

**INCORPORATED**  
**UNDER THE COMPANIES ACT, 2013**  
**COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION OF**  
**"BLULIFE INTERNATIONAL LIMITED"**

**INTERPRETATION**

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

**DEFINITIONS**

2. In these presents:

'Act' means the Companies Act, 2013 with all the rules and regulations in force and the Companies Act, 1956 to the extent it is still in force.

'Articles' mean the Articles of Association as adopted or as from time to time altered by Special Resolution.

'Agreement' means Investment Agreement cum Share Purchase Agreement dated 16<sup>th</sup> September, 2021 and 11<sup>th</sup> July, 2023 along with the schedules thereto, as amended from time to time.

'Board of Directors' or the 'Board' means the collective body of the directors of the Company.

"Business Day" means any day which is not a Sunday or a bank or public holiday.

'Company' means BLULIFE INTERNATIONAL LIMITED

"Consenting Party" means M/s Rhett Health Care Private Limited, a Company registered under Companies Act, 2013 represented by its Director, Mr. Raghuvver.

"Closing" shall mean the issuance of equity shares to the investor in consideration for the financial contribution in compliance with the Agreement.

'Dividend' includes any interim dividend.

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"Closing Date" shall mean the date on which Closing takes place for each tranche of investment by the investors and issue and allotment of the investor securities to the investors by the company for each such tranche:

"Employees" shall mean individuals who are the confirmed/permanent employees of the Company:

"Employment Agreements" shall mean the agreements entered into between the Promoters and the Company in relation to their obligation to work with the Company;

"Equity Shares" shall mean equity shares in the issued, subscribed and paid up equity share capital of the Company having a face value of Rs. 10/- ( Ten Rupees Only) each or any other issued security of the Company that is reclassified, reorganized, reconstituted or converted into Equity Shares:

"ESOP" shall mean the employee stock options issued by the Company out of the ESOP Pool;

"ESOP Pool" shall mean a pool of Equity Shares designated as ESOPs and convertible into Equity Shares in terms of the employee stock option scheme as approved by the Shareholders and adopted by the Board from time to time:

"Fully Diluted Share Capital" or "Fully Diluted Basis" shall mean the aggregate of the existing paid-up Equity Share capital of the Company on a particular date, combined with all convertible securities of all kinds, options (whether exercised or not), warrants (whether exercised or not), all on an "as if converted" basis shall mean as if such instruments, option or security had been converted into equity shares of the Company.


"First Investor" means

Mr. Sandeep Acharya. S/o. Narayan Acharya; and/or  
Mr. Shaju Sainudin. S/o. Akkinatfu T Sainudin; and/or  
Mr. Aneesh S Noir, S/o. T P Sreenivasan;  
and/or their relatives, successor, representatives.

"Second Investor" means Mr. Amar Deep Kumar, S/o. Shri Rabindra Prasad Singh and/or his relatives, Successor, representatives.

"Transfer" shall mean to directly or indirectly, sell, gift, give, assign, transfer, transfer of any interest in trust, mortgage, alienate, hypothecate, pledge, Encumber, grant a security interest in, amalgamate, merge or suffer to exist (whether by operation of law or otherwise any Encumbrance on, any Shares or any right, title or interest therein or otherwise dispose of in any manner whatsoever voluntarily or involuntarily including, without limitation, any attachment, assignment for the benefit of creditors against the Company or appointment of a custodian, liquidator or receiver of any of its properties, business or undertaking and "Transferee" means the person to whom a Transfer is made.

'Member' means person whose name is entered in the Register of Members as holding any share either solely or jointly.



'Month' means the English Calendar month.

'Office' means the Registered Office of the Company.

'Person' includes a proxy holder or member appointed as an attorney duly constituted under a power of attorney.

'Seal' means the Common Seal of the Company and includes the facsimile of the Common Seal authorized by these presents to be used in any place not situated in India.

'In writing' or 'written' include printing, lithography and other modes of representing or reproducing words in a visible form.

'Beneficial Owner' means a person or persons whose name is recorded as such with the depository.

'SEBI' means the Securities and Exchange Board of India established under Securities and exchange Board of India Act, 1992.

'Depository' means a Company formed and registered under the Companies Act, 1956/2013 and which has been granted a certificate of registration to act as a Depository under the SEBI Act, 1992.

'Depositories Act' means the Depositories Act, 1996 or any statutory modification or re-enactment thereof.

"Promoter" means

Mr. Sameer Janardhanan Nair, S/o. TP Janardhanan Nair; and/or

Mr. Ranjit Dayanandan S/o. Thiyorkandy Dayanandan; and/or

Mr. Shyam Sundar PP S/o. Puthiya Purayil Govindan; and/or

Mr. Louis Deva Kumar, S/o. J Maria Louis

include their respective successors, relatives, permitted assigns, heirs and executors.

'Registered Owner' means a Depository whose name is entered as such in the records of the Company.

'Security' means such securities as may be specified under the Act or under SEBI Act, 1992 from time to time.

'Register and Index of Beneficial Owners' means such Register and Index of Beneficial Owners maintained by a depository under the Depositories Act, 1996 shall be deemed to the Register and Index of members and other security holders for the purposes of these Articles.

### SHARE CAPITAL

1. \*\*\*The Authorized Share Capital of the Company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in



accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law.

2. The Board may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods, or machinery supplied (including goodwill of any business), or for services rendered to the Company in or about the conduct of its business, and shares which may be allotted and may be issued as fully paid up shares, and if so issued shall be deemed to be fully paid up shares.

The Authorised Share Capital of the Company Increased from Rs. 40,00,000/- to Rs. 50,00,000/- at the EGM held on 21st September, 2021.

\*\*The Authorised Share Capital of the Company Increased from Rs.50,00,000/- to 80,00,000/- at the EGM held on 15th July 2022.

\* The clause 4 of the Articles of Association has been altered at the EGM held on 21st April, 2023.

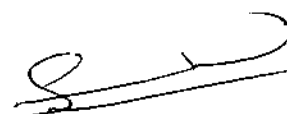
3. The Company may, subject to provisions of Section 54 of the Act, issue equity shares of a class of shares already issued, in the form of Sweat Equity shares, to its Directors. Whole-Time Employees for providing know-how or making available rights in the nature of intellectual property rights or value additions provided and to issue ESOP (Employee Stock Option Scheme) authorized by a special resolution passed by the company in general meeting.
4. Subject to Provisions of the Act, the Company may issue Preference Shares, whether Convertible or Redeemable, Cumulative or non-cumulative or optionally redeemable or convertible, either at par or premium, whether to existing members or not, for such period as may be decided by the Board of Directors of the Company from time to time.
5. The shares shall be under the control of the Board of Directors who may allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions, and at par or at premium or at discount (subject to the provisions of the Act as they may from time to time think proper. Shares may be allotted to two or more persons jointly.

5A. The Investor Securities shall rank pari passu with the Equity Shares of the Company with respect to all stock activities including voting rights, dividends and rights issuance.

