

**INCORPORATED UNDER
THE COMPANIES ACT, 1956**
(A company limited by shares)

**ARTICLES OF ASSOCIATION
OF K. S. OILS LIMITED**

1. Preliminary

- 1.1 These Articles consist of this Article 1 (Preliminary), Article 2 (Definitions and Interpretation) and two chapters, Chapter A (the "**General Articles**") and Chapter B (the "**Special Articles**"). The provisions of the General Articles shall apply to all the matters to which they pertain, to the extent, and only in so far as they are not inconsistent with, the provisions of the Special Articles. Notwithstanding anything to the contrary contained in the General Articles, the Special Articles shall apply in respect of the matters covered thereby. In case of any conflict or inconsistency between the Special Articles on one hand and the General Articles on the other hand, the Special Articles shall prevail.
- 1.2 The regulations contained in Table 'A' of the first Schedule to the Act shall apply to the Company in so far as they are not inconsistent with any of the provisions these Articles.

2 Definitions and Interpretations

2.1 In these Articles, unless the context otherwise requires:

- i. **Act** shall mean the Companies Act, 1956 and every statutory modification or re-enactment thereof and reference to Sections of the Act shall be deemed to mean and include reference to Sections enacted in modification or replacement thereof;
- ii. **Annual Budget** shall mean a budget prepared by the Company with respect to the Company and its Subsidiaries, setting out complete details of the projected profit and loss statements, projected cash flow and balance sheets (including but not limited to projected capital expenditure details and projected working capital details), details relating to operation and capital expenditure plan pertaining to its Indian and overseas operations of the Company and its Subsidiaries, on an annual basis;
- iii. **Affiliate** shall mean, in relation to any Person, any entity controlled, directly or indirectly, by that person, any entity that controls, directly or indirectly, that person, or any entity under common control with that person or, in the case of a natural person, any Relative (as such term is defined in the Act) of such person. For the purpose of this definition:
- (i) **Control** means the power to direct the management and policies of an entity whether through the ownership of voting capital, through the right to appoint a majority of directors to the board of an entity, by contract or otherwise (and the terms "**controlled**" and "**controlling**" shall be construed accordingly unless repugnant to the context, and
- (ii) A holding or subsidiary company of any entity shall be deemed to be an Affiliate of that entity;
- iv. **Articles** mean these Articles of Associations as originally framed or as altered from time to time;
- v. **Baring Consent** shall mean the prior written consent of the Investor No. 6 or consent of the Investor No. 6 at the meeting of the shareholders on any of the Reserved Matters;

- vi. **Baring Director** shall have the meaning set out in Article 134.1.2 hereto;
- vii. **Baring Group** shall mean the Investor No. 6 and any Affiliate(s) of Investor No. 6;
- viii. **Baring Investment Agreements** shall mean (i) the Investment Agreement dated August 9, 2007, entered into between the Investor No. 6 and the Company, together with its schedules and annexures ("**Baring Investment Agreement 1**"); and (ii) the Investment Agreement dated June 26, 2009, entered into between the Investor No. 6 and the Company, together with its Schedules and Annexures ("**Baring Investment Agreement 2**");
- ix. **Baring Securities** shall mean the Baring Subscription Shares, Baring Warrants and the Equity Shares upon conversion of the Baring Warrants and any other Equity Shares or securities convertible into, or exchangeable for, Equity Shares as may be subscribed to from time to time by the Investor No. 6 or any of its Affiliates;
- x. **Baring Subscription Shares** shall mean 2,14,79,710 (Two crores fourteen lakhs seventy nine thousand seven hundred ten) Equity Shares of the Company subscribed to by the Investor No. 6 at a price of Rs. 41.90 (Rupees forty one and Paise ninety only) per Equity Share aggregating to Rs. 89,99,99,849 (Rupees eighty nine crores ninety nine lakhs ninety nine thousand eight hundred forty nine only) pursuant to the Baring Investment Agreement 1;
- xi. **Baring Undertakings** shall mean (i) the Undertaking from the Promoters to the Investor No. 6 dated August 9, 2007 ("**Baring Undertaking 1**"); and (ii) the Undertaking from the Promoters to the Investor No. 6 dated June 26, 2009 ("**Baring Undertaking 2**");
- xii. **Baring Warrants** shall mean 86,72,566 (Eighty six lakhs seventy two thousand five hundred sixty six) warrants of the Company subscribed to by the Investor No. 6 at a price amounting to approximately Rs. 14.13 (Rupees fourteen and Paise thirteen only) per Baring Warrant aggregating to Rs. 12,25,43,358 (Rupees twelve crores twenty five lakhs forty three thousand three hundred fifty eight only) pursuant to the Baring Investment Agreement 2, each warrant entitling the Investor No. 6 to apply for and be allotted 1 (One) Equity Share of Re. 1 (Rupee one only) and a premium of Rs. 55.50 (Rupees fifty five and Paise fifty only) upon payment of an exercise price amounting to Rs. 42.37 (Rupees forty two and Paise thirty seven only) per Baring Warrant;
- xiii. **Board** shall mean the board of directors of the Company or any duly appointed committee thereof from time to time;
- xiv. **Business** shall mean to include manufacturing, marketing and trading of edible oils, non-edible oils, vanaspati, by-products of vegetable oils like de-oiled cakes, solvented oil, palm fatty acids etc., bio diesel and power generation from wind turbines;
- xv. **Business Day** shall mean a day (excluding Saturdays and Sundays) on which banks generally are open in Mumbai, India, New York, USA and Port Louis, Mauritius for the transaction of normal banking business;
- xvi. **Competitor** shall mean any company, Indian or overseas, which derives (including, by way of consolidation of accounts), not less than 20% (Twenty percent) of its revenues from oil seeds and/or edible oils;
- xvii. **Connected Person/Concern** of the Company shall mean:
 - a. any company under the same management (as defined by Section 370 (1-B) of the Act) as the Company;

- b. any member, director, officer, key management employee of the Company or any Affiliate of, any such member or director;
- c. the Promoters or any Affiliate of the Promoters;
- d. any director of the Company or of any holding or subsidiary company of the Company or of any Affiliate of the Company;
- e. any trust in which any Promoter or any Affiliate of a Promoter is a trustee or beneficiary;
- f. any director of any holding or subsidiary company of any Promoter or any Affiliate of the Promoters;
- g. any Affiliate of the Company, or of a director referred to above (such director);
- h. any firm or unlisted company in which the Company, the Promoters, any such director or any Affiliate or partner of any such director, Promoters or Affiliate is a partner, shareholder or director or has any share, control or interest;
- i. any listed company in which the Company, the Promoters, any such director or any Affiliate or partner of any such director, Promoters or Affiliate is a director or hold/s shares exceeding 1% (One percent) of the paid-up equity share capital of such listed company;
- j. any company, the board of directors, managing director or manager whereof acts or is accustomed to act in accordance with the directions or instructions of the Board of Directors of the Company, of the Promoters, of any such director or of any Affiliate mentioned above;

Provided however that, none of Investor No. 1, Investor No. 2, Investor No. 3, Investor No. 4, Investor No. 5, Investor No. 6 or Investor No. 7 and/or any of their respective Affiliates and/or their respective nominee directors on the Board of the Company shall be considered or deemed to be a Connected Person/Concern of the Company with respect to the concerned Investor;

- xviii. **CVCIGPML Investors** shall mean the Investor No. 1 and the Investor No. 2 and **CVCIGMPL Investor** shall be interpreted in accordance with the context and meaning thereof;
- xix. **CVCIGPII Investors** means the Investor No. 3, the Investor No. 4 and the Investor No. 5, and **CVCIGPII Investor** shall be interpreted in accordance with the context and meaning thereof;
- xx. **CVCI Investors** means the CVCIGPML Investors and the CVCI GP II Investors
- xxi. **CVCI Investment Agreements** shall mean (i) with respect to Investor No. 1 and Investor No. 2, the Investment Agreement dated December 22, 2006, between the Investors No. 1, Investor No. 2 and the Company ("**CVCI Investment Agreement 1**"); (ii) with respect to Investor No. 3, Investor No. 4 and Investor No. 5 the agreement dated September 5, 2007, together with its Schedules and Annexures between the Investor No. 3 and the Company read with the deed of adherence thereto dated [], (together, "**CVCI Investment Agreement 2**"); (iii) with respect to Investor No. 4 and Investor No. 5, the agreement dated June 29, 2009, together with its Schedules and Annexures between the Investor No. 4, the Investor No. 5 and the Company, the agreement dated June 29, 2009, together with its Schedules and Annexures between the Investor No. 4, the Investor No. 5 and the Company ("**CVCI Investment Agreement 3**");
- xxii. **CVCI Consent** shall mean the prior written consent of all the CVCI Investors;

- xxiii. **CVCI Director** shall have the meaning set out in Article 134.1.1 hereto;
- xxiv. **CVCI Group** shall mean the Investor No. 1, Investor No. 2, Investor No. 3, Investor No. 4, Investor No. 5 and any Affiliate(s) and Permitted Transferees of any or all of the CVCI Investors;
- xxv. **CVCI Securities** shall mean the CVCI Subscription Shares and the CVCI Warrants, held by the CVCI Investors and/or any member of the CVCI Investor Group pursuant to the terms of the CVCI Investment Agreements and shall include any global depository receipts which are at any time subscribed by the any member of the CVCI Investor Group;
- xxvi. **CVCI Subscription Shares** shall mean 32,91,656 (Thirty two lakhs ninety one thousand six hundred fifty six) Equity Shares of the Company subscribed to by the Investor No. 1 at a price of Rs. [●] (Rupees [●] only) per Equity Share aggregating to Rs. [●] (Rupees [●] only) pursuant to CVCI Investment Agreement 1, and [●] Equity Shares of the Company subscribed to by the Investor No. 2 at a price of Rs. [●] (Rupees [●] only) per Equity Share aggregating to Rs. [●] (Rupees [●] only) pursuant to CVCI Investment Agreement 1, and [●] Equity Shares of the Company subscribed to by the Investor No. 3 at a price of Rs. [●] (Rupees [●] only) per Equity Share aggregating to Rs. [●] (Rupees [●] only) pursuant to CVCI Investment Agreement 2;
- xxvii. **CVCI Undertakings** shall mean (i) with respect to Investor No. 1 and Investor No. 2, the Undertaking from the Promoters to the Investor No. 1 and Investor No. 2 dated December 22, 2006 ("**CVCI Undertaking 1**"); (ii) with respect to Investor No. 3, Investor No. 4 and Investor No. 5, the Undertaking from the Promoters to Investor No. 3 dated September 5, 2007 and the deed of adherence dated [] thereto (together, "**CVCI Undertaking 2**"); (iii) with respect to Investor No. 4 and Investor No. 5, the Undertaking from the Promoters to Investor No. 4 and Investor No. 5 dated June 29, 2009 ("**CVCI Undertaking 3**").
- xxviii. **CVCI Warrants** shall mean 55,59,115 (Fifty five lakhs fifty nine thousand one hundred fifteen) warrants of the Company subscribed to by the Investor No. 4 and 31,13,451 (Thirty one lakhs thirteen thousand four hundred fifty one) warrants of the Company subscribed to by the Investor No. 5 at a price amounting to approximately Rs. 14.13 (Rupees fourteen and Paise thirteen only) per CVCI Warrant aggregating to Rs. 12,25,43,358 (Rupees twelve crores twenty five lakhs forty three thousand three hundred fifty eight only) pursuant to CVCI Investment Agreement 3, each warrant entitling the Investor No. 4 or Investor No. 5, as the case may be, to apply for and be allotted 1 (One) Equity Share of Re. 1 (Rupee one only) and a premium of Rs. 55.50 (Rupees fifty five and Paise fifty only) upon payment of an exercise price amounting to Rs. 42.37 (Rupees forty two and Paise thirty seven only) per CVCI Warrant;
- xxix. **Dilution Instrument** shall mean any Equity Shares, or any rights, options, warrants, appreciation rights or instruments entitling the holder to receive any Equity Shares of the Company or any options to purchase or rights to subscribe for securities by their terms convertible into or exchangeable for Equity Shares;
- xxx. **Director** shall mean a director of the company and shall include alternate directors;
- xxxi. **Encumbrance** shall mean any encumbrance including, without limitation, any claim, debenture, mortgage, pledge, charge, hypothecation, lien, deposit by way of security, option or right of pre-emption, beneficial ownership (including usufruct and similar entitlements), public right, common right, any provisional or executorial attachment and any other interest held by a third party and the term "**Encumber**" shall be construed accordingly;
- xxxii. **Environmental Laws** means any Law, regulating or relating to human health, safety, natural resources, biodiversity, noise or the environment, air or water pollution including, without limitation, laws relating to contamination and the use, generation, management, handling, transport, treatment, disposal, storage, release or threatened release of hazardous substances;

