setting up, soliciting on behalf of, rendering any services to, engaging in, guaranteeing any obligations of, extending credit to, or having any ownership interests in or other affiliation in any business which directly competes with the Business (“Other Interests”). It is hereby clarified that, subject to the foregoing, nothing contained herein shall affect the ability of the Promoter to pursue other opportunities in the Drone space and its allied activities upon such Promoter ceasing to be an employee of the Company.
- (c) The Promoter shall not, during the Non-Compete Period, either directly or indirectly, and in any manner whatsoever, (a) solicit or entice away from the Company any employee, customer or client of the Company as on such date or associated with the Company during a period of 6 (Six) months prior to such date, and (b) cause any, (i) vendor to the Company, and / or (ii) customer of the Company, to cease dealing with the Company or to cause such Persons to deal with the Company on less favourable terms. Nothing contained herein shall apply to any response received from any employees, clients, or customers of the Company pursuant to any general offer made by way of any public advertisements (“Non-Compete Activities”).
- (d) *Corporate Opportunities.*
 - i. The Promoter hereby agrees and undertakes that he shall refer all corporate or business opportunities that arise in relation to the Business to the Company, its subsidiaries, and Affiliates.
 - ii. The Promoter undertakes that the efforts of the Promoter in the Business will only be on behalf of and for the Company, its subsidiaries, and Affiliates.

173. EVENT OF DEFAULT

- (a) Upon the occurrence of an Event of Default on the part of the Company and the Promoter (the “Defaulting Person”, which term shall include any and all Affiliate of the Defaulting Person who holds Securities in the Company), then each Investor shall have the right to issue a written notice of the alleged Event of Default to the Defaulting Person (“EoD Notice”). If an Event of Default capable of cure or remedy, has not been cured or remedied within 60 (Sixty) days of the receipt of the EoD Notice (“EoD Cure Period”), then:
 - (a) The rights of the Investors to Exit under Article 106 (Exit) including the Investors Drag-Along Right shall be accelerated. These rights can be exercised by the Investors collectively, at any time after the Closing Date without regard to the time period specified under Articles 171.3 (IPO), 171.4 (Third Party Sale), 171.5 (Company Buyback), 171.6 (Investors Drag Along Right) or elsewhere in this Article, as applicable;
- (b) Notwithstanding the abovementioned provisions of this Article 173, the Investors shall be entitled to all the rights and

remedies which are available to such Investors under law, equity or otherwise including such other rights and remedies as may be mutually agreed between the Parties in the Transaction Documents; provided that the Investors shall not be entitled to recover from the Company under the Transaction Documents more than once in respect of a claim that has been fully recovered. Further, the Investors and/or their respective Affiliates shall not be required to comply with their obligations under the Articles thereafter, if any, and provided however, the Investors shall continue to be entitled to its rights under the Articles which shall remain unaffected.

- (c) All costs arising out of Event of Default shall be borne by the Company and/or the Defaulting Person.

174. COVENANTS OF THE COMPANY AND THE PROMOTER

The Company and the Promoter shall ensure the covenant to the Investors as follows:

- i. Visitation and Inspection Rights: In addition to the information and material to be provided under Article 174 (iii) (*Information and Reports*), the Investors will have all such standard visitation and inspection rights as may be applicable and available to the Shareholders/ members of the Company in India as per the applicable Law or otherwise.

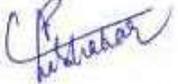
The Company shall and the Promoter shall further cause the Company to, provide to each Investor holding at least 0.5% (Zero point Five Percent) of the issued and paid up share capital of the Company, on a Fully Diluted Basis, and their respective authorized representatives/ nominees, the right to visit the Company during normal business hours, in order to inspect books and accounting records, material contracts and such other documents of the Company, to make extracts and copies therefrom at its own expense and to have full access to all of the property and assets of the Company, subject to such Shareholders giving prior notice of at least 7 (Seven) Business Days to the Company of the same. It is clarified that the Company shall bear the entire costs of inspection or audit if: (i) any event of Cause has been detected by any Investor holding at least 1% (One Percent) of the Shares of the Company on a Fully Diluted Basis which has been then confirmed by the independent reputed accounting firm after following principals of natural justice and providing the Promoter with the right to be heard; and/or (ii) the result of such an inspection or audit reveals that the Promoter is guilty of fraud, embezzlement, or financial misconduct. It is further clarified that the inspection conducted by any such Investor who is entitled to conduct an inspection under the Articles and the findings thereof shall be binding on the other Investors. The Company and the Promoter shall render co-operation and provide such authorizations as may be required.

- ii. Books and Records: The Company shall, and the Promoter shall cause the Company to, keep proper, complete, and accurate books of account in Rupees in accordance with Indian accounting standards.
- iii. Information and Reports: The Company shall provide to the Investors/ Shareholders, the following information, and reports:
1. Unaudited quarterly financial statements within 45 (Forty-Five) days of the end of the relevant quarter;
 2. annual audited financial statements within 180 (One Eighty) days of the Financial Year end, which shall have been audited by an independent chartered accountant;
 3. quarterly information on the ownership details relating to changes in their ownership in the Company;
 4. annual budget and Business Plan of the Company, at least 30 (Thirty) days prior to the commencement of the relevant Financial Year in relation to which such annual budget is being adopted;
 5. monthly management information system reports within twenty (20) days after the end of each month.