6. Where two or more persons are registered as the holders of any shares the following provisions shall apply:



- a) Any notice shall be considered sufficiently given to all the joint members if given to the one whose name stands first on the register in respect of shares held jointly.
  - b) Any one of such joint-holders may give effectual receipts and discharges for dividend or other sum or benefit including any return of capital in respect of shares held jointly.
  - c) Upon the death of a joint-holder, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to or interest in the shares and the Directors may require such proof to be given of the death, as they shall think fit.
7. The new shares shall be subject to the same provisions with reference to the payment of calls, lien, Transfer, transmission, forfeiture and otherwise as the shares in the original share capital and except as otherwise provided by the conditions of the issue, they shall be considered as part of the original share capital.
  8. The Company may by special resolution and subject to confirmation by Court reduce its share capital in any way, and in particular without prejudice to the generality of the foregoing power may:
    - a. Extinguish or reduce the liability on any of the shares in respect of share capital not paid up; or
    - b. Either with or without extinguishing or reducing liability on any of the shares:
      - (i) cancel any paid-up share capital which is lost or its unrepresented by available assets: or
      - (ii) pay off any paid-up share capital which is in excess of the wants of the Company.
    - c. The Company shall file with the Registrar a copy of such resolution within thirty days of passing of the resolution.
  9. The Company may by special resolution vary the rights attached to the shares or any class of shares therein subject to the written consent of the holders of not less than three-fourths in value of the issued shares of that class, sanctioned by a resolution passed at a separate meeting of the holders of those shares and subject to any order passed by the Court on objection, if any, raised against such variation in due course of law. The directors shall forward a copy of the order of the Court, if any, in this behalf to the Registrar within thirty days of service of the said order on the Company.
  10. Every member shall be entitled free of charge to one certificate for all the shares of each class registered in his name. Every certificate shall specify the name of the person in whose favor the certificate is issued, the shares to which it relates and the amount paid up thereon. Every share certificate shall be issued under the Seal of the Company, which shall be affixed in the presence of two directors, and the both shall sign such certificate. Particulars of every share certificate issued shall be entered in the Register maintained in such form as the Board may prescribe, against the name of the person to whom it has been issued indicating the date of issue. Unless the conditions of issue of any shares



otherwise provide, the Company shall within Two months after the date of allotment and on surrender to the Company of the letter of allotment, deliver the certificate of shares. The share certificate shall be delivered to the member or in respect of any share held jointly by several persons to one of the several joint holders, which shall be sufficient delivery to all such holders.

11. If any certificate of any share be surrendered to the Company for a sub-division or consolidation or if any certificate be defaced, torn or worn out or where the cages in the reverse for recording transfers have been duly utilized, then upon surrender thereof to the Company, the Board may order the same to be cancelled and may issue a new certificate in lieu thereof.

### **TRANSFER OF SHARES**

12. Shares shall be transferable, but every transfer must be in writing in prescribed form and must be left at the office, accompanied by the certificate of the shares to be transferred and such other evidence (if any as The Board may require To prove the file of the intending transferor or his right to transfer the share.

13. Save as aforesaid the following shall apply to the transfer of shares:

- i. A member of the Company may transfer a share to his lineal descendent, relative as defined under the provisions of the Act from time to time: but save as aforesaid, no share shall be transferred to a person who is not a member of the Company so long as any one is willing to purchase the same at the fair value as hereinafter provided
- ii. The member proposing to transfer any shares (hereinafter called the proposing transferor shall give notice in writing (hereinafter called a transfer notice) to the Company that he/she desires to transfer the same.
- iii. Within the period of seven days from the receipt of a transfer notice as aforesaid, the Company shall offer to each of the existing members of the Company respectively such number of shares included in the notice as is pro- rata or as nearly as may be to the holding of each member respectively on the footing that if he/she is desirous to purchase any or all of such number of the said shares at the value within fifteen days of the offer be entitled to apply for the purchase and transfer of the same and the Company shall be bound upon payment to the transferor of the fair value of such shares, to transfer the shares of the member applying.
- iv. In case member or members shall not have applied for the purchase and transfer of any or all of The shares to which he/she is entitled, The Company shall within seven days from the date at which The offer is closed, offer the untaken shares to such of the members as have applied for the purchase and transfer of all of the share to which they were entitled by the terms of the original offer in proportion as the holding of each of

such members bear to the total number of shares held by them and they shall be entitled within fifteen days of the offer to apply for the purchase and transfer of a prorate number of the said untaken shares and the Company shall be bound upon payment to the transferor of the fair value of such shares. to transfer the shares to the members applying.

- v. The proposing transferor shall be bound to execute a transfer in respect of any shares so sold and in default thereof, shall be deemed to have executed such a transfer. The Company shall thereupon because he names of the members who have purchased the shares to be entered in the Register as the holders of such shares and thereafter any person shall not question the validity of the proceedings.
- vi. In case no member shall apply for any of the shares included in the transfer notice or in case any ore untaken after compliance with the foregoing provisions of this Article. the intending transferor shall have the right (which right shall endure for the period of one year from the date of transfer notice) to apply for registration of the transfer of the same and the Company shall be bound to give effect to the transfer of such shares accordingly:
- vii. For the purpose of this clause, the fair value of the share shall be such sum, if any, as the statutory auditors, for the time being of the Company, shall certify as the fair value thereof provided that it is expressly declared that the fair value shall be (i) the amount of capital paid-up thereon; plus (ii) a sum bearing the same proportion to the value as appearing in the Company's lost balance sheet or any reserve fund or other fund of The Company as the capital paid up on all The shares of The company for the Time being issued.

13.A. Investor shall have the right to freely Transfer the Investors Securities at all times to its affiliate entities as described in the agreement (i.e. any entity that The Investor(s) Controls OR any entity That is Controlled by The Investor) or To any person other than a person who undertakes a competing businesses with the Business of the Company.

14. If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within a period of 30 days from the date on which the instrument of share transfer or the intimation of transmission and the transferor or to the person giving intimation of the transmission, as the case may be and thereupon The provisions of Section 58 of the Companies Act. 2013 or of any statutory modification thereof for the time being shall apply.

#### RESTRICTION ON TRANSFER OF SHARES:

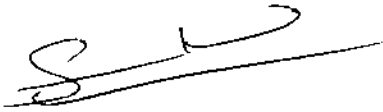
15. i) No Promoter shall transfer any Shares or any right, title or interest therein or



thereto, except as expressly permitted by the provisions of Agreement. It is clarified that the Investors shall be entitled to transfer the Investor Shares without such restrictions as set out herein.

**a. Right of first refusal — Applicable to all the share holders**

- i. If at any time any Shareholder other than the First and Second Investors (the "Selling Shareholder" desires to transfer any of his Shares (the "Offered Shares") to any third party, such Person shall first obtain a bona fide written offer (the "Outside Offer") from the proposed Purchaser (the "Purchaser") to purchase the Offered Shares. Such Selling Shareholder shall thereafter send a notice in writing (the "Transfer Notice"), to the Investors to purchase all or part of their pro-rata entitlement of the Offered Shares. Further No Share Holder can transfer shares to any company or individual who is similar line of business without approval of Board of Directors of Company in writing. The Transfer Notice shall:
  1. Clearly state the identity of the Purchaser;
  2. specify the number of Offered Shares proposed to be transferred:
    - i. Clearly state price per Share offered ("Offer Price"); and
    - ii. Clearly state the other terms and conditions of the Outside Offer
- ii. Within 30 (Thirty) Business Days of delivery of a Transfer Notice (the "Offer Period™), the Investors shall have the right, exercisable through the delivery of the
- iii. Transfer Acceptance Notice as provided herein below, to accept the offer to purchase all or part of its pro-rata entitlement of the Offered Shares ("Right of First Refusal");
- iv. In the event any First and Second Investor desirous of exercising its Right of First Refusal to purchase the Offered Shares ("Participating Investor™), it shall do so by delivering written notice of exercise ("Transfer Acceptance Notice™) within the Offer Period to the Selling Shareholder. Each Transfer Acceptance Notice shall include (i) a statement of the number of Shares held by the Participating Investor and (ii) a statement that the Participating Investor is willing to acquire all or part
- v. of its pro-rata entitlement the Offered Shares at the Offer Price per Share as specified in the Transfer Notice and on the same terms and conditions as specified in the Transfer Notice. A Transfer Acceptance Notice shall be irrevocable and shall constitute a binding agreement by the Participating





Investor to purchase the Offered Shares.