- xxxiii. **Equity Shares** means fully paid up equity shares of the Company having a par value of Re. 1/- (Rupee one only) each;
- xxxiv. **Exchange** means the **Bombay** Stock Exchange Limited, the National Stock Exchange of India Limited and any other exchange on which any securities of the Company are listed;
- xxxv. **Financial Year** means a financial year commencing on April 1 of a calendar year and ending on March 31 in the immediately succeeding calendar year;
- xxxvi. **Fully Diluted Basis** shall mean (a) for the purposes of Articles 134.1.2, 136.2, 139.3, and 146.3.4, the basis for computation of share capital or share ownership whereby all classes and series of Equity Shares outstanding and all convertible securities or securities/instruments exchangeable or exercisable into Equity Shares, including but not limited to global depository receipts and warrants, are assumed to have been so converted, exercised or exchanged; and (b) for the purposes of Articles 134.1.3 and 136.3, the basis for computation of share capital or share ownership whereby all classes and series of Equity Shares outstanding and all fully paid compulsorily convertible securities or securities/instruments exchangeable or exercisable into Equity Shares, including but not limited to global depository receipts and warrants, are assumed to have been so converted, exercised or exchanged;
- xxxvii. **Government** with respect to (i) India, shall include the President of India, the Government of India, the Governor and the Government of any State in India, any Ministry or Department of the same and any local or other authority exercising powers conferred by Law and any judicial, administrative or quasi-judicial authority, and shall include, without limitation, the Securities and Exchange Board of India ("**SEBI**"), any recognized Exchange, the Reserve Bank of India ("**RBI**") and the Foreign Investment Promotion Board ("**FIPB**"), (ii) with respect to any other jurisdiction, shall mean any government agency, regulatory agency, instrumentality, or authority, whether national or local, exercising powers conferred by Law, and any judicial, administrative or quasi-judicial authority in such jurisdiction. The term **Government Authority** shall be construed accordingly;
- xxxviii. **Government Approvals** shall mean any consent, approval, authorization, waiver, permit, grant, franchise, concession, agreement, license, certificate, exemption, order, registration, declaration, filing, report or notice of, with or to any Government;
- xxxix. **Indebtedness** as applied to any Person, shall mean, without duplication, (a) all indebtedness for borrowed money, (b) all obligations evidenced by a note, bond, debenture, letter of credit, draft or similar instrument, (c) that portion of obligations with respect to capital leases that is properly classified as a liability on a balance sheet in conformity with Indian GAAP, (d) notes payable and drafts accepted representing extensions of credit, (e) any obligation owed for all or any part of the deferred purchase price of property or services, (f) all guarantees of any nature extended by such Person with respect to Indebtedness of any other Person and (g) all indebtedness and obligations of the types described in the foregoing sub-clauses (a) through (f) to the extent secured by any Encumbrance on any property or asset owned or held by that Person regardless of whether the indebtedness secured thereby shall have been assumed by that Person or is non-recourse to the credit of that Person but shall not include any duplication on account of unpaid vendors liens incurred and outstanding in the ordinary course of business;
- xl. **Indian GAAP** shall mean the Indian Generally Accepted Accounting Principles;
- xli. **Investors** shall mean the CVCI Investors, the Investor No.6 and the Investor No. 7, and the term, **Investor**, shall be interpreted in accordance with the context and meaning thereof;
- xlii. **Investor No.1** shall mean **CITIGROUP VENTURE CAPITAL INTERNATIONAL GROWTH**

PARTNERSHIP MAURITIUS LIMITED, a company incorporated under the laws of Mauritius, having its registered office at IFS Court, Twenty Eight, Cyber city, Ebene, Mauritius, and shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns;

- xl.iii. **Investor No.2** shall mean **GAUTAM NAYAK** and **KESHAV BHUJLE**, individuals residing in India and residing at Flat No. 2, Ushakkal, Sahitya Sahawas, Madhusudan Kelkar Marg, Bandra (East), Mumbai 400 051 and B/201, Avni Sagar, Dadbhai Cross Road No-2, Vile Parle (West), Mumbai 400 056 respectively, as trustees to the following trusts:
- (i) Growth Partnership Ajay Relan Co-Investment Trust;
 - (ii) Growth Partnership P. R. Srinivasan Co-Investment Trust;
 - (iii) Growth Partnership Vinayak Shenvi Co-Investment Trust;
 - (iv) Growth Partnership J. K. Basu Co- Investment Trust; and
 - (v) Growth Partnership Vivek Chhachhi Co-Investment Trust;
- and shall, unless it be repugnant to the context or meaning thereof, be deemed to include the trustees for the time being of the said trusts and their heirs, executors, administrators and assigns;
- xliv. **Investor No. 3** shall mean Gautam Nayak and Keshav Bhujle as **GAUTAM NAYAK** and **KESHAV BHUJLE**, individuals residing in India and residing at Flat No. 2, Ushakkal, Sahitya Sahawas, Madhusudan Kelkar Marg, Bandra (East), Mumbai 400 051 and B/201, Avni Sagar, Dadbhai Cross Road No-2, Vile Parle (West), Mumbai 400 056 respectively, as trustees to the following trusts:
- (i) CVCIGP II Ajay Relan Trust: 71,600 Equity Shares;
 - (ii) CVCIGP II P. R. Srinivasan Trust: 4780 Equity Shares;
 - (iii) CVCIGP II Vinayak Shenvi Trust: 4780 Equity Shares;
 - (iv) CVCIGP II Jayanta Kumar Basu Trust 4780 Equity Shares;
 - (v) CVCIGP H Vivek Chhachhi Trust: 4780 Equity Shares;
- and shall, unless it be repugnant to the context or meaning thereof, be deemed to include the trustees for the time being of the said trusts and their heirs, executors, administrators and assigns;
- xlv. **Investor No. 4** shall mean **CVCIGP II CLIENT ROSEHILL LIMITED**, a company incorporated under the laws of Mauritius, having its registered office at IFS Court, Twenty Eight, Cybercity, Ebene, Mauritius, and shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns;
- xlvi. **Investor No. 5** shall mean **CVCIGP II EMPLOYEE ROSEHILL LIMITED**, a company incorporated under the laws of Mauritius, having its registered office at IFS Court, Twenty Eight, Cybercity, Ebene, Mauritius, and shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns;
- xlvii. **Investor No. 6** shall mean **BARING PRIVATE EQUITY ASIA III MAURITIUS HOLDINGS (3) LIMITED**, a company incorporated under the laws of Mauritius, having its registered office at 608 St. James Court, St. Dennis Street 355, Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius, and shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its Affiliates, successors and assigns;
- xlviii. **Investor No. 7** shall mean **NSR DIRECT PE MAURITIUS, LLC**, a company incorporated under the laws of Mauritius, having its registered office at c/o Citco Mauritius, 9th Floor, Medine Mews, Law Chaussee Street, Port Louis, Mauritius, and shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns;

- xlix. **Key Promoter** shall mean Mr. Ramesh Chand Garg and Ramesh Chand Saurabh Kumar (H.U.F), through its Karta, Mr. Ramesh Chand Garg;
- i. **Law** shall include all statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Government, statutory authority, tribunal, board, court or recognized exchange and, if applicable, international (whether bilateral or multi-lateral) treaties, conventions and regulations having the force of law;
- ii. **Office** means the registered office for the time being of the Company;
- iii. **Person(s)** means any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, partnership, unlimited or limited liability company, joint venture, Government Authority or trust or any other entity or organization;
- iiii. **Permitted Transferee** shall mean, (i) with respect to each CVCI Investor, (a) any Affiliate of such CVCI Investor, (b) Citigroup Venture Capital International Growth Partnership, L.P., Citigroup Venture Capital International Partnership G.P. Limited and their predecessor entities, (c) any fund, collective investment scheme, trust, partnership (including without limitation any co-investment partnership), special purpose or other vehicle or any subsidiary or Affiliate of any of the foregoing, in which any member or subsidiary of Citigroup is a general or limited partner, shareholder, investment manager or advisor, member of a management or investment committee, nominee, custodian, trustee or unit holder; (d) in the case of any entity included in (b) and (c), any partners, members, directors, officers, employees or investors (either directly or indirectly through any investment partnership entities of such entity) who are distributees of investments held by such entity pursuant to the *bona fide* liquidation of such entity in which securities held by such entity are distributed to such transferees and (v) any of the other CVCI Investors; (ii) with respect to Investor No. 6, any Affiliate(s) of Investor No. 6; and (iii) with respect to Investor No. 7, any Affiliate of Investor No.7;
- liv. **Promoters** shall mean, for the limited purpose of the Articles , the following persons:

Sr. No.	Name	Share Nos.*	Percentage
1	Ramesh Chand Garg	5,99,36,458	16.82
2	Meeta Garg	1,41,78,000	3.98
3	Saurabh Garg	1,44,91,270	4.06
4	Ramesh Chand Saurabh Kumar H.U.F	1,72,49,310	4.84
5	Sheela Devi Garg	2,28,38,000	6.41
6	Saurabh Garg HUF	29,18,440	0.82
Total		13,16,11,478	36.93

**The above shareholding pattern is based on the existing Equity Shares as on June 29, 2009 held by the Promoters (including equity shares underlying GDRs as on June 29, 2009) in the Company and does not include the Equity Shares underlying the Promoter Warrants.*

It is clarified that, for all other purposes, the term Promoters shall mean all such persons as disclosed by the Company from time to time to the Stock Exchange pursuant to the Listing Agreement with the Exchange and the provisions of Securities Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

- iv. **Promoter Warrants** shall mean 2,88,07,339 (Two crores eighty eight lakhs seven thousand and three hundred thirty nine) warrants to be issued to the Promoters, each warrant entitling the Promoters to apply for and be allotted 1 (one) Equity Share of the Company, upon payment of an exercise price amounting to Rs. 40.87 (Rupees forty and Paise eighty seven only) per

Promoter Warrant aggregating to Rs. 1,17,73,55,945 (Rupees one hundred seventeen crores seventy three lakhs fifty five thousand and nine hundred forty five only);

lvi. **Reorganisation** shall mean every issue by way of capitalization of profits or reserves and every issue by way of rights or bonus and every consolidation or sub-division or reduction of capital, buy-back of securities or capital distribution or other reconstruction or adjustment relating to the equity share capital of the Company and any amalgamation, demerger or reconstruction affecting the equity share capital of the Company;

lvii. **Reserved Matters** shall mean the following matters:

1. Acquisition of shares, assets, business, business organization or division of any other person, creation of legal entities, joint ventures or partnerships, mergers, de-mergers, spin-offs and consolidations, creation of any new Subsidiaries of a value exceeding Rs. 50,00,00,000 (Rupees fifty crores only) in aggregate.
2. Providing guarantees or making any loans other than in the ordinary course of Business exceeding Rs. 50,00,00,000 (Rupees fifty crores only) in aggregate.
3. Any changes in class rights for shares (directly or indirectly);
4. Commencement of any new line of business, which is unrelated to the Business of the Company, any change in the scope of business, suspension or cessation of Business or transfer of all or a portion of Business or making of any investment (other than short-term deposits with banking institutions).
5. Any change in the issued, subscribed or paid up equity or preference share capital of the Company, or Reorganisation of the share capital of the Company, including new issuance of shares (including bonus shares and stock splits) or other securities of the Company or redemption, retirement or repurchase of any shares or other securities, issuance of convertible debentures or warrants, or grant of any options (*including ESOPs*) over its shares by the Company.
6. Sale, transfer, winding up, divestiture or other disposition of, the Company, any of its Subsidiaries or any other change in the capital structure of the Company or its Subsidiaries, save and except issuance of further shares to maintain the existing shareholding pattern in the Subsidiaries so long as the overall amount is within the limits set out in Annual Budget/Revised Budget.
7. Sale, transfer, assignment, agreement, arrangement, transaction or assignment of any assets, or otherwise dispose of, any assets or securities of the Company or any of its Subsidiaries not provided for in the Annual Budget, Revised Budget or other budget and which exceeds 5% (Five percent) of the net block of the Company as reflected in the latest audited balance sheet of the Company as on March 31, 2009.
8. Listing/de-listing of the Company shares on any stock-exchanges or change in legal status e.g. public to private company status etc.
9. Incurrence, issuance or assumptions of any form of Indebtedness or the creation of any Encumbrance in respect thereof, so that the debt: equity ratio exceeds 1.5:1.
10. Capital expenditure, including constructions and leases, more than Rs. 50,00,00,000 (Rupees fifty crores only) in aggregate, other than approved in the Annual Budget or Revised Budget.

11. Any amendment, supplement, modification or restatement of the memorandum or articles of association of the Company or any of its Subsidiaries as in effect on the date hereof.
12. Delegation of authority or any of the powers of the board of the Company and/or its Affiliates relating to any Reserved Matter to any individual or committee and any commitment or agreement to do any of the foregoing.
13. Dissolution, winding-up or liquidation of the Company or any of its Subsidiaries, whether or not voluntary, or any restructuring or Reorganization which has a similar effect.
14. Affiliated or related party transactions, agreements or arrangement between the Company and any Connected Person/Concern in excess of Rs. 5,00,00,000 (Rupees five crores only) per transaction the aggregate of all such related party transaction not to exceed Rs. 50,00,00,000 (Rupees fifty crores only) in any Financial Year.
15. Any change in the composition of the Board or a duly appointed committee thereof;
16. Any appointment and/or change of the internal auditor of the Company and the statutory auditor of the Company;
17. Any approval of the Annual Budget or any prospective amendment to the Annual Budget;
18. Any sale, encumbrance, disposal, pledge, charge or transfer, whether direct or indirect, of any of the securities held and/or owned by the Company other than fixed deposits in banks;
19. Any commitment or agreement to do any of the foregoing.