6. The Company shall, share the minutes of each meeting of the Board and of other Board committee meetings, shareholders meetings within thirty (30) days from the date of the meeting, solely for their information purpose.
 7. any material information relating to the Company, the Business, and its investments, including resignation of any of the Directors and KMP, within a maximum period of 14 (Fourteen) days thereof; and
 8. All statutory notices received by the Company and the Promoter within 7 (seven) working days from the date of its receipt. If Investors request any other information, the Company and Founders shall provide the same to the Investors through its authorised representative. The Company and the Founders shall promptly notify the Investors of any Material Adverse Change in the business, properties, assets or condition, financial or otherwise, of the Company, taken as a whole on a consolidated basis, and of any event or litigation or governmental proceeding or investigation pending or, to the reasonable knowledge of the Company, threatened against the Company, or against the Founder any officer, director, key employee or principal shareholder of the Company materially affecting, or that, if adversely determined, would materially adversely affect, the Company's present or then proposed business, properties, assets or condition (financial or otherwise), and management's proposed response thereto, taken as a whole on a consolidated basis.
 9. Any and/or all material communication exchanged between the Company and its auditors or any Governmental Authority (if so applicable).
 10. Within a reasonable period of time from request, copies of any reports or filings made with registrar of companies or, any Governmental Authority promptly after such intimations, reports or filings have been filed; and such other information reasonably requested by the Investors.
- iv. The company shall provide the Shareholders of the Company, the information and reports relating to (iii)(2) and (iii)(3) as above.
 - v. Intellectual Property Protection: The Company shall take all steps promptly to protect its Intellectual Property rights, including without limitation registering all its trademarks, brand names and copyrights. The Company and the Promoter shall cause the employees, officers, and the Directors of the Company to enter into such Articles or undertakings from time to time for protecting its Intellectual Property Rights, as may be reasonably requested by the Investors, within such time period as may be requested by the Investors. For the sake of clarity, it is averred that the Company shall be the owner of all intellectual property (including Intellectual Property), free and clear of any Encumbrances.
 - vi. Related Party Transactions: The Promoter and the Company hereby agree and undertake that all articles and arrangements with the Company and any of the Related Parties shall be entered into on an arm's length basis and subject to the other provisions of the A & R SHA.
 - vii. Usage of name of Investors and/or Major Investor nominee Director (as applicable): The Company and the Promoter jointly and/or severally undertake and covenant that neither the Company nor the Promoter nor their Affiliates shall without the prior written consent of the concerned Investor and/or Major Investor nominee Director and/or any of their respective Affiliates for any marketing, promotional or other similar purposes, except as a fact that they are Investors. Nothing contained herein shall affect the ability of the Company to make any disclosures as may be required from a regulatory perspective.
 - viii. Compliance with Applicable Laws:
 1. The Company shall, and the Promoter shall cause the Company to, comply with all applicable Laws in all material respects.

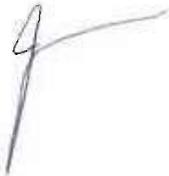
2. The Company shall, and the Promoter shall cause the Company to, maintain policies to ensure compliance with all applicable Laws.
- ix. Rights of Investors in relation to Subsidiary Companies: Subject to applicable Law, the Promoter and the Company shall ensure that all of the rights of Investors which are contained in the Articles in relation to the Company shall be continuously made applicable to a subsidiary of the Company (such company or body corporate being referred to as a “**Company Subsidiary**”). The Company and the Promoter shall ensure that all rights of Investors mentioned in points (i), (iii), and (iv) of this Article 174 (i), shall be incorporated in the memorandum and articles of association or other charter documents of each Company Subsidiary and such provisions shall continue to form part of such documents as long as such Investor is a Shareholder.
 - x. Promoter’ Role and Functions: The Promoter shall have a primary role in the operations and control over the day-to-day management of the Company and the business or affairs of the Company. All meetings of the Board and the Shareholders shall be chaired by the Promoter.
 - xi. Key Management Personnel: The Parties agree that appointment and termination of employment of KMP (other than Promoter(s) shall be approved by the majority of the Board and each of the Directors, upon request, shall be granted an opportunity to interview the relevant candidate / KMP. *Provided*, however that, with respect to appointment, termination of employment, or any change in the terms of the employment of the Chief Executive Officer of the Company, the approval by the majority of the Board shall be further subject to consent from the Shareholder Super Majority.

We the several persons, whose names, addresses, descriptions and occupations are subscribed, are desirous of being formed into a company in pursuance of this Articles of Association.

Sl.No.	Signature, Name, Address and Occupation of subscriber	Photo of the Subscribers	Name, Address and Description of witnesses
1.	 Agnishwar Jayaprakash No.1, Ranjith Road, Kotturpuram, Chennai - 600085 Business. S/o. Rajan Nasrasimulu Jayaprakash.		I witness to subscriber who has subscribed and signed in my presence at Chennai, I have further verified subscriber identity details and satisfied myself of subscriber identification.  C. Prabhakar S/o. M. Chandrasekaran 3rd Floor, New No. 74 (62), Akshaya Flats, 12 th Avenue, Ashok Nagar, Chennai - 83 Practicing company Secretary. C.P. NO : 11033 M. NO : 30433

Place: Chennai

Date: 24/9/2015

Sl.No.	Signature, Name, Address and Occupation of subscriber	Photo of the Subscribers	Name, Address and Description of witnesses
2.	 R.N. Jayaprakash No. 1, Ranjith Road, Kotturpuram, Chennai - 600085 Business S/o. Rajan Narasimulu Jayachandran.		A witness to subscriber who has subscribed and signed in my presence at Chennai, I have further verified subscriber identity details and satisfied myself of subscriber identification  C. Prabhakar S/o. M. Chandrasekaran 3rd Floor, New No. 74 (62), Akshaya Flats, 12th Avenue, Ashok Nagar, Chennai - 600083. Practising Company Secretary. C.P.No: 11033. M.No: 30433.

Place: Chennai

Date: 24/9/2015