- vi. In the event all the Investors have declined to exercise their Right of First Refusal, the Selling Shareholder shall sell the Offered Shares to the Purchaser within 60 (Sixty) Business Days after the deadline for acceptance by the Investors. Provided, however, the Purchaser purchasing the Offered Shares from the Selling Shareholder shall purchase from the Investors, the Investor Shares offered, if any, in accordance with Article 18(iii). Any such sale shall be completed at a price not less than the price offered to the Investors and on terms not more favorable than those specified in the applicable Offer.
  - vii. Any offered shares not sold within the ninety (90) days from the Transfer Notice period may not be sold or transferred without again complying with Article 18(ii).
- b. Co-sole Rights:**
- o) In the event that the First and Second Investor does not purchase the pro-rata entitlement of the Offered Shares pursuant to Article 18(iij) hereinabove ("transferring Investor"), such Transferring Investor shall have the right (the "Tag-Along Right") to require the Purchaser to purchase from the Transferring Investor(s), for the same consideration per Share and upon the same terms and conditions as are offered to the Selling Shareholder, such proportionate number of Investor Shares (with respect to its shareholding in the Company) as the Transferring Investor may wish to sell (the resultant number of such Shares are referred to as the "Tag Along Shares").
  - b) In the event that the Transferring First and Second Investor elects to exercise its Tag-Along Right, the Transferring Investor shall deliver a written notice of such election to the Selling Shareholder within 30 (Thirty) Business Days of the date of the Transfer Notice (such period, the "Tag Along Period™"), specifying the number of Shares with respect to which they have elected to exercise its Tag-Along Right. In the event an extension of the said period is required for the purposes of obtaining any governmental approvals in order to effect the transfer of the Tag-Along Shares, the Selling Shareholder shall procure the same.
  - c) If the Purchaser refuses or fails to purchase the Tag-Along Shares as

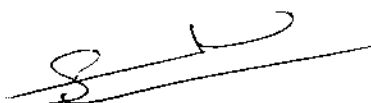
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provided in this Article 18(ij), the Selling Shareholder shall not be entitled to sell or otherwise transfer any Shares to the Purchaser. For avoidance of doubt, it is clarified that the Selling Shareholder shall also not be entitled to transfer the Offered Shares thereafter to any Person without again complying with the provisions of Article 18(iij) and 18(iiii) of this Articles of Association.

c. **Invalid transfers** - The Company shall refuse to register any transfer or other disposition of Shares purported to be made by any Shareholder in breach of any of the provisions contained herein. The Shareholders shall cause their nominees on the Board to cast their votes in such a manner as to ensure that the Company registers all transfers made in accordance with this Article 18 and refuses to register any transfers proposed to be made in breach thereof. Exception in the case of transfer to immediate family member, who will also abide by terms of the agreement.

#### **SUBSEQUENT ROUNDS OF FUND RAISING:**

16. i) The Company and the Promoters will raise funds to meet shortfall in the fund requirement, if any, for meeting the revenue and profit projections given in the Projected Performance initially from their own sources. The funds to be brought by the Promoters or by the Company from other sources will require prior approval from the First and Second Investor.
- a. These funds may be raised from other investors (such other investors investing in any subsequent rounds of fund raising hereinafter referred to as "the New Investor/s") only after prior written approval of the First and Second investor
  - b. The additional funds shall be infused by Second investor either from his own funds or through fund raising from his family, close friends or New Investor as agreed and understood by the parties.
  - c. It is also agreed by the parties that:
    - a) the Promoters are not willing to invest any new investment and they renounce their right to equity subscription in favor of Second Investor.
    - b) the Consenting Parties have informed that they are not willing to invest any new investment and they renounce their right to equity subscription in favor of Second Investor.



c) the First investor have also informed that they are not willing to invest any new investment and the renounce their right to equity subscription in favor of Second Investor.

**ANTI DILUTION RIGHTS:**

17. i). The Promoters and the Company undertake that, that the Promoters will not dilute their shareholding in the company till First and Second Investor is holding shares in the Company.
- a. In any case for dilution of shareholding in the company, Promoter will require prior approval of the First and Second Investor.
- b. In case of any dilution, in terms of Article 19 and 20, if the percentage shareholding of the Investor in the Company, due to issue of Equity Shares to New Investor/s. gets reduced / diluted, the First and Second Investor shall have a right to subscribe additional Equity Shares at the same price at which the New Investor/s has / have agreed to invest, so as to enable the Second Investor to maintain the proportion of its stake (which presently is 29.146) in the Company, as per the terms of the Share Holders Agreement.
- c. First and Second Investor's equity will not be diluted until the Company raises next round of investment from a third party other than the promoters.
- d. If the Company decides to create ESOP pool or issue employee stock options to one or more key employees before the next round of investment. it will be done with diluting the equity holding of all the Share Holders Existing before issue of ESOP.

**EXIT OPTIONS OF THE INVESTOR:**

18. i. The Promoters and company undertake to provide on exit to the First and Second investor by any of the following means specified below:
- a. An Offer for Sale to a third party, including a non-competing strategic investor or through a trade sale. The offering of the Investor Shares in such offer for sale shall be at the option of the Investor. Notwithstanding anything to the contrary contained elsewhere, the Investor shall have the right but not on obligation to offer their entire shareholding in any such offer for sale.



- b. A buy-back offer by the Company and/or the Promoters may at their option by any of the following options, or any such combination of these options ("Buy- Back Offer):
- i. Buy-back of all the Investor Shares by the Company: and/or
  - ii. Purchase of all the Investor Shares by the Promoters or any third party designated by the Promoters.
  - iii. The Company and/or the Promoters shall facilitate on exit as per Article 2 .ii.bi.i) or 2 .ii.b).ii) for the Investor at a value which is the higher ("Exit Value") of the following :
    - A. Total Investment made by the Investor in The Company up to the date of such exit.
    - B. Value of Investor Shares based on a Fair Equity Valuation of the Company as on the relevant date of exit. Fair Equity Valuation for the purpose of this Article shall be determined as being equivalent to 6 (Six) times the Net Profit After Tax (PAT) of the Company. The Net Profit After Tax (PAT) shall be determined as per the audited financial account for the Financial Year immediately preceding the Financial Year in which the sale of Investor Shares occurs or exit is provided to the Investor.
- The Investor shall have the sole option but not an obligation to divest all its Equity Shares at the Fair Equity Valuation determined as above, and may also choose not to sell its Equity Shares.
- C. In the event that the Company raises equity funding from a new investor, Investors shall be entitled of its absolute discretion, to exercise the option to sell one-third of its Shareholding in the Company at each such round of equity funding.
  - D. Subject to the SEBI guidelines and other applicable Laws, the Investor shall not be considered as promoters of the Company and therefore the Investor Shares shall not be subject to any statutory lock-in restrictions arising from the IPO.