- lviii. **Rupees or Rs.** shall mean the lawful currency of the Republic of India;
- lix. **Revised Budget** shall mean a budget prepared by the Company for the Financial Year 2009-2010 with respect to the Company and its Subsidiaries, setting out complete details of the projected profit and loss statements, cash flow, balance sheets (including but not limited to projected capital expenditure details and projected working capital details) of the Company and its Subsidiaries, on a quarterly basis and such Revised Budget shall be approved by the Board;
- lx. **NSR Consent** shall mean the prior written consent of the Investor No. 7 or consent of the NSR Director at the meeting of the Board or the consent of the Investor No. 7 at the meeting of the shareholders on any of the Reserved Matters;
- lxi. **NSR Director(s)** has the meaning set out in Article 134.1.3 hereto;
- lxii. **NSR Group** means the Investor No. 7 and any Affiliate(s) of Investor No. 7;
- lxiii. **NSR Investment Agreement** shall mean the agreement dated June 29, 2009, together with its Schedules and Annexures between the Investor No. 7 and the Company;
- lxiv. **NSR Securities** shall mean the NSR Subscription Shares and any other Equity Shares or securities convertible into, or exchangeable for, Equity Shares as may be subscribed to from time to time by the Investor No. 7 or any of its Affiliates;
- lxv. **NSR Subscription Shares** shall mean 2,79,21,406 (Two crores seventy nine lakhs twenty one thousand four hundred six) Equity Shares of the Company subscribed to by the Investor No. 7 at a price of Rs. 48.43 (Rupees forty eight and Paise forty three only) per Equity Share

aggregating to Rs. 135,22,33,693 (Rupees one thirty five crores twenty two lakhs thirty three thousand six hundred ninety three only) pursuant to the NSR Investment Agreement;

- lxvi. **NSR Undertaking** shall mean the Undertaking from the Promoters to Investor No. 7 dated June 29, 2009;
- lxvii. **Seal** means the Common Seal of the Company;
- lxviii. **Subsidiary** or **subsidiary** has the meaning given to such term in the Act;
- lxix. **Transfer** includes any transfer, assignment, sale, disposal, lease or Encumbrance; and

2.2 In this Agreement, unless the context requires otherwise:

Words imparting the singular shall include the plural and vice-versa, words imparting the masculine gender shall include the feminine gender and words imparting person shall include bodies corporate and all other persons recognised by law as such.

- a. References to an agreement or document shall be construed as a reference to such agreement or document as the same may have been amended, varied, supplemented or novated in writing at the relevant time in accordance with the requirements of such agreement or document;
- b. Expression referring to the writing shall be construed as including reference to printing, lithography, and other modes of representing or reproducing words in a visible form.
- c. Unless the context otherwise requires, the words of 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 becomes binding on the Company.

CHAPTER A GENERAL ARTICLES

The provisions of this Chapter 'A' shall apply to all the matters to which they pertain, to the extent, and only in so far as they are not inconsistent with, the special provisions of Chapter 'B'. In the event of any conflict or inconsistency between any provision of this Chapter 'A' and any provision of Chapter 'B', the provisions of Chapter 'B' shall prevail.

3. The Authorised Share Capital of the Company is Rs. 60,00,00,000 (Rupees Sixty Crores only) divided into 60,00,00,000 (Sixty Crores) Equity Shares of Re.1/- each (Rupee One only), with the power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and attach thereto respectively, such preferential, deferred qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956, or by the Articles of Association of the Company for the time being.
4. Subject to the provision of these Articles and of the Act, the shares shall be under of control of the Directors who may allot or otherwise dispose of the same to such persons, on such terms and conditions and at such time as they think fit and with full power to give any person the option to call for or be allotted shares of the Company of any class, either at a premium or at par or at a discount and for such time and for such consideration as the Directors think fit (subject to the provisions of Sections 78 and 79 of the Act) provided that option or right to all the shares shall not be given to any person except with the sanction of the Company in General Meeting. The board shall cause to be made the returns or to allotment provided for in Section 75 of the Act.
- 4(1). Subject to the provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations as may be applicable from time to time and with the consent of the Members of the Company at a General Meeting by way of Special Resolution, the Board of Directors of the Company or a Committee thereof duly authorised by the Board of Directors may issue and allot Warrants convertible into the Equity Shares on such rate, terms and conditions to the existing shareholders, general public, or on preferential basis to the promoters, directors, bodies corporate, banks, financial institutions, OCBs, NRIs or such other persons from time to time on receipt of at least 25% of the face value of the Warrants, as it may think fit. Board of Directors of the Company shall be authorized to make provisions as to the allotment and issue of Warrants and in particular may determine to whom the same shall be offered whether at par or at premium subject to the provisions of the Companies Act, 1956 and all the applicable provisions of the SEBI Guidelines.
- 4(2). The Company may by special resolution authorise the Board to convert warrants into the equity shares at such rates (including premium), terms and conditions as may be determined by the Board and in accordance with the guidelines issued by the SEBI, Stock Exchange, Central Govt. or other authorities either on single trench or otherwise as per the discretion of the Board.
5. Any application signed by or on behalf of an applicant for the shares in the Company followed by an allotment or any shares therein, shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accept any shares and whose name is on the register shall, for the purpose of the Articles, be a member.
6. (1) If at any time the share capital is divided into different classes of shares, the right attached to any class unless otherwise provide by the terms of issue of the shares of that class may subject to the provisions of Section 106 and 107 of the Act and whether or not the Company is being wound up be varied with the consent in writing of the holders three-fourths of the issued shares of that class or with a sanction of a resolution passed at a

meeting separate of the holders of the shares of that class.

- (2) Subject to the provisions of the Section 170(2)(a) and (b) of the Act to every such separate meeting the provisions of these regulations relating to meeting shall mutatis mutandis apply but so that the necessary quorum shall be five persons at least holding or representing by proxy one-third of the issued shares of the class in question.
7. The rights conferred upon holders of the shares of any class issued with preferred or other rights shall not unless otherwise 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.
8.
 - (1) The Company may exercise the powers of paying commissions conferred by Section 76 of the Act provided that the percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the section.
 - (2) The rate of commission shall not exceed the rate of five percent of the price at which the shares in respect whereof the same is paid are issued or an amount equal to five percent of such price, as the case may be and in the case of debentures two and a half percent of the price at which the debentures in respect where of the same is paid are issued or an amount equal to two and a half percent of such price as the case may be.
 - (3) The commission may be satisfied by payment in cash or by allotment of fully or partly paid shares or partly in one way and partly in the order.
 - (4) The Company may also, on any issue of shares, pay such brokerage as may be lawful.
9. Subject to Section 187-C of the Act, 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 recognised (even when having notice thereof) any equitable, contingent future or partial interest in any share of and interest in fractional part of a share or any other rights in respect of any share except an absolute right to the entirely thereof in the registered holder.
10.
 - (1) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment (or within such other period as the conditions of issue shall provide) or within one month after the applications for the transfer of registration is received by the Company.
 - (a) One certificate for all his shares without payment; or
 - (b) Several certificates, each of one or more certificates in the marketable lot of his shares, provided that any sub-division, consolidation or splitting of certificates required in marketable a lots shall be done by the Company free of any charges.
 - (2) Every certificate shall be under the seal and specify the shares to which it relates and the amount paid up thereon.
 - (3) In respect of any share held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of the several joint holders shall be sufficient delivery to all such holders.
11. The Company agrees that it will not charge any fees exceeding those which may be agreed upon with the Exchange.
 - (i) For issue of new certificates in replacement of those that are torn, defaced, lost or destroyed.
 - (ii) For sub-division and consolidation shares and debenture certificates and for sub-division and of letters of allotment and split, consolidation, renewal and pucca transfer receipts into

denominations other than those fixed for the market units of trading.

12. The Company may issue such fractional certificates as the Board may approve in respect of any of the shares of the Company on such terms as the Board thinks fit as to the period within which the fraction are to be converted into share certificates.
13. If any shares stands in the name of two or more persons, the person first named in the register shall, as regards receipt of dividends, the service of notices, and subject to the provisions of the Articles, all or any other matter connected with the Company except the issue of share certificates, voting at meeting and the transfer of the share, be deemed the sole holder thereof.
14. Subject to provisions of Section 80 of the Act, the Company shall have the power to issue preference shares which are liable to be redeemed and the resolution amounting such issue shall prescribe the manner, terms and conditions of redemption.

LIEN

15. (1) The Company shall have a first and paramount lien on every share (not being a fully paid share), for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share. Unless otherwise agreed, the registration of a transfer of a share shall operate as a waiver of the company's lien, if any, on such shares. The directors may at any time declare any share to be wholly or in part to be exempt from the provisions of this clause.
16. The Company may sell, in such manner as the Board thinks fit, any share on which the Company has 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 thirty days after a notice in writing demanding payment of such part of the amount in respect of which it exists as is presently payable, have been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency and stating that amount so demanded is not paid within the period specified the registered office of the Company the said shares shall be sold.
17. (a) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
 - (1) The purchaser shall be registered as the share holder of the shares comprised in such transfer.
 - (2) The purchaser shall not be bound to see to the application of the purchase money not shall his title to the share be affected by any irregularity of invalidity in the proceedings in reference to the sale.
18. (1) The proceeds of the sale shall be part of the Company and applied in payment of the whole or part of the amount in respect of which the lien exists as is presently payable.
 - (2) The residue, any, shall, subject to a lien for sums not presently payable exists upon the shares at the date of sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

19.
 - (1) The Board may, from time to time, make calls upon the members in respect of moneys unpaid on these shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.
 - (2) Each members shall, subject to receiving at least thirty days notice specifying the time or times and place of payment of the call money pay to the Company at the time or times and place so specified, the amount called on his shares.
 - (3) A call may be revoked or postponed at the discretion of the Board.
 - (4) The Board may from time to time subject to the terms on which any warrants convertible into equity shares may have been issued make call upon the warrant holders in respect of the balance amount unpaid on the warrants held by them respectively at the time of providing option for conversion of warrants into the equity shares of the Company and shall be payable at such fixed times by the warrant holder who shall pay the amount of the call made on them at time and places appointed by the Board. In case of failure to exercise the option and make payment thereof, the amount so deposited at the time of allotment of warrant shall be forfeited by the Board.
20. A call shall be deemed to have been made at the time when the resolution of Board authorising the call was passed. Call money may be required to be paid by installments.
21. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
22.
 - (1) If a sum called in respect of share is not, paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at such rate of interest as the Board may determine.
 - (2) The Board shall be at liberty to waive payment of any such interest wholly or in part.
23.
 - (1) Any such sum which by the terms of issue of a share become payable on allotment on at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purpose of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum become payable.
 - (2) In case of non-payment of such sum, all the relevant provisions of these regulations 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.
24. Subject to the provisions of Section 292 of the Act, the Board:
 - (a) May, If it thinks fit, receive from any member willing to advance all or any part of the moneys uncalled and unpaid upon any shares held by him; and
 - (b) If it thinks fit, may pay interest upon all or any of the moneys advanced on uncalled and unpaid shares (until the same would but for such advance become presently payable) at such rate not exceeding, unless the Company in general meeting shall otherwise direct, nine percent per annum as may be agreed upon between the Board and the members paying the sums or advances. Money so paid in advance shall not confer a right to dividend or to participate in profits.
25. On the trial or hearing of any suit or proceedings brought by the Company against any member or his representative to recover any debt or money claimed to be due to the Company in respect of his share it shall be sufficient to prove that the name of the defendant is or was, when the

claim arose; on the Register of Members of the Company as a holder or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company, and it shall not be necessary to prove the appointment of the Directors who resolved to make any call, nor that a quorum of Directors was present at Board Meeting at which any call was resolved to be made was duly convinced or constituted nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

26. Neither the receipt by the Company of the portion of any money which shall from time to time be due from any member of the Company in respect of his shares either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of such money, shall, preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

TRANSFER AND TRANSMISSION OF SHARES

27. The Company shall keep a register of transfer, and therein shall fairly and distinctly enter particulars of every transfer of transmission of any share.
28. (1) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.
- (2) 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.
29. The instrument of transfer shall be in writing and all the provisions of Section 108 of the Companies Act, 1956 and of any modification thereof for the time being shall be complied with in respect of all transfer of shares and registration thereof.
30. Unless the Directors decide otherwise, when an instrument of transfer is tendered by the transferee, before registering such transfer, the Director shall give notice by letter sent by registered post to the registered holder that such transfer has been lodged and that unless objection is taken the transfer will be registered. If such registered holder fails to lodge an objection in writing at the office within ten days from the posting of such notice to him, he shall be deemed to have admitted the validity of the said transfer, where no notice is received by the registered holder, the Director shall be deemed to have decided not to give notice and in any event the non-receipt by the registered holder of any notice shall not entitle him to make any claim of any kind against the Company or the Directors in respect of such non-receipt.

TRANSFER OF SHARES

31. The Board may, subject to the right of appeal conferred under Section 111 of the Companies Act, 1956 decline to register -
- (a) The transfer of a share not being a fully paid up share, to a person of whom they do not approve; or
- (b) Any transfer of a share on which they have a lien, provided that the registration of transfer shall not be refused on the ground of transfer being either alone or jointly with any persons indebted to the Company on any account whatsoever except a lien.
32. The Board may also decline to recognise any instrument of transfer unless :
- (a) The instrument of transfer is accompanied by the certificate of the shares to which it

relates and such other evidence as the Board may reasonably require to show the right of transfer to make the transfer; and

- (b) The instrument is in respect of only one class of share.
33. All instrument of transfer which shall be registered shall be retained by the Company, but may be destroyed upon the expiration of such period as the Board may from time to time determine. Any instrument of transfer which the Board declines to register shall (except in any case of fraud) be returned to the person depositing the same.
34. (a) The registration of transfer may be suspended at such times and for such periods as the Board may from time to time determine. Provided that such registration shall not be suspended for more than forty-five days in the aggregate in any year or for more than thirty days at any one time;
- (b) There shall be no charge for:
- (a) Registration of shares or debentures;
 - (b) Sub-division and/or consolidation of shares and debentures certificates and sub-division of Letters of Allotment and split consolidation, renewal and pucca transfer receipt into denomination corresponding to the market unit of trading;
 - (c) Sub-division of renounceable letter of right;
 - (d) Issue of new certificate of those which are descript or worn out or where the cages on the reverse for recording transfer have been fully utilized;
 - (e) Registration of any power of attorney, letter of administration and similar other documents.