**INFORMATION:**

19. i).The Promoters and the Company Undertake the following:
- a. To submit to the First and Second Investor, information, including but not limited to, the financial performance, budgets, agenda and minutes of the board meetings, general body meetings. Committee meetings etc. and all critical developments which have a bearing on the long-term performance of the Company:
  - b. Promptly inform the First and Second Investor of the circumstances and



conditions, which are likely to disable or handicap the Company from implementing the Project or which are likely to delay its completion or compel the Company to abandon the same;

- c. Promptly notify the First and Second Investor of any proposed change in the nature or scope of the Project and of any event or condition, which might materially and adversely affect or delay completion of the Project or result in substantial overrun in the original estimates of costs. Any proposed change in the nature or scope of The Project shall not be implemented or funds committed for the Project shall not be diverted without the prior approval of the Investor.
- ii. The Promoters and the Company shall ensure that the following are submitted to the First and Second Investor within the period specified in each case:
    - a. Semi-Annual and Un-Audited Annual Financial Statements shall be furnished to the Investors within 30 days of the end of each, half-year and year-end. Audited Financial Statements shall be furnished to the Investors within 60 days of the end of each financial year. Annual Financial Statements should be accompanied by a report from the CEO/Managing Director of the Company containing a discussion of key issues, variances to the budget of the previous period etc.
    - b. Quarterly MIS information / reports (in the format prescribed in Annexure F) within 30 days of the end of each quarter shall be sent to the Investor:
    - c. Attested true copies of the minutes of the Board meetings, within a period of 2 months from the date of such Board meeting, but in any event, at least 10 days prior to the date of the subsequent Board meeting. However, draft minutes shall be circulated within 15 days from the date of each such Board meeting.
  - iii. Notwithstanding anything contained in this Agreement, it is specifically agreed and understood between the Parties that submission of information and reports required hereunder or as may be required by the Investor from time to time, or the inspection provided by the Company to the Investors' Representatives (as defined hereinafter), shall not absolve the Promoters, and/or the Company of any of their respective duties, obligations or liabilities hereunder.

### **INSPECTION**

20. The First and Second Investor shall have the mutually non-exclusive and independent right to have access to all the records of the Company, as may be required; and the Company Undertakes to permit the authorized representatives and/or advisors and/or consultants of the Investor ("Investors' Representatives" to carry out technical, financial and/or legal inspection and to provide full co- operation, assistance and access to its records, register and accounts to the Investors' Representatives deputed for the purpose of any such inspection.

### **ACCOUNTS**

21. i. The Company shall implement all mandatory accounting standards, Generally Accepted Accounting Principles, Applicable Indian Accounting Standards and pronouncements issued by the Institute of Chartered Accountants of India, and other relevant authorities from time to time
- ii. The Company shall appoint an internal auditor in terms of clause 8.1 hereinabove ("Internal Auditor") and authorize the Internal Auditor to provide the information required by the Investor directly to the investor. The terms of reference for internal audits shall be finalized to the satisfaction of the Investor, from time to time.
- iii. The First and Second Investor will have full right to review, discuss, and suggest modifications in all the accounting policies of the Company or any of them, if so desired by the Investor.
- iv. The Company is bound to maintain the accounts complying with various applicable laws of the Land, as applicable from time to time.

### **TRANSMISSION OF SHARES**

22. Neither the Company nor the Directors shall be liable or responsible in any manner whatsoever in consequence of register or giving effect To any transfer of shares made or purporting to be made by an apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest, or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto in any book of the Company and the Company shall not be bound or required to regard or to attend or to give effect to any notice



which may have been, given to it any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

#### ALTERATION IN SHARES AND CAPITAL

23. The Directors may with the sanction of the Company by ordinary resolution in a general meeting, increase the Authorized share capital by such sum, to be divided into shares of such amount and with such rights and privileges attached thereto as the resolution passed thereat sanctions.
24. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, transfer and transmission, forfeiture, lien, voting, surrender and otherwise.
25. The rights conferred upon the holders of the shares of any class issued with preferential 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.
26. Subject to the provisions of Section 61 the Company may, by ordinary resolution:
  - a. Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
  - b. Convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination.
  - c. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum:
  - d. cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

## **POWER OF COMPANY TO DEMATERIALIZE AND REMATERIALIZE**

27. "Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing shares, debentures and other securities and rematerialize its such shares, debentures and other securities held by it with the Depository and/ or offer its fresh shares and debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the Rules framed there under if any".

### **Dematerialization of Shares**

28. (1) Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialized form, the Company shall enter into an agreement with the depository to enable the investor to dematerialize the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.

### **Intimation to Depository**

28. (2) Notwithstanding anything contained in this Article, where securities are dealt with in a Depository, the Company shall intimate the details of allotment of securities to Depository immediately on allotment of such Securities.

### **Option for Investors**

28. (3) Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. A beneficial owner of any security can at any time opt out of a Depository, if permitted by law, in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.

The Company to recognize under Depositories Act, Interest in the Securities other than that of Registered Holder

28. (4) The Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with Depository in electronic form and the certificates in respect thereof shall be, dematerialized in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996.

### **Securities in Depositories and Beneficial Owners**

28. (5) All Securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.

### **Rights of Depositories and Beneficial Owners**

28. (6)a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the





purpose of effecting transfer of ownership of security on behalf of the beneficial owner.

- b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- c) Every person holding securities of the Company and whose name if entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities which are held by a depository.

#### **Depository to Furnish Information**

28. (7) Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

#### **ESOP**

29. a. If the Company desires to implement an Employee Stock Option Plan (ESOP) for its executives and/or employees, such Scheme shall be worked out and finalized by the Company in consultation with and to the satisfaction of the First Investors, Second Investors and all other shareholders.

b. The ESOP shall be allocated to the employees of the Company, who meet the business targets as outlined by the Board of Directors of the Company. The terms and conditions of the ESOP issuance shall be determined by the Board of Directors of the Company.

#### **BUY-BACK OF SHARES**

30. Notwithstanding anything contained in these Articles but subject to provisions of Sections 68 to 70 of the Act, and any other applicable provisions of the Act or any other law for the time being in force the Company may acquire, purchase, own, resell any of its own fully Equity Shares and any other security as may be specified under the Act, Rules and regulations from time to time and may make payment thereof out of funds at its disposal or in any manner as may be permissible or in respect of such acquisition/purchase on such terms and conditions as the Board may deems fit.



## GENERAL MEETING

31. In pursuance of provisions of the act, following provisions shall apply:

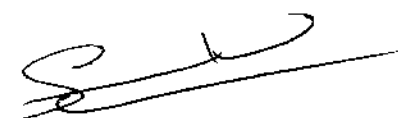
- a. An Annual General Meetings and all General meetings of the Company may be called by giving not less than Seven days clear notice either in writing or through electronic mode. However Annual General Meeting or any other General Meeting may be called after giving shorter notice if the consent is given in writing or through electronic mode by not less than Fifty One percent of the paid up capital of the Company.
- b. Section 102 of Companies Act, 2013 shall not apply to the Company and accordingly where any special business is to be transacted at a General Meeting there shall be no need to annex to the notice of the meeting an explanatory statement.
- c. No person shall be appointed a proxy unless and until he/she is a member of the Company and the instrument appointing a proxy shall be valid if it is received by the Company at least 48 hours before the meeting.
- d. No member shall exercise any voting right in respect of any shares registered in his/her name on which any calls or other sums presently payable by him/her have not been paid, or in regard to which the Company has exercised any right or lien.
- e. Two members present in person shall constitute a valid quorum for a General Meeting.