DEMATERIALIZATION OF SECURITIES

34A Definition

- (I) For the purposes of this Articles under the context otherwise requires.

“Beneficial Owner” means a person whose name is recorded as such with a Depository and shall have the same meaning assigned thereto in section 2 of the Depositories Act, 1996.

“Depositories Act” means the Depositories Act, 1996 and any statutory modification or re-enactment thereof for the time being in force.

“Depository” means a Depository as defined at the Depositories Act.

“Member” means a duly registered holder from time to time of the shares of the Company and also one whose name is entered as beneficial owner in the record of a Depository in the case of shares held in a Depository.

“Register” shall means Register of Members to be kept as pursuant to section 150 of the Act and unless it be repugnant to the context or otherwise, the Register of Beneficial owners in case of shares are held in a Depository.

“SEBI” means the Securities and Exchange Board of India.

(II) Rights of depositories and beneficial owners

- (a) Notwithstanding anything to the contrary Depositories and contained in the Act or these Articles, a Beneficial Owners Depositories shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the Beneficial Owner.
- (b) Save as otherwise provided in (a) above, the Depository as a 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 shares of any class in the capital of the Company and whose name is entered as Beneficial Owner shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.

(III) Transfer of Securities

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

(IV) Distinctive number of securities held in depository

Nothing contained in the Act or these Articles numbers of regarding the necessity of having distinctive securities held numbers for securities issued by the Company shall in a Depository apply to securities held with a Depository.

(V) Register and index of beneficial owners

The Register and index of Beneficial Owners index of maintained by a Depository under the Depositories Beneficial Act, shall be deemed to be Register and index of Owners Members and security holders for the purpose of these Articles.

(VI) Service of documents

Notwithstanding anything in the Act or theses documents Articles to the country. Where securities are held in a Depository, the records of the beneficial owners may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

(VII) Other Matters

Notwithstanding anything contained in these Articles or the Act, the provisions of Depositories Act, 1996 relating to dematerialisation of securities (including any modification or re-enactment thereof any Rules/Regulations made there under) shall prevail and apply accordingly.

NOMINATION OF SHARES

- 34B (I) Notwithstanding anything contained in these Articles, every holder of shares in, or holder of debentures of the Company may either singly or jointly up to two persons of any time nominate a person in the prescribed manner to whom the shares and/or interest of the member in the capital of the Company or debentures shall be transferred in the event of his death. A member may revoke or vary his or her nomination or any time by notifying the

Company to that effect.

- (II) Where the share in, or debentures of the Company are held by more than one person jointly, the joint holders up to two persons may together nominate, in the prescribed manner, a person in whom all the rights in the shares in or debentures of the Company shall vest in the event of death of all the joint holders.
- (III) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in or debentures of the Company, the nominee shall on the death of the shareholder or holder of debentures of the Company or as the case may be, on the death of the last of the joint holders, become entitled to all the rights in the shares or debentures of the Company to the conclusion of all other persons, unless the nomination is varied or cancelled.

TRANSMISSION

- (IV) Any person who becomes a nominee by virtue of the in the name aforesaid provisions upon the production of such of nominee evidence as may be requires by the Board of Committee thereof and subject as herein after provided, elect, either :
 - (a) To be registered himself as holder of shares or debentures, as the case may be; or
 - (b) To make such transfer of shares or debentures, as the case may be, as the deceased shareholders or debenture holder, as the case may be, could have made.
- (V) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased share holder or debenture holder, as the case may had transferred the shares or debentures, as the case may be, before his death.
- (VI) No person shall be recognized by the Company as a nominee unless the shareholder has during his life time, giving intimation to the Company of his having appointed a nominee in the manner specified under Section 109A of the Companies Act, 1056.
- (VII) The Company shall not be in any way responsible for transferring the shares and/or debentures consequent upon such information.

TRANSMISSION OF SHARES

- 35.
 - (1) On the death of a member, the survivor or where the member was a joint holder, and his legal representative where he was a sole holder shall be the only person recognised by the Company as having any title in the shares.
 - (2) Nothing in the clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- 36.
 - (1) Any person becoming entitled to a share in consequence of the death insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject hereinafter provided elect, either :
 - (a) To be registered himself as holder of the share; or
 - (b) To make such transfer of the share as the deceased or insolvent member could have made.

- (2) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had himself transferred the share before his death or insolvency.
37. (1) If the person so becoming entitled, shall elect to be registered as holder of the share himself he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (3) All the limitations, restrictions and provisions of this 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.
38. On the transfer of the shares being registered in his name a person becoming entitled to a share by reason of death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share and that he shall not, before being registered as a member in respect of the share; be entitled in respect of the exercise any right conferred by membership in relations to meetings of the Company; Provided that the Board may at any time, give the notice requiring any such person to elect either to be registered himself or the transfer the share and if the notice is not complied within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice has been complied with.
39. Where the Company has knowledge through any of its principal officer within the meaning of Section 2 of the Estate Duty Act, 1953 of the death of any member of or debenture holder in the Company, it shall furnish to the Controller within the meaning of such section, the prescribed particulars in accordance with the Act and the rule made thereunder, and it shall not be lawful for the Company to register the transfer of any shares or debentures standing in the name of the deceased unless the transfer has acquired such shares for valuable consideration or a certificate from the controller is produced before the Company to the effect that the Estate Duty in respect of such shares or debentures has been paid or will be paid or that none is due as the case may be.
40. The Company shall incur liability whatever in consequence of its registering of giving effect, to any transfer share made or purporting to be made any apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable right, title or interest 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 to do, though it may have been entered or referred to in some book of the Company but the Company though not bound so to do, shall be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

FORFEITURE OF SHARES

41. If a member fails to pay any call, or installment of call, on the day appointed for payment thereof, the Board at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring repayment of so much of the call or installment as is unpaid together with any interest which may have accrued and all expenses that may have been incurred by reason of such non-payment.

42. The notice aforesaid shall:
- (a) name a further day (not earlier than expiry of thirty days from the date of service of 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, will be liable to be forfeited.
43. If the requirement 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. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before, the date of forfeiture which shall be the date on which the resolution of the Board is passed forfeiting the shares.
44. (1) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (2) At any time before a sale or disposal, as aforesaid, the Board may annul the forfeiture on such terms as it thinks fit.
45. (1) A person whose shares have been forfeited shall cease to be member in respect of the forfeited shares, but notwithstanding the forfeiture, remain liable to pay to the Company all moneys which, at rate of the forfeiture were presently payable by him to the Company in respect of the shares together with interest thereon from the time of forfeiture until payment at the rate of nine percent per annum.
- (2) The liability of such person shall cease if and when the Company shall have received payments in full of all such moneys in respect of the shares.
46. (1) A duly verified declaration in writing that the declarant is director 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 facts therein stated as against all persons claiming to be entitled to the shares.
- (2) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.
- (3) The transferee shall thereupon be registered as the holder of the share.
- (4) The transferee shall not be bound to see to the application of purchase money, if and, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
47. The provision of these regulations as to forfeiture shall apply, in the case of non-payment of any sum which, by 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.
48. The forfeiture of a share involve the extinction of all interest in and also of all claims and demands against the Company in respect of share and all other rights incidental thereto except only such of those rights as by these Articles are expressly saved.
49. Upon any sale after forfeiture or for enforcing a lien in purported exercise or power hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares

sold and cause the purchaser's name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the register in respect of such shares, the validity, of the sale shall not be impeached by and person and the remedy of any person aggrieved by the sale shall be in damages only and against to the Company exclusively.

50. Upon any sale re-allotment or other disposal under the provisions of these Articles relating to lien or to forfeiture, the certificate or certificates originally issued in respect of the relative share shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect. When any share, under the powers in that behalf herein contained are sold by the Board and the certificate in respect thereof has not been delivered up to the Company by the former holder of such shares, the Board may issue new certificate for such shares distinguishing it in such manner as it may think fit, from the certificate not so delivered.
51. The directors, may, subject to the provisions of the Act, accept from any member on such terms and conditions as shall be agreed, a surrender of this shares or stock or any part thereof.

SHARE WARRANTS

52. The Company may issue share warrant subject to, and in accordance with, the provisions of Sections 114 and 115 of the Act, and accordingly 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 on receiving the certificate (if any) of the share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.
53. (1) The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains to deposited the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising, the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares included in the deposited warrant.
- (2) Not more than one person shall be recognised as depositor of the share warrant.
- (3) The Company shall, on two days written notice, return the deposited share warrant to the depositor.
54. (1) Subject to herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling meeting of the Company or attend or vote or exercise any notice from the Company.
- (2) The bearer of a share warrant shall be entitled in all other respect to the same privileges and advantages as if he were named in the register of member as the holder of the shares included in the warrant, and he shall be deemed to be a member of the Company in respect thereof.
55. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction of the original.

ALTERATION OF CAPITAL

56. The Company may, from time to time, by ordinary resolution increase its share capital by such sum, to be divided into shares of such amount, as the resolution shall specify.
57. The Company, by ordinary resolution in general meeting :
- (a) Consolidate and divide all or any of its capital into share of large amount than its existing shares.
 - (b) Sub-divide its shares or any of them, into share of smaller amount than is fixed by the Memorandum, so however than 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 any share which, at the date of passing of the resolution in that behalf 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.
58. The Company may from time to time by special resolution and on compliance with the provisions of Section 100 of the Act, reduce its share capital and any capital reserve fund on share premium account.
59. The Company shall have power to establish branch offices subject to the provisions of Section 8 of the Act or any statutory modifications thereof.
60. The Company shall have power to pay interest out of its capital on so much of shares which were issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provision of any plant for the Company in accordance with the provisions of Section 208 of the Act.
61. The Company, if authorised by a special resolution passed at a general meeting may amalgamate or cause itself to be amalgamated with any other person, firm or body corporate subject however to the provisions of Section 391 to 394.

GENERAL MEETINGS

62. All General Meetings other than the Annual General Meetings of the Company shall be called Extraordinary General Meeting.
63. (1) The Board may, whenever it thinks fit, call an Extraordinary General Meeting.
- (2) If at any time there are not within India directors capable of acting who are sufficient in number to form a quorum and director or any two member of the Company may call an extraordinary general meeting in the same manners, as nearly as possible, to that in which such a meeting may be called by the Board.

CONDUCT OF GENERAL MEETINGS

64. No general meeting, annual or extraordinary, shall be competent to enter upon, discuss or transact any business which has not been stated in the notice by which it has convened or called.
65. (1) No business shall be transacted at any general meeting, unless a quorum of members is present at the time when the meeting proceeds to business.
- (2) Save as otherwise provided in Section 174 of Act, a minimum of five members, present in

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

CONDUCT OF MEETING

66. The Chairman, if any, of the Board shall preside as Chairman at every general meeting of Company.
67. If there is no such Chairman, or if he is not present within fifteen minutes of the time appointed for holding the meeting, or is unwilling to act as Chairman of the meeting, the Directors present shall elect one of their number to be the Chairman of the meeting.
68. If at any meeting no director is willing to act as Chairman or if no Director is present within 15 minutes of the time appointed for holding the meeting, the members present shall choose one of their number to be the Chairman of the meeting.
69. No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant.
70.
 - (1) The Chairman may with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting adjourn the meeting from time to time and place to place.
 - (2) No business shall be transacted at any adjourned meeting, other than the business left unfinished at the meeting from which the adjournment took place.
 - (3) When a meeting is adjourned for thirty days or more, fresh notice to the adjourned meeting shall not be given as in the case of an original meeting.
 - (4) Save as aforesaid, it shall not be necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting.
71. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show to a second casting of votes.
72. Any business other than that upon which a poll has been demanded, may be proceeded with, pending the taking of the poll.

VOTES OF MEMBERS

73. Subject to any rights or restriction for the time being attached to any class or classes of shares :
 - (a) On a show of hands, every member present in person shall have one vote, and
 - (b) On a poll, the voting rights of members shall be as laid down in Section 87.
74. In the case of joint holders, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the vote of the joint holder. For the purpose, seniority shall be determined by the order in which the names of joint holders stand in the register of members.
75. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll by his committee or other legal guardian and any such committee or guardian may on a poll vote by proxy, provided that such evidence as the Board may require of the authority of the person claiming to vote shall

have been deposited at the office not less than 24 hours before the time of holding or adjourned meeting at which such person claims to vote.

76. No member shall be entitled to vote at any general meeting unless all calls other sums presently payable by him in respect of share in the Company, or in respect of share on which the Company has exercised any right or lien, have been paid.
77. (1) No objection shall be raised to the qualification of any voter, except at meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purpose.
- (2) Any such objection made in due time shall be referred to the Chairman of meeting whose decision thereon shall be final and conclusive.
78. The instrument appointing a proxy and the power of attorney or other, authority, if any, under which it is signed on a notarially certified copy of that power or authority, shall be deposited at the registered office of the Company, not less than 18 hours before the time of holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of the poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated valid.
79. An instrument appointing a proxy shall be in either of the forms in Schedule IX to the Act or in a form as near thereto as circumstances admit.
80. A vote given in accordance with 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 the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given if 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.

PASSING OF RESOLUTION BY POSTAL BALLOT

- 80A Notwithstanding anything contained in the Articles of Association of the Company, the Company do adopt the mode of passing a resolution by the members of the Company by means of a Postal Ballot and/or other ways as may be prescribed by the Central Government in this behalf in respect of the following matters instead of transacting such business in a general meeting of the Company:

- F Any business that can be transacted by the Company in general meeting; and
- F Particularly, resolution relating to such business as the Central Government, may be notification, declare to be conducted only by Postal Ballot.

The Company shall comply with the procedure for such Postal Ballot and/or other ways prescribed by the Central Government in this regard.

BOARD OF DIRECTORS

81. The number of Directors of the Company shall not be less than three and not more than Sixteen.
82. The following will be the Directors of the Company:
1. **SHRI OMPRAKASH GARG**

2. **SHRI RAMESH CHANDRA GARG**
3. **SHRI GOVIND PRASAD GARG**
4. **SHRI MOHAN LAL GARG**
5. **SHRI GOPAL DAS GARG**

83. At every Annual General Meeting of the Company one third of such of the Directors for the time being as are liable to retire by rotation in accordance with the provisions of Section 251 of the Act, or if their number is not three or multiple of three, than the number nearest to one third shall retire from the office in accordance with the provisions of Section 256 of the Act.
84. (1) Each Director excluding the Managing Director and whole time director shall be paid for each meeting of the Board or a committee thereof, attended by him a sum not exceeding as specified and prescribed by the Central Government from time to time.
- (2) Subject to the provisions of Sections 309 and 310 of the Act, the Director shall be paid such further remuneration whether in the form of monthly payment or be percentage of profit or otherwise, as the Company in General Meeting may, from time to time, determine, and such further remuneration shall be divided among the Directors in such proportion and in such manner as the Board may from time to time determine, and in default of such determination, shall be divided among the Directors equally, or if so determined paid on a monthly basis.
- (3) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.
- (4) Subject to the provisions of Sections 198, 309 and 311 of the Act, if any Director be called upon to perform any extra services or make special exertions or efforts (which expression shall include work done by a Director as member of any committee formed by the Directors) the Board may pay such Director special remuneration for such extra services or special exertions or efforts either by way of a fixed sum or by percentage of profit or otherwise and may allow such Director at the cost expense of the Company such facilities or amenities (e.g. rent free house, free medical aid, free conveyance etc.) as the Board may determine from time to time.
- (5) In addition to the remuneration payable to them in pursuance of the Director may be paid in accordance with the Company's rules to be made by the Board, all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings or adjourned meeting of the Directors or any committee thereof, or in connection with the business of the Company.
- (6) The Directors shall not be required to hold any qualification shares in the Company.
85. (1) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the Industrial Finance Corporation of India (I.F.C.I.), Industrial Development Bank of India (I.D.B.I.), The Industrial Credit & Investment Corporation of India Limited (I.C.I.C.I.), The Industrial Reconstruction Corporation of India Limited (I.R.C.I.), Life Insurance Corporation of India (L.I.C.), M. P. Audhyogik Vikas Nigam Limited (M.P.A.V.N.), M. P. Financial Corporation (M.P.F.C.), Mutual Funds, Merchant Bankers or to any other Finance Corporation or Credit Corporation or to any other Financing Company or body out of any loans granted by them to the Company or so long as IDBI, IFCI, IRCI, LIC, MPAVN, MPFC and Unit Trust of India (UTI) or any other Financing Corporation or Credit Corporation or any other Financing

Company or Body (each of which IDBI, IFCI, ICICI, IRCI, LIC and UTI or any other finance corporation or credit corporation or any other financing company or body is hereinafter in this Article referred to as (the Corporation) continue to hold debentures in the Company by direct subscription or private placement, or so as the Corporation hold Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall 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 directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove such office any person or persons so appointed and to appoint any person or persons in his or their place/s.

- (2) The Board of Directors of the Company shall have power to remove from office the Nominee Director/s at the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by relation of the Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.
- (3) The Nominee Director/s so appointed shall hold the said office only so long as moneys remain owing by the Company to the Corporation or so long as the Corporation holds Debentures in the Company as a result of direct subscription of the private place out or so long as the Corporation holds share in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of any guarantee outstanding and the Nominee Director/s so appointed in the exercise of the said person shall ipso-facto vacate such office immediately the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold Debentures/shares of the Company or on the satisfaction of liability of the Company arising out of any guarantee furnished by the Corporation.
- (4) 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 the Nominee Director/s is/are member/s as also the minutes of the meetings. The Corporation shall also be entitled to receive all such notices and minutes.
- (5) The Company shall pay to the Nominee Director sitting fees and expenses which other Directors of the Company are entitled, but if any other fees, commission, motor, remuneration in any form is payable to the Director of the Company, the fees, commission, moneys and remuneration in relation to such Nominee Director shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation or such Nominee Director in connection with their appointment or directorship shall also be paid or reimbursed by the Company accordingly be paid by the Company directly to the Corporation.
- (6) Provided further that if such Nominee Director/s is/are an officer appointed as whole time Director/s such Nominee Director/s shall exercise such powers and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole time Director, in the management of the borrower. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the lenders.
- (7) Subject to the provisions of the Sections 267, 269, 310, 311, 316 and 317 of the Act, the Board of Directors may from time to time appoint one or more of their members to be Managing Director, Managing Directors or whole time Directors of the Company for a term

not exceeding five years at time for which he or they, is or are to hold office and may from time to time remove or dismiss him or them from office and appoint another or other in his or their place or places.

86. The Board of Directors shall have the power to appoint additional Director in accordance with the provisions of the Section 260 of the Act.
87. It is provided by any trust deed securing or otherwise in connection with any issue of debenture of the Company that any person or persons shall have power to nominate a Director of the Company than in the case of any every such issue of debenture, the persons having such power may exercise such power from time to time and appoint a Director accordingly. Any director so appointed is herein referred to as a Debenture Director. A Debenture Director may be removed from office at any time by the persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be liable to retire by rotation.
88. In the course of its business and for its benefit the Company shall, subject to the provisions of the Act be entitled to agree with any persons from corporation, Government, financing institution or other authority that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the Directors may deem fit. Such nominee and their successors in the office appointed under this article shall be called Special Directors. Special Directors shall be entitled to hold office until requested to retire by the Government authority, person, firm, institution or corporation who may have appointed them and will not be bound to retire by rotation. As and whether a Special Director vacates office whether upon request as aforesaid or by death, resignation or otherwise the Government authority, person, firm, institution or corporation who appointed such Special Director may if the agreement so provide, appoint another Director in his place.
89. Subject to the provisions of Section 313 of the Act, the Board of Directors shall have power to appoint an alternate Director to act for a Director during his absence for a period of not less than three months from the state in which meeting of the Board are ordinarily held.
90. A Director may be or become a Director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for and benefits received as director or shareholder of such company. Such Director before receiving or enjoying such benefits in cases in which the provisions of Section 314 of the Act are attracted will ensure that the same have been complied with.
91. Every nomination, appointment or removal of a Special Director shall be in writing and shall in case of a Government or authority be under the hand of a director of such corporation duly authorised in that behalf by a resolution of its Board of Directors. Subject as aforesaid a Special Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.
92. The office of a Director shall become vacant:
 - (1) On the happening provided for in Section 283 of the Act.
 - (2) On contravention of the provision 314 of the Act, or any statutory modification thereof.
 - (3) If a person holds office of director in more than such number of Companies, which are prescribed under Section 275, of the Companies Act, 1956 as amended from time to time, subject to other applicable provision of the Companies Act, 1956 and rules made there under from time to time.

- (4) In the case of alternate Director on return of the original Director to State, in terms of Section of the Act; or
- (5) On resignation of his office by notice in writing.

93. Every Director present at any meeting of the Board of a committee thereof shall sign his name in a book to be kept for the purpose.

POWER OF BOARD OF DIRECTORS

94. The Board may pay all expenses incurred in the formation, promotion and registration of the Company.

95. The Company may exercise the powers conferred by Section 50 of the Act with regard to having an official seal for abroad and such powers shall be vested in Board.

96. The Company may exercise the powers conferred by Sections 157 and 158 of 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 such register.

97. The Directors may enter into contracts or arrangements on behalf of the Company subject to the necessary disclosures required by the Act being made wherever any Director is anyway, whether directly or indirectly concerned or interested in the contract or arrangement.

BORROWING POWERS

98. Subject to the provisions of Sections 292 and 293 of the Act, the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property (both present and future) and uncalled capital, or any part thereof and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of any third party.

99. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by a resolution passed at a meeting of the Board (and not a circulated) by the issue of debenture or debenture stock of the Company, charged upon all or any of the property of the Company (both present and future) including its uncalled capital for the time being.

100. Any debentures, debenture stock or other securities may be issued at discount, premium or otherwise, may be made assignable free from any equities between Company and person to whom the same may be issued on the condition that they shall be convertible into share of any authorised denomination, and with privileges, and conditions as to redemption, surrender, drawing, allotment of shares attending. Provided that debentures with right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meetings.

101. All checks, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, by such person and in such manner as the Board may from time to time by resolution determine.

PROCEEDINGS OF THE BOARD

102. Subject to Section 287 of the Act, the quorum for a meeting of the Board of Directors 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; provided that where at any time the number of interested Directors exceeds or is equal to two-third of the total strength, the number of the 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.

103. If a meeting of the Board can not be held for want of quorum, whatever, number of Directors shall be present at the adjourned meeting, notice whereof shall be given to all the Directors, shall form quorum.
104. (1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of vote.
- (2) In case of an equality of votes; the Chairman of the meeting shall have a second or casting vote.
105. The continuing Directors may not act withstanding any vacancy in the Board, but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or for summoning a General Meeting of the Company, but for not other purpose.
106. (1) The Board may elect one of its members as Chairman of its meetings and determine the period for which he is to hold office as such. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Boar shall be decided by a majority of vote.
- (2) If no such Chairman is elected, or if at any meeting the Chairman is not present with in the fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the meeting.
107. Subject to the restrictions contained in Section 292 of the Act, the Board may delegate any of its powers to committee of the Board consisting of such member or members of its body as it think fit, and it may from time to time revoke such delegation and discharge any such committee of the Board either wholly or in part, and either as to persons or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated confirm to any regulations that may from time to time be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
108. The meeting and proceedings of any such committee of the Board, consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article.
109. (1) A Committee may elect a Chairman of its meetings.
- (2) If no such Chairman is elected; or if at any meeting the Chairman is not present within five minutes of the time appointed for holding the meeting the members present may choose on of their members to be the Chairman of the meeting.
110. (1) A Committee may meet and adjourn as it think proper.
- (2) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairman shall have second or casting vote.

- 111. All acts done by any meeting of the Board or by a committee thereof by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment or continuance in office of any such Director or person acting as aforesaid; or that they or any of them were disqualified or had vacated office, or were not entitled to act as such, or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, had duly continued in office, was qualified, had continued to be a Director his appointment had not been terminated and he had been entitled to be a Director provided that nothing in this Article shall be deemed to give validity to any act done by a Director after his appointment has been shown to the Company to be invalid or have terminated.
- 112. Subject to Section 289 of the Act and except a resolution which the Act requires it specifically to be passed in the Board meeting, a resolution in writing signed by the majority members of the Board or of a committee, thereof, for the time being entitled to receive notice of a meeting of the board or committee, shall be as valid and effectual as if it had been passed at the meeting of the Board or committee duly convened and held.

MANAGING DIRECTOR(S) AND WHOLE TIME DIRECTOR(S)

- 113. Subject to provisions of Section 269 of the Act, the Board of Director may from time to time appoint one or more of their body to the office of Managing Director/s or whole time Director/s for a period not exceeding 5 years at a time and on such terms and conditions as the Board may think fit and subject to the terms of any agreement entered into with him, may revoke such appointment. In making such appointments(s) the Board shall ensure compliance with the requirements of the Companies Act, 1956 and shall seek and obtain such approvals as are prescribed by the Act.

Provided that a Director/s so appointed, shall not while holding such office, be subject to retirement by rotation but his appointment shall be automatically determined if he ceases to be a Director.

- 113(a) Subject to the provisions of the Act and of the Articles of Association, Managing Director(s) or Whole Time Director(s) shall not, while they continues to hold that office, be subject to retirement by rotation under Article 113, but they shall be subject to the provisions of any contract between them and the Company.

Provided that, if at any time, the number of Directors (including the Managing Directors or Whole Time Directors) as are not subject to retirement by rotation exceeds one-third of the total number of the Directors for the time being, then Board of Directors select such numbers of directors amongst the Directors as are not subject to retire by rotation, shall be liable to retire by rotation.

Provided further that due to retirement and re-appointment of the Managing or Whole Time Directors, as aforesaid, shall not have any effect on the terms and conditions of their appointment as the Managing Director(s) or Whole Time Director(s).

- 114. The Board may entrust and confer upon Managing Director/s or whole time Director/s any of the powers of management which would not otherwise be exercisable by him upon such terms and conditions and with such restrictions as the Board may think fit, subject always to the superintendence, control and direction of the Board and the Board may from time to time revoke, withdraw alter or vary all or any of such powers.

SECRETARY

- 115. (1) A Secretary of the Company may be appointed by the Board for such terms, at

remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board subject to provisions of Section 383 of the Companies Act, 1956.