### 31A RESERVED MATTERS:

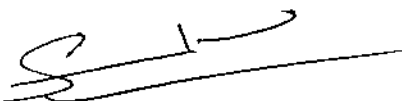
The Board resolutions of the nature stated herein below shall be passed or the following decisions shall be taken in a Board meeting only with the prior written consent of the nominee Director of the Investor.

Provided that in the event the Investor Director elected by either of the Investor is not present for the meeting at which any of the actions mentioned below are to be discussed and voted upon, the Investor nominating such Director may signify its consent through its authorized representative or nominee and positive vote by way of written consent, facsimile transmission or an e-mail indicating such consent. The Investors hereby agree that the forms of consent contemplated above shall constitute sufficient and substantial compliance with the terms and spirit of the Agreement:

- a. Raising additional funds by way of equity capital, preferences shares or Debt:
- b. Any increase in the authorized share capital or any modifications or restructuring of the capital structure or any transfer of shares between any shareholders of the Company or any transfer of shares from any shareholder of the Company to any third



- party;
- c. Appointment / reappointment / removal of internal as well as statutory auditors:
  - d. Entering into strategic alliances, joint ventures, mergers, de- mergers, consolidation, acquisition or sale of business or undertaking, compromises or settlements with ' creditors and investors etc.:
  - e. Timing and terms of IPO or Public Offer for Sale:
  - f. Entering into transactions with subsidiaries, joint ventures or Affiliates or with the Managing Director or any of the key employees such as CEO, COO, CTO, CFO:
  - g. Fixing remuneration of the Directors, CEO, COO, CTO, CTO and other key executives and finalizing a profit-sharing scheme for employees:
  - h. Resolution deciding or altering the terms of appointment of Managing Director, Whole Time / Executive Director, or any other position occupied by the Promoters drawing more thanRs. 24,00,000 per annum:
  - i. Induction or removal of a whole-time Director:
  - j. Deciding the accounting policies and any changes thereto;
  - k. Buy-back or redemption of equity / preference capital;
  - l. Deviation from the core business in unrelated areas
  - m. Any deviation from the Project:
  - n. Approval of annual capital budget and acquisition of capitalassets of Rs 10,00,000 and above:
  - o. Acquisition or sole of shares, debentures, bonds in other companies or businesses
  - p. Issue of fully paid bonus shares To the members of the company:
  - q. Providing Employees Stock Option Plan (ESOP) right to the specified employees and non-promoter directors.
  - r. Providing loans to Directors;
  - s. All remittances and transfer of funds from or to the subsidiaries,
  - t. Relocation of office or operations outside India;
  - u. Any amendment or change in the right, preferences privileges or powers of, or the restrictions provided for the benefit of the Investor:
  - v. Any action that authorizes creates or issues shares of any class or stock having preferences superior to or on a parity with the Investor:
  - w. Any action that reclassifies any outstanding shares into shares having preferences or priority as to dividends or assets senior to or on a parity with the preference of the Investor;
  - x. Any amendment of Articles of Association or Memorandum of Association:
  - y. Any proposal to alter the company's business or legal structuresubstantially or to



cease its current line of business;

**z. The sale of all or substantially all assets and/or Intellectual Property Rights:**

- The Liquidation or dissolution of the company:
- The declaration or payment of a dividend, the redemption or repurchase of any securities.
- Any issue of guarantee or indemnity to any third party exceeding such limits as the Board may determine, from time to time:
- Payment of interest to the Promoters or any of them forwards unsecured loans:
- Amendments of any existing collaboration/business agreements of any kind and the prior approval of any new collaboration/business agreements/arrangements;
- Any changes to the Financial Year;
- Any amendment to or waiver of any of the significant agreements affecting the Projected Performance:
- Any resolution to approve the annual accounts:
- The constitution of any committees or sub committees of the Board, their composition and any changes thereto, and delegation of powers to such committees or sub-committees:
- Creation of a subsidiary or permitting any other company to become a subsidiary of the Company.

### **INDEMNIFICATION**

32. The Company agrees to indemnify the First and Second Investor Directors and, every officer, employee, agent and Affiliate of the Investors and the funds they represent to the maximum extent permitted by applicable Law. The Amended and Restated Articles shall provide the broadest indemnification of the Directors permitted by Law. In addition to the above, Company will indemnify the First and Second Investors against all losses, Liabilities, claims, damages, or expenses arising out of:

Legal claims made by third parties relating to the ownership of securities of the Company, subject to reasonable cost and Indian Law: or of any breach of this Agreement not caused by the Investors.

#### **Specific Indemnity of First and Second Investor Directors:**

The Promoters and the Company expressly agree that the First and Second Investor Directors shall be non-executive directors and accordingly shall neither be nor deemed to be



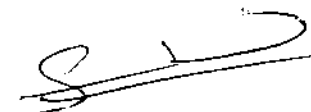
in charge of, or responsible for or involved in the conduct of the affairs or business or day to day operations and management of the Company and shall not be liable for any default or failure of the Company in complying with the provisions or terms and conditions of any applicable Law, including but not limited to defaults and liabilities under any corporate or securities Laws: labour Laws: tax Laws: environmental Laws: building compliances Laws such as fire safety, storage of hazardous substances, explosives, etc. or any contracts, licenses, or approvals. unless he is directly responsible for any act involving negligence or misfeasance.

It is clarified that the First and Second Investor Directors shall not be deemed to be 'officer in default' under the provision of the Act or 'owner' or 'occupier' Under the provisions of any applicable Laws and shall not be named as such in any application by the Company or the Promoters and shall to the extent permitted by applicable Law be indemnified for defending any proceeding in which the Investor Directors are personally prosecuted or proceeded against.

In the event any Promoter Directors, managing Director, whole-time Director, manager or secretary of the Company ("Executive Management Personnel™) propose to resign from the Board, such Executive Management Personnel, the Board and the Company shall notify the First and Second Investors and First and Second Investor Directors of such intention at least 15 days prior to the Executive Management Personnel tendering the resignation to the Board and/or to the Company.

Upon receipt of such notice, the First and Second Investor Directors may at their sole discretion tender their resignation as Directors. Immediately upon the receipt of resignation letter from the First and Second Investor Directors, the Board and the Company shall duly accept the resignation of the First and Second Investor Directors prior to accepting the resignation from the Executive Management Personnel and comply with all the requirements under applicable Law including filing requisite DIR 12 recording the resignation of the Investor Directors with the Registrar of Companies.

In the event, the Executive Management Personnel, the Board and the Company fail to provide prior notice to the First and Second Investor Directors of the resignation of any Executive Management Personnel, the First and Second Investor Directors may resign from the Board immediately upon becoming aware of such resignation of the Executive Management Personnel and the Board shall comply with all the requirements under applicable Law including filing requisite DIR 12 recording the resignation of the First and Second Investor Directors with the Registrar of Companies. The Company shall also indemnify the First and Second Investors Directors for any liabilities Under the applicable Laws.

A handwritten signature in black ink, consisting of a stylized, cursive script that is difficult to decipher but appears to be a personal name.

**BUSINESS / ANNUAL OPERATING PLAN:**

33. Annual business plans for each financial year will be approved by the Board in the last quarter of the preceding financial year.