(2) A Director may be appointed as a Secretary subject to the provisions of the Companies, 1956.

116. Any provision in the Act or these regulations requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of the Secretary.

SEAL

117. (1) The Board shall provide a Common Seal for the purposes of the Company and shall have power from time to time to vary or cancel the same and substitute new seal in lieu thereof. The Board shall provide for safe custody of the seal for the time being.

(2) Subject to any statutory requirements as to Share Certificates or otherwise, the seal of the Company shall not be affixed to any instrument except by authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf, and except in the presence of at least one Director and of the Secretary or of two Directors who shall sign every instrument to which the seal of the Company is so affixed in their presence.

(3) The Board shall be at liberty to have an official seal in accordance with Section 50 of the Act, for use in any territory, district or place outside India.

DIVIDENDS AND RESERVES

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

119. The Board may from time to time pay to the members such interim dividends as appear it to be justified by the profits earned by the Company.

120. (1) The Board may, before recommending any dividend, set aside out of the profit of the Company, such sums as it may think proper, as reserve or reserves which shall at the discretion of the Board, be applicable for any of the purposes to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends and pending such applications may at the like discretion either be employed in the business of the Company or the invested in such investments (other than shares of the Company) as the Board may, from time to time think fit.

(2) The Board may also carry forward any profits which it may think prudent not to divide, without setting them aside as a reserve.

121. (1) Subject to the rights of the persons, if any, holding shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited and paid on the shares in respect whereof the dividend is paid.

(2) No amount paid or credited as paid on a share in advance of calls treated for the purposes of this regulation as having been paid on the shares.

(3) All the dividends if declared by the members shall be appropriated and paid proportionately to the amount paid or credited as paid on the shares on *pari pasu* basis with the existing share-holders for whole of the year in which the shares have been issued

and in subsequent years.

122. The Board may deduct from any dividend payable to any member to sums of moneys, of any presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
123. (1) Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post direct to the registered address of the holder or, in 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 first named holder or joint holders may in writing direct.
- (2) Every such cheque or warrant shall be made payable to the order of person to whom it is sent.
124. Any one or two or more joint holders of a share may give effectual receipt for any dividends, bonus or other moneys payable in respect of such share.
125. Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.
125. (A) Unpaid or Unclaimed dividend etc.
- (a) The Company shall comply with the provisions of unclaimed Section 205A and 205B read with Section 205C of dividend etc. The Act in respect of any dividend remaining unpaid or unclaimed with the Company.
- (b) The Company shall comply with the provisions of Section 205C of the Act in respect of any money remaining unpaid with the Company in the nature of (i) application moneys received by the Company for allotment of any securities and due refund, (ii) deposits received by the Company and due for repayment, (iii) debenture issued by the company and matured for redemption and (iv) the interest if any, secured on the amounts referred at items (i), (ii) and (iii) respectively”.

ACCOUNTS

126. (1) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of the members not being Directors.
- (2) No member (not being a Director) shall have any right of inspecting any account or book or document of the Company, except as conferred by the law or authorize by the Board or by the Company in General Meeting.

CAPITALISATION OF PROFIT

127. (1) The Company in General Meeting may, upon the recommendation of the Board resolves:
- (a) That it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Profit and Loss account, or otherwise available for distribution; and
- (b) That such sum be accordingly set free for distribution in the manner specified in clause (2) among the members who would have been entitled thereto, if distributed

by way of dividend and in the same proportions.

- (2) The sum aforesaid shall not be paid in cash, but shall be applied, subject to the provisions contained in clause (3), either in or towards:
 - (i) Paying up any amount for the time being unpaid on any shares held by such members respectively.
 - (ii) Paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportion aforesaid, or
 - (iii) Partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
 - (3) Any share premium account and any capital redemption reserve fund may, for the purpose of this regulation, only be applied in the paying up of unissued share to be issued to the members of the Company as fully paid bonus shares.
 - (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
128. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall :
- (a) Make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and allotment and issue of fully paid shares if any; and
 - (b) Generally do all acts and things required to give effect thereto.
- (2) The Board shall have full power :
- (a) To make such provision, by the issue of fractional certificates as it thinks fit in the case of shares becoming distributable in fractions and also.
 - (b) To authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credits as fully paid up, of any further shares to which that may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto their respective proportions of the profit resolved to be capitalised, of the amounts remaining unpaid on their existing shares.
- (3) Any agreement made under such authority shall be effective and binding on all such members.

SECRECY

129. No member or other person (no being a Director) shall be entitled to visit or inspect the Company's work without the permission of the Board of Directors or the Managing Director to require discovery of any information respecting any detail of the Company's business, trading or customers of any matter which is or may be in the nature of a trade secret, mystery of trade or secret process, or any other matter which may relate to the conduct of the business of the Company or which in the opinion of the Directors, it will be inexpedient in the interest of the Company to disclose.

WINDING UP

130. (1) 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.
- (2) For the purpose aforesaid, the liquidator may set such values 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.
- (3) 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 as the liquidator, with the like sanction, shall think fit but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

131. Subject to the provisions of Section 201 of the Act, every Director, manager, auditor, secretary and other officer or servant of the Company (all of whom are hereinafter referred to as officer or servant) shall be indemnified by the Company, out of the funds of the Company all *bona fide* costs, losses and expenses which any such officer or servant may incur or become liable to by reason of any contract entered into or act or thing done or omitted by him as such officer or servant or in any way in the discharge of his duties; and in particular and so as not to limit the generality of the foregoing provisions, against any liability incurred by such officer or servant in defending and proceedings whether civil or criminal in which a judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court. The amount for which indemnity is provided shall immediately attach as a charge on the property of the Company.

CHAPTER B SPECIAL ARTICLES

The provisions of this Chapter B shall govern the rights and obligations of the Investor No. 1, Investor No.2, Investor No. 3, Investor No. 4, Investor No. 5, Investor No. 6, Investor No.7, Promoters and the Company inter se, and as long as this Chapter B remains a part of the Articles of the Company, in the event of any conflict or inconsistency, the provisions of this Chapter B shall prevail over the provisions of Chapter A to the maximum extent permitted under the Act and other applicable law.

132. The Company and the Promoters shall not provide any Person (which shall, with respect to an Investor, include each of the other Investors) with rights in relation to the Company which are more favourable than those provided to such Investor except with the consent of such Investor.
133. The provisions contained in the Special Articles are in addition to the rights and obligations of:
- i. CVCi Investors and the Company under the CVCi Investment Agreements,
 - ii. Investor No. 6 and the Company under the Baring Investment Agreements, and
 - iii. Investor No.7 and the Company under the NSR Investment Agreement.

Further, the non-inclusion of any provisions of the CVCi Investment Agreements or the Baring Investment Agreements or the NSR Investment Agreement in these Articles shall not prejudice or affect the enforceability of such agreements or of such provisions thereof and the provisions of the CVCi Investment Agreements, the Baring Investment Agreements, the NSR Investment Agreement, the CVCi Undertakings, the Baring Undertakings, and the NSR Undertaking are deemed to be incorporated herein by reference.

It is clarified that the rights and obligations of (i) the CVCi Investors under the CVCi Investment Agreements, (ii) Investor No. 6 and the Company under the Baring Investment Agreements, and (iii) Investor No. 7 and the Company under the NSR Investment Agreements are separate, distinct and exercisable at the discretion of the relevant Investor.

134. Investors' Nominee Directors

134.1 The Board shall comprise a maximum of 16 (Sixteen) directors, of whom:

134.1.1 The CVCIGPML Investors shall, collectively, be entitled to (i) nominate and maintain 1 (one) director (and to remove from office any director so nominated and to nominate another in the place of the director so removed) ("**CVCIGPML Director**") and (ii) nominate a person, who shall be an employee or consultant of the CVCi Group, to be appointed as an alternate director in place of such CVCIGPML Director;

134.1.2 So long as Investor No.6 and/or its Affiliates hold not less than 1,07,39,855 (One crore seven lakhs thirty nine thousand eight hundred and fifty five) Equity Shares (calculated on a Fully Diluted Basis and adjusted for reverse stock splits, reduction of capital, consolidation) in the Company, Investor No. 6 shall be entitled to (i) nominate and maintain in office 1 (one) director (and to remove from office any director so nominated and to nominate another in the place of the director so removed) ("**Baring Director**") and (ii) nominate a person, who shall be an employee or consultant of the Baring Group, to be appointed as an alternate director in place of such Baring Director; and

134.1.3 So long as Investor No.7 in aggregate holds the lower of (i) five percent (5%) of the paid-up share capital of the Company calculated on a Fully Diluted Basis (adjusted for

bonus shares and stock splits, reduction of capital, consolidation) or (ii) 20,165,460 Equity Shares on a Fully Diluted Basis (adjusted for bonus and stock splits, reduction of capital, consolidation), the Investor No.7 shall be entitled to (i) nominate and maintain in office 1 (one) director (and to remove from office any director so nominated and to nominate another in the place of the director so removed) ("**NSR Director**") and (ii) nominate a person, to be appointed as an alternate director in place of such NSR Director.

- 134.1.4 The CVCIGPII Investors shall, collectively, be entitled to (i) nominate and maintain 1 (one) director (and to remove from office any director so nominated and to nominate another in the place of the director so removed) ("**CVCIGPII Director**") and (ii) nominate a person, who shall be an employee or consultant of the CVCIGPII Group, to be appointed as an alternate director in place of such CVCIGPII Director;

For the purposes of this Article 134, wherever the context so permits, CVCIGPML Director, Baring Director, NSR Director and CVCIGPII Director, shall be collectively referred to as the "**Investor Directors**" and individually as the "**Investor Director**".

- 134.2 To the extent permissible by Law, the appointment of each of the Investor Directors shall be by direct nomination by the relevant Investor entitled to nominate such Investor Director in accordance with Article 134.1 and any appointment or removal under this Article shall, unless the contrary intention appears, take effect from the date it is notified to the Company in writing. If the Law does not permit the person nominated by a Investor to be appointed as a director of the Company merely by nomination by such Investor, the Company shall ensure that (i) the Board forthwith (and in any event within 7 (seven) Business Days of such nomination or at the next Board meeting, whichever is earlier) appoints such person as a director of the Company and (ii) unless the relevant Investor entitled to nominate such Investor Director changes or withdraws such nomination, such person is also elected as a director of the Company at the next general meeting of the shareholders of the Company. Further, the Company shall exercise all its rights and powers and take all requisite actions to ensure that any person nominated as an alternate director for any of the Investor Directors in accordance with Article 134.1 is forthwith appointed as the alternate director for the relevant Investor Director.
- 134.3 Each of the Investor Directors shall be a non-rotational Director.
- 134.4 Notwithstanding that any or all of Investor Directors may be independent directors (as such expression is defined in any listing agreement entered into at any time between the Company and the Exchange), none of the Investor Directors shall be construed or counted by the Company as independent directors for the purpose of determining the number of independent directors which the Company is required to have on its Board by the listing agreement.
- 134.5 Without prejudice to the above, the Company agrees to exercise all powers and rights available to it so as to fix the number of directors in accordance with this Article 134 and to ensure that the person nominated by each Investor is expeditiously appointed or removed (as such Investor may specify) as a director of the Company and the appointments and removals referred to in this Article 134 result in the persons so appointed or removed becoming or ceasing, as the case may be, to be directors of the Company.
- 134.6 Each of the Investor Directors shall be entitled to be a member of, or at the option of the relevant Investor nominating such Investor Director, an invitee on, all the committees of the Board.
- 134.7 In addition to the right of each of CVCIGPML Investors, the CVCIGP II Investors, Investor No. 6, and Investor No. 7 to appoint an Investor Director in accordance with Article 134.1:

- 134.7.1 The CVCIGPML Investors shall, collectively, be entitled to nominate a person, who shall be an employee or consultant of the CVCI Group, as an observer (“**CVCIGPML Observer**”);
- 134.7.2 The CVCIGPII Investors shall, collectively, be entitled to nominate a person, who shall be an employee or consultant of the CVCI Group, as an observer (“**CVCIGPII Observer**”);
- 134.7.3 Investor No. 6 shall be entitled to nominate a person, who shall be an employee or consultant of the Baring Group, as an observer (“**Baring Observer**”); and
- 134.7.4 Investor No. 7 shall be entitled to nominate a person, (“**NSR Observer**”), as an observer.

For the purposes of this Article 134, wherever the context so permits, CVCIGPML Observer, the CVCIGPII Observer, Baring Observer and NSR Observer, shall be collectively referred to as the “**Investor Observers**” and individually as an “**Investor Observer**”.

- 134.8 Each of the Investor Observers shall have the right to attend any meeting of the Board, committees and sub-committees of the Board. However, none of the Investor Observers shall have any voting rights at such meeting.
- 134.9 Subject to the relevant provisions of the Act, the Company shall pay each of the Investor Directors and their relevant alternate directors all reasonable out of pocket expenses (including international air fares) incurred in order to attend shareholder, board, committee and other meetings of the Company or otherwise perform their duties and functions as a director of the Company or member of any committee or sub-committee of the Company.
- 134.10 The Company shall obtain directors’ and officers’ liability insurance coverage for all the Directors of an amount of no less than Rs. 10,00,00,000 (Rupees ten crores only), subject to a cap of Rs. 2,00,00,000 (Rupees two crores only) per director, and on terms determined by the Board.
- 134.11 The Company shall indemnify each of the Investor Directors to the fullest extent permissible under Law, including against:
- (a) any act, omission or conduct of or by the Company, any of the Promoters, or their employees or agents as a result of which, in whole or in part, any Investor Director is made a party to, or otherwise incurs any loss pursuant to, any action, suit, claim or proceeding arising out of or relating to any such conduct; or
 - (b) any action or failure to act undertaken by an Investor Director at the request of or with the consent of the Company or any of the Promoters; or
 - (c) contravention of any Law including, without limiting the generality of the foregoing, the Foreign Exchange (Management) Act, 1999, Laws relating to provident fund, gratuity, labour, environmental laws, and any action or proceedings taken against an Investor Director in connection with any such contravention or alleged contravention;
 - (d) in each case, except for those arising on account of gross negligence or wilful misconduct of an Investor Director, which gross negligence or wilful misconduct is established by a final and non-appealable order of a court of competent jurisdiction.
- 134.12 The Investor No. 7 shall be entitled to nominate and maintain in office one director on the board of directors of each of the Subsidiaries (and to remove from office any such director(s) so nominated and to nominate another in the place of the director(s) so removed) and the Company shall ensure that such nominated director(s) is appointed as a director(s) on the board of directors

of such Subsidiaries. It is hereby clarified that the provisions of this Article 134 shall, *mutatis mutandis* apply to each director nominated by the Investor on the board of directors of each of the Subsidiaries.

- 134.13 The Investor No. 7 further has the right to appoint another observer and such observer has the right to attend any meeting of the board of directors of each of the Subsidiaries, committees and sub-committees of the board of directors of each of the Subsidiaries. Such an observer will not have any voting rights.

135. Corporate Governance

- 135.1 At least 14 (Fourteen) days notice of each Board meeting shall be given to each Director, if any Reserved Matters are to be considered at such meeting of the Board and 7 (Seven) day's notice of each Board meeting shall be given to each Director in case of all other meetings of the Board, unless in any particular case a majority of the Directors (which majority shall include each of the Investor Directors) agree otherwise. The agenda for each Board meeting and all papers connected therewith and/or proposed to be placed or tabled before the Board shall be circulated together with the notice at least 14 (Fourteen) days or 7 (Seven) days, as the case may be, prior to the Board meeting and, no resolutions or decisions save and except those specified in the agenda may be passed or approved at any Board meeting, except with the written consent of each of the Investor Directors.
- 135.2 The quorum for a meeting of the Board shall be $1/3^{\text{rd}}$ (One-third) of its total strength (any fraction contained in that $1/3^{\text{rd}}$ (One-third) being rounded off to 1 (One)) or 3 (Three) Directors (whichever is higher).
- 135.3 In case an Investor Director intimates to the Company, no later than 48 (Forty eight) hours prior to the scheduled date and time of the Board meeting, of his inability to attend the Board meeting, the Company shall, in consultation with other Directors and the independent directors reconvene the Board meeting 7 (Seven) days after the scheduled date of the Board meeting. At such reconvened meeting, the Directors then present shall constitute the quorum. The provisions of this Article 135.3 shall not be applicable to Board meetings in which matters are, in accordance with requirements of applicable Laws, required to be approved by the Board within a period shorter than the period mentioned under this Article 135.3, including without limitation, adoption of accounts or quarterly results of the Company.

136. Reserved Matters

- 136.1 In order to enhance the corporate governance standards of the Company, no action or decision relating to any of the Reserved Matters shall be taken (whether by the Board, any committee, the shareholders of the Company or its Subsidiaries (through any of the employees, officers or managers of the Company or Subsidiary), except with the unanimous approval of the Board of Directors of the Company.
- 136.2 So long as Investor No.6 and/or its Affiliates (calculated on a Fully Diluted Basis and adjusted for reverse stock splits, reduction of capital, consolidation) in the Company is not less than 1,07,39,855 (One crore seven lakhs thirty nine thousand eight hundred and fifty five) Equity Shares (as adjusted for reverse stock splits, reduction of capital, consolidation), no action or decision relating to any of the Reserved Matters shall be taken (whether by the Board, any committee, the shareholders of the Company (through any of the employees, officers or managers of the Company), except with Baring Consent.
- 136.3 So long as Investor No. 7 holds at least (i) five (5) % of the paid-up share capital of the Company

calculated on a Fully Diluted Basis (adjusted for bonus shares and stock splits, reduction of capital, consolidation) or (ii) 20,165,460 Equity Shares on a Fully Diluted Basis (adjusted for bonus and stock splits, reduction of capital, consolidation, whichever is lower, no action or decision relating to any of the Reserved Matters shall be taken (whether by the Board, any committee, the shareholders of the Company or its Subsidiaries (through any of the employees, officers or managers of the Company or Subsidiary), except with explicit and specific NSR Consent.

137. Exercise of Warrants

- 137.1 Upon exercise of the Promoter Warrants by the Promoters in accordance with applicable Law, the CVCI Undertaking 3, the Baring Undertaking 2 and the NSR Undertaking and the payment of the exercise price of amounting to Rs. 40.87 (Rupees forty and Paise eighty seven only) per Promoter Warrant, the Company shall issue and allot 1 (One) Equity Share against each Promoter Warrant exercised to the Promoters.
- 137.2 Upon exercise of the CVCI Warrants by Investor No. 4 and Investor No. 5 on or prior to the expiry of a period of 18 (Eighteen) months from the date of allotment of the CVCI Warrants by the Company to Investor No. 4 and Investor No. 5 and the payment of the exercise price of Rs. 42.37 (Rupees forty two and Paise thirty seven only) per CVCI Warrant, the Company shall issue and allot 1 (One) Equity Share against each CVCI Warrant exercised to Investor No. 4 or Investor No. 5, as the case may be.
- 137.3 Upon exercise of the Baring Warrants by the Investor No. 6 on or prior to the expiry of a period of 18 (Eighteen) months from the date of allotment of the Baring Warrants by the Company to the Investor No. 6 and the payment of the exercise price of Rs. 42.37 (Rupees forty two and Paise thirty seven only) per Baring Warrant, the Company shall issue and allot 1 (One) Equity Share against each Baring Warrant exercised to the Investor No. 6.

138. Transfer of Securities

- 138.1 The CVCI Investors shall not sell the CVCI Securities, Investor No. 6 shall not sell the Baring Securities, and Investor No. 7 shall not sell the NSR Securities, together with their respective rights hereunder, to any Competitor of the Company without procuring the prior written approval of the Company and the Promoters; provided that, nothing in this Article 138 shall restrict any Transfer of shares on any Exchange or pursuant to the tag along right in accordance with Article 138.3 hereunder or in the event of any failure of the Promoters to exercise the Promoter Warrants in accordance with the terms of the CVCI Undertaking 3, the Baring Undertaking 2 and the NSR Undertaking.
- 138.2 Other than as mentioned in Article 138.1, (i) each of the CVCI Investors shall be entitled to Transfer the CVCI Securities, (ii) Investor No. 6 shall be entitled to Transfer the Baring Securities, and (iii) Investor No. 7 shall be entitled to Transfer the NSR Securities to any Person whether together with or without their respective rights and/or obligations hereunder, *provided however*, that the Transfer of rights shall not result in the multiplication of such rights with respect to such shares.
- 138.3 Without prejudice to the provisions of Article 138.1 and Article 138.2, each of (i) CVCI Investors shall be entitled in their absolute discretion to Transfer any or all of the CVCI Securities, (ii) Investor No. 6 shall be entitled in its absolute discretion to Transfer any or all of Baring Securities, and (iii) Investor No. 7 shall be entitled in its absolute discretion to Transfer any or all of NSR Securities in the Company and their respective rights and obligations hereunder to or for the benefit of their respective Permitted Transferees or to any investor or prospective investor in their

respective Permitted Transferees on signing a deed of adherence in a form prescribed by the relevant Investor and in accordance with their respective rights and/or obligations hereunder, so that more than one assignee, may, together with such Investor, be entitled to the rights and/or subject to the obligations of such Investor hereunder. However, in the aggregate, the rights of such Investor and the obligation of the Company and the Promoters hereunder shall not be multiplied on account of such assignment, except as otherwise mentioned herein.

- 138.4 Any Transfer or attempt to Transfer any Equity Shares in violation of these Article, the CVCI Investment Agreements, CVCI Undertakings, Baring Investment Agreements, Baring Undertakings, NSR Investment Agreement and NSR Undertaking shall be null and void *ab initio*, and to the extent it is within the reasonable control of the Company, Company shall not register such Transfer and shall reject any such Transfers made or attempted, *suo moto* without necessity of a Board decision to institute proceedings for this purpose if required by Law.

139. Restriction on Share Transfer

- 139.1 The Promoters shall not Transfer any shares, warrants or other securities convertible into Equity Shares held by them in the Company, including but not limited to the Promoter Warrants and Equity Shares resulting from the exercise thereof ("**Promoter Shares**"), in any manner whatsoever until the earlier to occur of (i) the Investor Agreements Termination Date or (ii) September 5, 2012.

For the purposes of Article 139, "**Investor Agreements Termination Date**" shall mean the last to occur of the following: (i) the date of termination of the CVCI investment Agreement 1, CVCI Investment Agreement 2 and as set out in clause 17 of the CVCI Investment Agreement 3, (ii) the date of termination as set out in clause 21 of the Baring Investment Agreement 2, and (iii) the date of termination as set out in clause 19 of the NSR Investment Agreement.

- 139.2 Except with (i) CVCI Consent, and (ii) Baring Consent, and (iii) NSR Consent, the Promoters shall not, until the Investor Agreements Termination Date, Encumber any Promoter Shares, provided however that the Equity Shares held by them, which are pledged in favour of third parties as on June 30, 2009, may continue to be Encumbered for a period ending no later than June 30, 2010. It is clarified that after June 30, 2010, all Promoter Shares shall be free and clear of any and all Encumbrances. Nothing contained herein shall, however, restrict the Transfer *inter se* between the Promoters, provided however, that: (i) the shareholding of the Key Promoters shall not reduce, for any reason whatsoever, below the proportion of the share capital of the Company held by him in the Company on June 26, 2009, and (ii) the Promoter's transferee shall execute a deed of adherence or other document as may be requested by the Investors (if not a signatory to the Agreement), in a form satisfactory to the Investors.

- 139.3 Subject to Article 139.1 and 139.2, in the event that any Promoter ("**Transferor**") proposes to Transfer any Equity Shares, each of the Investors shall be entitled to participate on a *pro-rata* basis in proportion to its equity shareholding (calculated on a Fully Diluted Basis) in the Company along with the other Investors in the proposed Transfer, provided however that, each of the Investors shall be entitled to Transfer its entire shareholding on a priority basis in the event the Promoters cease to remain in control as a consequence of, or in connection with, any Transfer of Equity Shares by the Promoters such that the Promoters' holding reduce below 26% (Twenty six percent) of the then issued and paid-up share capital of the Company, in the following manner:

- (a) The Transferor shall first give a written notice ("**Offer Notice**") to each of the Investors. The Offer Notice shall state (i) the number of Equity Shares proposed to be Transferred (the "**Sale Shares**") and the number and class of Equity Shares the Transferor owns at that time on an undiluted basis, (ii) the name and address of the proposed transferee (if any), (iii) the proposed price, including the proposed amount and form of consideration

and terms and conditions offered by such proposed transferee, (iv) the estimated date of consummation of the proposed Transfer, (v) a representation that the proposed transferee (if there be any such proposed transferee) has been informed of the "tag-along" rights provided for in the CVCII Undertakings, the Baring Undertakings and the NSR Undertaking, as the case may be, and that the proposed transferee has agreed to purchase all the Equity Shares required to be purchased in accordance with the terms of this clause, and (vi) a representation that no consideration, tangible or intangible (whether as non-compete consideration or otherwise) is being provided to the Transferor that will not be reflected in the price paid to such Investor on exercise of its tag-along rights hereunder. In the event that the proposed consideration for the Transfer includes consideration other than cash (including non-compete consideration), the transfer notice shall include a calculation of the fair market value of such consideration and an explanation of the basis for such calculation. The total value of the consideration for the proposed Transfer is referred to herein as the Offer Price.

- (b) Each of the Investors shall be entitled to respond to the Offer Notice by serving a written notice (the "**Response Notice**") on the Transferor prior to the expiry of 30 (Thirty) Business Days from the date of receipt of the Offer Notice ("**Offer Period**") requiring the Transferor to ensure that the proposed transferee of the Sale Shares also purchases such number of the Equity Shares as mentioned in the Response Notice ("**Offered Securities**") at the same price and on the same terms as are mentioned in the Offer Notice, except that such Investor shall not be required to provide any representations or warranties to the proposed transferee other than with respect to their title to the Offered Securities and such Investor shall be entitled to receive the cash equivalent of any non-cash component of the Offer Price. In event such Investor being Investor No. 7, the Investor No. 7 shall additionally be entitled to receive the full consideration for Offered Securities as received by the Promoters, including non-compete considerations (without having to provide any non-compete restriction).
- (c) If:
1. The Promoters shall continue to remain in control and management of the Company after such transfer, and the proposed transferee is unwilling or unable to acquire all of the Offered Securities mentioned in the Response Notice upon such terms, then the Promoters may elect either to cancel such proposed Transfer or to allocate the maximum number of Equity Shares of the Company which the proposed transferee is willing to purchase among the Sale Shares and the Offered Securities in each of the Response Notices, *pro-rata* in the ratio of the equity shareholding in the Company at such time of the Promoters and the relevant Investor issuing the Response Notice, and to consummate such Transfer on such terms. The Promoters shall not be entitled to Transfer any of the Sale Shares to any proposed transferee unless the proposed transferee simultaneously purchases and pays for the required number of Offered Securities in accordance with the provisions of these Articles.
 2. The Promoters cease to remain in control and management of the Company after such transfer, (including where the Promoters already have ceased to be in control and management), the Promoters shall not be entitled to sell or Transfer any of the Sale Shares to any proposed transferee unless the proposed transferee simultaneously purchases and pays for the Offered Shares for the same consideration and upon the same terms and conditions as applicable to the Sale Shares.
- (d) The Transferor shall ensure that, along with the Sale Shares, the proposed transferee also acquires the Offered Securities specified in each Response Notice for the Offer Price and upon the same terms and conditions as applicable to the Sale Shares, provided that any Investor may choose to receive the cash equivalent of any such consideration which is in

a form other than cash and such Investor shall not be required to provide any representations and warranties in respect of the Offered Securities other than with respect to their title to the Offered Securities. Where an Investor has properly elected to exercise its tag-along right and the proposed transferee fails to purchase from such Investor the Offered Securities which it is entitled to sell under this tag along provision, the Transferor shall not make the proposed Transfer of the Sale Shares, and if purported to be made, such Transfer shall be void and the Company shall, to the extent it is within the reasonable control of the Company, not register any such Transfer.