**RIGHT TO SELL THE INVESTORS' SECURITIES:**

34. 1. The First and Second Investors' Securities shall be freely transferable subject to the provisions of this Agreement.
2. In case the First and Second Investor (hereinafter, in this clause, referred to as "Selling Investor") wishes to sell or otherwise transfer First and Second Investors' Securities (and attendant interest) held in the Company to any third party/ parties at any time, such a transfer shall be governed by the following conditions:
- a. The First and Second Investor shall give notice to the Promoters of its intention to sell the Investor Securities, specifically identifying the proposed acquirer of the Investor Securities. The Promoters shall, within 30 days of receipt of the above notice convey to the Selling Investor their approval or disapproval of the proposed transferee.
  - b. In the event that the Promoters approve of the proposed transferee, the Selling Investor shall be free to sell The Investor Securities to such transferee within 90 days of The receipt of the Promoters' approval. It is clarified that if the Promoters fail to approve/disapprove of the proposed transferee within the 30 days period referred to above, they shall be deemed to have accorded their approval to the proposed transfer by the Selling Investor. Further, if the Promoters are unable to reach an agreement within the said 30 days period. as to whether or not to approve or disapprove the proposed sole of the shares. they shall be deemed to have accorded their approval for the same.
  - c. In the event that the Promoters do not approve of the transferee to whom the Selling Investor wishes to transfer the Investor Securities, the Selling Investor shall, subject to compliance with procedures set out, be free to transfer the Investor Securities to the proposed transferee.
  - d. The Selling First and Second Investor shall, as a precondition to the proposed sole to a third party that has not been approved by the

Promoters, first offer the shares to the Promoters (the Non-Selling Parties) on a pro rata basis, in proportion to the number of equity shares held by each of them.

- e. The Selling First and Second Investor shall serve a notice on the Non-Selling Parties in writing stipulating the terms and conditions of the offer including the sale price (it being agreed that transfer of shares for consideration other than cash is not permitted under any circumstance).
- f. Upon the service of a notice referred to in Clause 19.2.(e), each of the Non-Selling Parties shall within a period of 30 days inform the Selling Investor whether it wishes to purchase the said shares by way of a letter of acceptance, which shall be binding on the said Non-Selling Party and the Selling Investor. In the event that the Non-Selling Parties agree to purchase the shares of the Selling Investor by informing the Selling Investor by way of letters of acceptance, the sale of shares by the Selling Investor to Non-Selling Parties shall be completed and consideration paid within 60 days of receipt of the said letters of acceptance by the Selling Investor.
- g. If any of the Non-Selling Parties are not desirous of purchasing the shares offered by the Selling Investor, the other Non-Selling Parties shall have the right to acquire such shares from the Selling Investor on a pro rata basis in proportion to the number of equity shares held by each of them.
- h. If none of the Non-Selling Shareholders are desirous of purchasing the shares offered by the Selling Investor, the Selling Investor shall be entitled to sell all of its shares (within 90 days of non-acceptance of offer by the Non-Selling Parties) to the identified hard-party purchaser on terms not more favorable than those offered to the Non-Selling Parties. Further, if the Selling Investor fails to sell its shares within the period specified in this Clause, it shall not be entitled to sell its shares thereafter to any third party, without first re-offering the said shares to the other Parties and the Co-Investors in accordance with this Clause. It is clarified that in the case of clauses 19.2.(f), 19.2.(g) and 19.2.(h) above, the Promoters and all the non-Selling parties and Non-Selling Shareholders shall be deemed to have accorded their approval to the proposed transfer by the Selling Investor.

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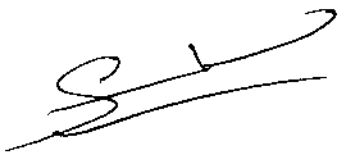
- i. The Promoters and the Company shall ensure that the securities sold in pursuance of this Clause as aforesaid and lodged for transfer by the acquirer are transferred within a period of 30 days from the date of lodgment.

**PROMOTERS RIGHT TO MAKE AN OFFER TO PURCHASE PROMOTERS INVESTOR SECURITIES:**

- a. The Promoters shall have the right to make an offer (hereinafter referred to as the "buy-back offer") to purchase either themselves or through any third party, the Investors' Securities, after the period of 18 months from the date of allotment of equity/ Shares to the investor at a price that is not less than the price paid by the Investor in the company.
- b. First and Second Investors will have an exclusive and independent right to accept or reject such an offer made by the Promoters within a period of 45 days from the date of receipt of the buy-back offer.

**RESTRICTIONS ON PROMOTERS' SECURITIES:**

35. a. the Promoters shall not be entitled to, and shall not, sell, pledge, mortgage, charge, hypothecate, create a Lien on or otherwise encumber Their respective Promoters' Securities or any interest therein save and except with the independent prior written permission of the Investor and on such terms and conditions as the Investor may specify.
- b. Without prejudice to the generality of the aforesaid, in case of proposed pledge, mortgage, charge. Hypothecation, Lien on or other encumbrance on the Promoters' Securities, Investor may grant permission subject to terms and conditions such that the conditions of the security documentation would require Investors' approval, the Investor be periodically furnished with a certificate that the interest / principal has been duly paid / repaid by the Promoters and a right of first refusal in favor of the Investor's in the event of the security holder enforcing the security by sole of the Promoters' Securities.
- c. In the case of proposed sale by a Promoter of any of the Promoters' Securities





("the Sale Securities"), the Investor, may grant the permission subject to the condition that the proposed purchaser of the Sole Securities purchases such of the Investors' Securities at the same price and other terms and conditions as those for the sale of the Sale Securities. In such event, the Promoters shall ensure that the proposed purchaser of the Sale Securities purchases such of the Investor's Securities before purchasing the Sale Securities.

#### LIQUIDATION PREFERENCE

36. a. In The event of Liquidation, the First and Second Investor shall on pari-passu basis be entitled, before any distribution is made upon any share capital of the Company or otherwise To any other Shareholder of The Company. to receive a preferential payment from the assets of the Company of cash or properly.

b. To the extent funds are legally available therefore, Investor shall receive an amount higher of:

Financial Contribution made by the Investor in the company: or Amount which would be distributed to the shareholders, if all amounts available were distributed among all the Shareholders of the Company.

c. The Promoters, for the purpose of giving effect to this clause, shall deposit the proceeds received by them against the Promoters' Securities, in a separate escrow account with a nationalized bank and thereafter pay to the Investor. the difference between the amount receivable by the said Investor in terms of this clause and the actual amount received by it as proceeds of the Liquidation.

#### BOARD OF DIRECTORS

37. Until otherwise determined by a General Meeting and subject to Section 149 of the Act, the number of Directors shall not be less than three or more than fifteen, including all kinds of Directors.

38. The First Directors of the Company are:

- a. Louis Deva Kumar
- b. Sameer Janardhanan Nair

38A. Composition of Board of Director OF COMPANY

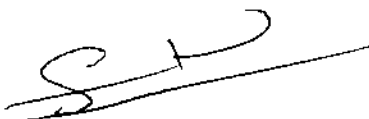
Sl. No	Who can appoint Directors	Number of Directors can be appointed
1	Promoters	1
2	Second Investors	2
3	First Investor	2
4	Second Investor	1*
S	First Investor	1*

\*The nominee director will be allowed to attend Board meetings but will not have any voting rights.

38B. When the Investors inform the Company and the Promoter that they wish to exercise their right to appoint a Director(s) on the Board of the Company, the Company and the Promoter shall undertake all necessary corporate actions in order to complete the appointment of such Director(s), including but not limited to passing of relevant Board and Shareholder Resolutions and filing relevant forms with the jurisdictional Registrar of Companies ("ROC").

38C. Composition of the Board:

- i. The Board shall comprise of at least 1 (one) Director Nominated by the promoter and (One) Nominee Director representing the each First and second Investor ("Investor Director") if the First and Second investor decides to appoint Nominee Director on the Board of Director of the Company. The Company and the promoters shall appoint the nominee(s) of the First and Second Investor as Director (s) on the Board within 30 days of intimation of the nomination by the Investor. Any approval given by the First and Second Investor Director will be considered as approval of the First and second Investor. Further any appoint of Director is subject to approval of Board of Directors for Confirming credentials of Directors appointed.
- ii. The First and Second Investor shall have the right to appoint (One) non-voting observer ("observer's to all meeting of the Board or committees of the Board. The Investor shall also have the right to replace and substitute any individual from time to time as the observer. The observer shall be invited to all meetings of the Board or committees of the board, a copy of the notice sent to all Directors would be provided to the observer at the same time and the observer shall have the right to participate in all discussions and matters of the meeting of the Board or committees of the Board provided however That



nothing in This clause shall provide the observer the right to and. the observer shall not be entitled to. vote at any meetings of The Board or committees of the Board.

- iii. The Nominee Directors of the First and Second Investor shall not be subject to retirement by rotation. The Articles of Association of the Company shall contain suitable provisions in this behalf. In case a nominee of the Investor cannot be appointed as non-rotational director in accordance with the provisions of law, then such nominee may be appointed as rotational Director on the Board of the Company. In that event, the Promoters shall exercise their voting rights to ensure election of the Investor's nominee on the Board of the Company in rotational category.
  - iv. Appointment of any new Managing Director and Executive/ Whole Time Director of the Company shall be subject to the independent prior written approval of the Investor and shall be on the terms and conditions approved by it.
  - v. The Nominee Directors shall be entitled to receive all notices, agenda, and material, etc. Concerning the meetings and shall be entitled to attend all General Meetings and Board Meetings and Meetings of any Committees of the Board of which they are members, take part in the discussion at such meetings, vote there- at and to appoint an alternate director to attend and vote instead. The Investor shall also have the right to nominate one observer who may attend all Board and Shareholder's meetings of the Company provided that such observer shall not have the right to vote at any such meeting.
  - vi. The Company shall have a minimum 2 and maximum 15 (fifteen) Directors.
39. No share qualification shall be necessary for any individual, being appointed as a Director in the Company.
40. The Company shall, subject to the provisions of the Act, be entitled to agree with any Government, authority, person, firm or corporation that it or he/she shall have the right to appoint its or his/her nominee on the Board upon such terms and conditions as the Company may prescribe. Such nominee and its or his/her successor in office shall be called as Nominee Director of the Company.



41. A Nominee Director shall be entitled to hold office until relieved by The Government. Authority, person, firm or corporation who may have appointed him and will not be bound to retire by rotation. As and when a Nominee Director vacates his office, whether upon retirement as aforesaid or by death, resignation or otherwise, the Government, authority, person, firm or corporation who appointed such Nominee Director may appoint another Director in his place.
42. Every nomination, appointment or removal of a Nominee Director shall be in writing and shall in the case of a Government or authority be under the hand of a secretary to such Government or authority and in the case of a corporation, under the hand of a Director of such corporation duly authorized in that behalf by a resolution of its Board of Directors. Subject as aforesaid, a Nominee Director shall be entitled to the same privileges and be subject to the same obligations as any Director of the Company.
43. The Board may appoint an Alternate Director to act on behalf of him during his absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held. Such appointee while he holds office as an alternate Director shall be entitled to notice of meetings of the Board and to attend and vote thereat accordingly but he shall ipso facto vacate office when the original Director returns to the State.
44. Subject to the provisions of the Act, the Board of Directors may, from time to time, appoint any individual/individuals as Additional Director/Directors to the Board, but so that the total number of Directors at any time shall not exceed number fixed by these Articles. The Additional Director/Directors so appointed shall hold office till the conclusion of the ensuing Annual General Meeting wherein they shall be eligible to be appointed as Director/Directors of the Company.
45. Any vacancy arising amongst the Board of Directors due to death or resignation shall be treated as a casual vacancy. The Board of Directors shall appoint any other individual as a Director to fill in the casual vacancy so raised. The Director so appointed shall hold office till the time up to which the Director, in whose place he has been appointed, would have held office if it had not been vacated by him.
46. No Director shall be liable to retire by rotation and a Director shall hold office till he is removed from the office of the Director under Section 169 of the Act or vacates his office under Section 167 of the Act or tenders his resignation to the Board of Directors.

47. i. The Board may elect a Chairperson of its meetings as well as meeting of the shareholders and determine the period for which he is to hold office.

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

#### REMUNERATION OF DIRECTORS

48. Until otherwise determined by a General Meeting each or any Director shall receive out of the funds of the Company by way of remuneration or special or extra remuneration or Commission, such sum as the Board may fix from time to time.

49. If any Director be called upon to perform extra services or special exertions or efforts (which expressions shall include work done by a Director as a member of any Committee formed by the Directors) the Board may arrange with such Directors for such special remuneration for such extra service or special exertions or efforts. The Board of directors shall also be eligible for sitting fee of a sum as may be determined by The Board from time to time.

50. The Board may allow and pay to any Director, who is not a bonafide resident of the place at which a meeting of the Board is held and who shall come to such meetings: such sum as the Board may consider fair compensation or for travelling, Boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified. and if any Director shall be called upon to go out on the Company's business he shall be entitled to be paid and reimbursed any travelling or other expenses incurred in connection with the business of the Company.

51. The Board may from time to time appoint one or more among them as a Managing Director(s) or whole time director(s) of the Company for such period and upon such terms as they think fit and may vest in such Managing director(s) or whole time director(s) such of the powers hereby vest in the directors generally as they may think fit such powers may be made exercisable for such periods and upon such conditions and subject to such restrictions and generally upon such terms as to remuneration and otherwise as they may determine. The remuneration of managing director(s) or whole Time director(s) may be by way of salary or



commission or participation in profits or by any or all of these modes.

52. The Managing Director/ whole time director shall, subject to the general supervision of the Board, have power and authority on behalf of the Company to make all purchases and sales and to enter into all contracts and to do all other things usual, necessary or desirable in the management of the business and affairs of the Company or in carrying out its objects and in particular Shall have power to advance money on the security, movable or immovable and generally make advance of such Sum Or sums of money Upon or in respect of or for the purchases of materials, goods, machinery, stores or any other property, articles and things required for the purpose of the Company with or without security and upon terms and subject to such conditions as the Company may deem expedient. However, the consent of the Board should be taken in all the above cases either before or offer exercise of such powers.

#### APPOINTMENT OF KEY MANAGERIAL PERSONNEL

53. Subject to provisions of the Act:

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

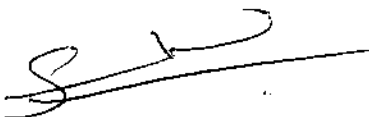
54. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the some person acting both as director and as, or in place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

#### MEETINGS OF THE BOARD OF DIRECTORS

55. Subject to the provisions of Section 1 Z3 of the Act, Every Company shall hold the first meeting of the Board of Directors within thirty days of the dote of incorporation and thereafter hold a minimum number of four meetings of its Board of Directors

every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board.

56. All the decisions, which are to be taken in the meeting of the Board of Directors, shall be supported by a valid resolution passed at a duly constituted meeting of the Board of Directors. No such resolution is said to have been passed until and unless consented by majority of the Directors present at the meeting. However, board may transact the business by passing resolution on circulation pursuant to Section 175 of the Act.
57. Subject to the provisions of Section 174 of the Act, the quorum for the meeting of the Board of Directors shall be one-third of its total strength 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 the quorum.
- 57A. Board Meetings: The Board shall meet at least 4 (four times in every calendar year and at least once in every calendar quarter. Meetings of the Board shall be held at such place, within India or outside India, as the Directors may agree, from time to time. Subject to applicable laws, all reasonable expenses and cash incurred by the Directors to attend such meetings shall be borne by the Company. At each Board meeting, the Directors will mutually appoint one of them as the Chairman to preside over that meeting. The Chairman shall have no casting or second vote. A Board meeting may also be held by teleconference or video conferencing subject to the Company complying with all provisions of the Act in this regard.
- 57B. Deadlock Resolution: In the event of a disagreement or inability of the Board of Directors or the Company to pass a resolution in a Board Meeting or a Shareholders Meeting, due to the exercise of the Parties respective rights under this Agreement ("Deadlock"), the meeting at which such resolution is tabled shall be adjourned for 30 days (or such other period as the Parties may agree) during which the Parties shall use their best endeavors to seek to resolve the Deadlock. If the Parties are unable to resolve the Deadlock within the aforesaid 30 days, the subject matter of the Deadlock shall not be proceeded with and status quo shall prevail at the reconvening of the adjourned
58. The Board Meeting or a Meeting of the Committee of Directors of the Company shall be convened only after serving a notice together with agenda and relevant papers to each of the Directors of the Company in accordance with the provisions of the Act, at least seven (7) days before the date fixed for the meeting. No Board Meeting will be convened on Sunday or a National Holiday



or on a notice less than seven (7) days, without the prior approval of the Investor.

59. No quorum of a Board Meeting shall be deemed to be constituted unless at least one Nominee Director if appointed by the Investor, is present. If prior approval of Nominee Director is token to carry on the meeting in his absence, then Board Meeting can carry forward after complying with the provisions of clause.

#### **POWERS AND DUTIES OF DIRECTORS**

60. The powers and responsibilities of the Directors of the Company shall be laid down in the Act and in Table "F" thereof except in so far as they stand modified by these Articles.
61. The Directors may enter into any contract or incur any obligation and vary all such contracts and obligations and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient in respect of any matter which under these presents or in accordance with The law the Directors may carry out or perform or do for the purpose of the Company.
62. The Board of Directors may from time to time, subject to provisions of the Act, raise or borrow any sums of money for and on behalf of the Company from members, directors, Companies, banks, financial institutions or any other bodies or they themselves may advance money to the Company on such terms and conditions as may be approved by the Board of Directors.
63. The Board of Directors may, from time to time, on approval in a meeting of Board of Directors, secure the payment of such moneys borrowed in such manner and upon such terms and conditions as they think fit and in particular by issue of debentures of the Company or by creating mortgage or charge on all or any part of the assets, properties and uncalled capital of the Company for the timebeing.

#### **ACCOUNTS AND AUDIT**

64. The Company shall cause to be kept proper books of account at the Registered Office and/or at such other place/places, as the Directors think fit in accordance with Section 128 of the Act.
65. The Auditor of The Company shall be appointed and their remuneration shall be fixed, their rights and duties and liabilities shall be regulated. their qualification





and disqualification shall be in accordance with provisions of Section 139 to 47 of the Act.

#### **DIVIDENDS AND RESERVES**

66. The Company in General Meeting may declare dividend and no such dividends shall exceed the amount recommended by the Directors.
67. The Board of Directors may from time to time pay to the member's interim dividend as it appear to the Directors to be justified by the profits of the Company.
68. The Board of Directors may before recommending any dividend set aside out of the profits of the Company such sum as they think fit as reserve/reserves which shall be at the discretion of the Board be applicable for any purpose to which the profits of the company be properly applied including provision for meeting contingencies or for equalizing dividends and pending such application may at the discretion either be employed in their 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.

#### **CAPITALISATION OF PROFITS**

69. (i) The Company in a general meeting may, upon the recommendation of the Board resolve:
- a. That it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of profit and loss account or share premium account or otherwise available for distribution; and
  - b. That such sum be accordingly set free for distribution in the manner specified in clause (j) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (d), either in or towards:
- a. Paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - b. Paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up and amongst such members in the

proportions aforesaid: or

- c. Partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b).
- d. A share premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in paying up of unissued shares to be issued to members of the Company as fully paid bonus shares:
- e. The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

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

- a. Make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any:

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

a. The Board shall have full power:

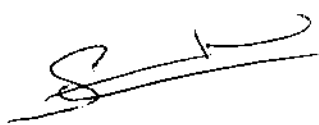
-To make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it finds fit, in the case of shares, becoming distributable fractions; and also

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

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

#### SEAL

71. The Board shall provide for the safe custody of the seal, which shall not be affixed to any instrument except by the authority of a resolution of the Board or a committee of the Board authorized by it in that behalf, and except in the



presence of at least two Directors and the Secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

72. Save as otherwise expressly provided by the Act a document or proceeding requiring authentication by the Company may be signed by a Director or the Manager or the Secretary or other authorized officer of the Company and need not be under its company seal.

#### INDEMNITY

73. Subject to The provisions of The Act. Every officer of The Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favor or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.
- 73A. The Company and Promoters (each an "Indemnifying Party" individually and "Indemnifying Parties" collectively) shall jointly and severally, defend, indemnify, and hold harmless the Investor, its officers, directors, agents and employees (each an "Indemnified Party" individually and "Indemnified Parties" collectively) to the fullest extent permitted by applicable law against and with respect to any and all damages from, resulting by reason of, or arising in connection with:
- (i) any breach or default of this Agreement;
  - (ii) any default, negligence, misconduct or misrepresentation or breach of any Company & Promoters Representation;
  - (iii) any gross negligence and/or wilful default;
  - (iv) any claims against the Company in respect of the period prior to the Closing Date;
  - (v) any claims against any Indemnified Parties relating to the Company; or
  - (vi) any breach, default or violation of or failure to fulfill any covenant, obligation, agreement or unwaived condition under any contract by the Company and/or the Promoters.



### SECRECY

74. Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Board, before entering upon the duties, sign a declaration, pledging himself to observe a strict secrecy respecting all transactions and affairs of the Company with its customers and the state of the accounts with individuals and in matters relating thereto. And shall by such declaration, pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by laws or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
75. No member shall be entitled, except to the extent expressly permitted by the Act or these Articles, to enter upon the property of the Company or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it will be inexpedient in the interest of the members of the Company to communicate to the public.
- 75A The Parties recognize that each of them may be given access to Confidential Information and proprietary information of the other Parties. The Parties undertake not to use any such confidential information, other than for purposes related to this Agreement and/or protecting their respective interests under this Agreement and/or in the Company without the prior written consent of the other Parties and shall use their best efforts to keep confidential and not disclose to any third party save and except on a 'need-to-know' basis any confidential information of the other Parties. The provision of the Articles 82A shall survive.

### WINDING UP

76. a) If the company shall be wound up, the Liquidators 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 some 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) In case any of the shares to be divided, as aforesaid, in case a liability to calls or otherwise any person entitled under such division to any of the said shares may, within ten days after the passing of the resolution, by notice in writing direct the liquidator to sell his proportion and pay him the net proceeds, and the liquidator shall if practicable, act accordingly.

A handwritten signature in black ink, consisting of a stylized 'S' followed by a flourish and a horizontal line underneath.