- (e) In the event each of the Investors fail to deliver a Response Notice to the Promoters prior to the expiry of the Offer Period, then, upon the expiry of the Offer Period, the Transferor shall be entitled to sell and transfer the Sale Shares to the proposed transferee mentioned in the Offer Notice on the same terms and conditions and for the same consideration as is specified in the Offer Notice. Any transferee purchasing the Sale Shares shall deliver to the Transferor on or before the date of consummation of the proposed Transfer specified in the Offer Notice payment in full of the Offer Price in respect of the Sale Shares in accordance with the terms set forth in the Offer Notice. If completion of the sale and Transfer to the proposed transferee does not take place within the period of 45 (Forty five) days of the expiry of the Offer Period, the Transferor's right to sell the Sale Shares to such a party shall lapse and the provisions of this Article 139.3 shall once again apply to the Sale Shares.

For the purposes of this Article, the term "control" shall mean:

- a. The ability to appoint a majority of the Board;
- b. Being the single largest shareholder of the Company;
- c. Equity Share holding being not less than 26% (Twenty six percent) (of the then issued and paid-up share capital of the Company);
- d. the ability to control the composition or the decisions of the Board, and
- e. the possession of power to direct or cause the direction of the management and policies of the Company by virtue of the Articles of Association or an agreement or contract or otherwise.

It is clarified that if any of the conditions above is not fulfilled, then the Promoters shall be deemed to have ceased to remain in control of the Company.

139.4 Where an Investor requires prior Governmental Approvals for disposal of the Offered Securities pursuant to the CVCI Undertakings, the Baring Undertakings and the NSR Undertakings, as the case may be, then notwithstanding any other provision of such CVCI Undertakings, the Baring Undertakings and the NSR Undertakings, as the case may be, such Investor shall only be obliged to dispose of the Offered Securities once such Governmental Approval is obtained. Any period within which a transfer of the Offered Securities by such Investor has to be completed shall be extended by such further period as is necessary for the purpose of obtaining such Governmental Approval. Provided that if any of such Governmental Approval is finally withheld, then such Investor shall be deemed not to have offered to sell the Offered Securities.

139.5 The Transfer restrictions on the Promoters in the CVCI Undertaking 3, the Baring Undertaking 2, the NSR Undertaking and/or in these Articles shall not be capable of being avoided by the holding of Promoter Shares indirectly through a company or other entity that can itself be sold in order to dispose of an interest in Promoter Shares free of such restrictions. Any Transfer, issuance or other disposal of any shares (or other interest) resulting in any change in the control, directly or indirectly, of the Promoters, or of any Affiliate of any Promoter which holds, directly or indirectly,

any Equity Shares, shall be treated as being a Transfer of the Equity Shares held by the Promoter, and the provisions of these Articles, the CVCI Undertaking 3, the Baring Undertaking 2 and the NSR Undertaking, that apply in respect of the Transfer of Equity Shares shall thereupon apply in respect of the Equity Shares so held. Any Transfer or attempted Transfer of any Securities of the Company in violation of CVCI Undertakings 3, the Baring Undertaking 2, the NSR Undertaking and/or in these Articles shall be void, and, to the extent it is within the reasonable control of the Company, no such Transfer shall be recorded on the Company's books and the purported transferee in any such Transfer shall not be treated (and the purported transferor shall be treated) as the owner of such securities for all purposes.

- 139.6 Subject to the CVCI Investment Agreement, the CVCI Investors shall be entitled to deal with, dispose of, Transfer and/or Encumber all or any of the CVCI Securities together with or without their rights and / or obligations hereunder, to any other Person. Subject to the Baring Investment Agreement, Investor No. 6 shall be entitled to deal with, dispose of, Transfer and/or Encumber all or any of the Baring Securities together with or without its rights and / or obligations hereunder, to any other Person. Subject to the NSR Investment Agreement, Investor No. 7 shall be entitled to deal with, dispose of, Transfer and/or Encumber all or any of the NSR Securities together with or without their rights and / or obligations hereunder, to any other Person. No restriction shall apply in respect of any sale of shares by an Investor pursuant to the tag along right at Article 139.3 above.
- 139.7 The Promoters shall exercise the Promoter Warrants held by them in the Company in accordance with applicable Law, the CVCI Undertaking 3, the Baring Undertaking 2 and the NSR Undertaking.

140. Offer for Sale

- 140.1 Each of the Investors shall have the right at any time and from time to time, to sell all or part of their respective shareholding through a secondary offering of the CVCI Securities, Baring Securities and/or NSR Securities, as the case may be, and the Company shall, to the extent permissible in Law, render all necessary assistance for the purpose of facilitating such an exit or to participate in any such offering together with the shares held by other shareholders of the Company, if any, identified by any of the Investors (each an "**Offering Investor**"). Such right of each of the Investors shall apply whether such offering is in India or abroad, (other than offerings in the USA or to the citizens of the US) and including the sale of such shares through an issue of depository receipts (in all cases, at the option of the Investors) or through the process of Qualified Institutional Placement ("**QIP**").
- 140.2 The Company shall (to the fullest extent permitted by law) render all such assistance for the purpose of facilitating such an exit or to participate in any such offering together with the shares held by other shareholders of the Company, who have agreed to offer their securities.
- 140.3 In connection with their right to sell their shareholding, each Offering Investor shall have the right to demand that the Company register their respective securities with all regulatory authorities necessary to ensure free transferability of such shares.
- 140.4 The Offering Investors will appoint a merchant banker to prepare a prospectus and the Company shall provide all assistance for such offering.
- 140.5 The Offering Investors shall be entitled to determine the price and other terms of such offering, but without in any manner adversely affecting the value of the Company. Other than rendering necessary assistance, including rendering assistance for obtaining regulatory approvals and transferring Securities, the Company shall not be bound to ensure any exit option to any of the Offering Investors.

- 140.6 To the fullest extent permitted by Law, the Company will pay the costs and expenses incurred by each of the Offering Investors in such public offerings, (which are initiated by or at the instance of all or any of the Investors), and which expenses are of a fixed nature (not linked to the size of the issue), such as the fees and expenses of 1 (one) counsel each for each of the Offering Investors, and all registration costs, but excluding underwriter's fees and discounts and selling commissions, subject to a cap of Rs. 2,00,00,000 (Rupees two crores only).
- 140.7 To the extent permitted by Law, where a public offering is initiated by the Company or at the insistence of all or any of the Investors together with other shareholders, either the Company shall pay all the issue related expenses or appropriate the expenses amongst the Offering Investors and other shareholders in proportion of their shares divested through such public offering.

141. Accounting Standards

- 141.1 The Company shall continue to adopt the Indian GAAP.

142. Connected Person

- 142.1 All agreements and transactions between the Company and any Connected Person/Concern shall be entered into on an arms' length /market price basis.

143. Pre-emptive Rights

- 143.1 The Company agrees and undertakes not to issue any Dilution Instrument at a price lower than Rs. 48.43 (Rupees forty eight and Paise forty three only) per Equity Share/ equity-linked security. Without prejudice to the foregoing, except with (i) CVCI Consent, (ii) Baring Consent, and (iii) NSR Consent, in the event that the Company issues any Dilution Instrument at any time, then, each of the Investors shall be entitled to subscribe to such number of Dilution Instruments in proportion to its respective equity shareholding in the Company and shall also be entitled to subscribe to its *pro rata* number (calculated on the same basis after giving effect to such Investor's subscription pursuant to this Article 143.1, but not including the numbers of Equity Shares held by other shareholders not subscribing in such issuance) of any Equity Securities not subscribed for by the other shareholders.
- 143.2 Each of the Investors shall be entitled to acquire the Dilution Instruments on the terms on which the Company proposes to issue the Dilution Instruments to any other person. The Company agrees and undertakes that it shall not issue any Dilution Instrument in contravention of the provisions of Article 144.
- 143.3 In the event any of that the CVCI Investors subscribes to any Dilution Instrument, then all such newly subscribed Dilution Instruments will also be considered CVCI Securities and shall be entitled to all the rights as enjoyed by the concerned CVCI Investors under the concerned CVCI Investment Agreements. In the event that the Investor No. 6 subscribes to any Dilution Instrument, then all such newly subscribed Dilution Instruments will also be considered Baring Securities and shall be entitled to all the rights as enjoyed by Investor No. 6 under the Baring Investment Agreements. In the event that the Investor No. 7 subscribes to any Dilution Instrument, then all such newly subscribed Dilution Instruments will also be considered NSR Securities and shall be entitled to all the rights as enjoyed by Investor No. 7 under the NSR Investment Agreements. Further, in the event an Investor, at any time, wishes to convert or exercise any Dilution Instrument held by it into Equity Shares, the Company shall ensure that the

Promoters shall, promptly and diligently take all necessary steps to facilitate such conversion by such Investor and ensure that such conversion by such Investor is in compliance with all applicable Laws, including without limitation, the foreign direct investment policy of India and the regulations issued by the RBI under the Foreign Exchange Management Act, 1999.

144. Investors not to be considered Promoters

144.1 Each of the Investors shall only be minority financial investors and shall not acquire control and management of the Company. The Promoters shall continue to remain in control of the Company and continue to manage the Company. The Company will ensure that each of the Investors, shall not be considered/ classified as 'promoters' of the Company for any reason whatsoever (unless required by applicable Law) and the Company shall undertake and agree that none of the Investors shall be named or deemed as a 'promoter' in the prospectus or any other documents related to a public offering of the Company's securities or otherwise, and (b) each of (i) the CVCI Securities, (ii) the Baring Securities, and (iii) the NSR Securities are not subject to any restriction whatsoever (including that of lock-in or other restrictions) which are applicable to promoters under any applicable Law, unless such restriction is required by applicable Law. If applicable Law does not permit the abovementioned actions, the Parties shall exercise all their rights and take all actions to endeavour to achieve the objectives of this Article 144.1 in accordance with applicable Law.

145. Right to Invest

145.1 The Company hereby acknowledge that each of (i) the CVCI Investors and/or members of the respective CVCI Group, (ii) Investor No. 6 and/or members of the Baring Group, and (iii) Investor No. 7 and/or members of the NSR Group invest and may invest in numerous companies, some of which may be in competition with the Company and its Business. The Promoters and the Company confirm and acknowledge that each of (i) the CVCI Investors and/or members of the CVCI Investor Group, (ii) Investor No. 6 and/or members of the Baring Group, and (iii) Investor No. 7 and/or members of the NSR Group, as the case may be, shall not be liable for any claim arising out of, or based upon (i) the fact that they hold an investment in any Person that competes with the Company, or (ii) any action taken by any of their officers or representatives to assist any such competitive Person, whether or not such action was taken as a board member of such competitive Person, or otherwise and whether or not such action has a detrimental effect on the Company.

145.2 The Company hereby unconditionally and irrevocably consent to (i) each of the CVCI Investors and/or any member of the respective CVCI Group, (ii) Investor No. 6 and/or members of the Baring Group, and (iii) Investor No. 7 and/or members of the NSR Group, at any time and from time to time investing in the equity of any Person engaged in the same or a similar business as the Business of the Company or entering into collaborations or other agreements or arrangements with any Persons in India engaged in the same or a similar business as the Business of the Company. The Company shall from time to time at the request of any of the Investors, certify that they do not object to such investment, agreement or arrangement with such Persons and in such form as may be requested by such Investors, except that each of the Investor Director (or his alternate) must not be a director or adviser or observer to or of that other competitor company.

146. Assignment

146.1 Company

146.1.1 The Company shall neither be entitled to, nor shall it purport to, assign, Transfer, charge or otherwise deal with all or any of its rights and/or obligations under the CVCI Investment Agreements, Baring Investment Agreements, NSR Investment Agreement or these Articles nor grant, declare, create or dispose of any right or interest in it, in whole or in part.

146.2 **CVCI Investors**

146.2.1 Each of the CVCI Investors shall be entitled to assign any of their rights and/or Transfer its obligations hereunder and/or under the concerned CVCI Investment Agreements and the concerned CVCI Undertakings to any Permitted Transferee. For this purpose, the Parties shall execute such deed of adherence or other document as may be requested by the CVCI Investors, which will entitle the relevant members of the CVCI Investor Group to the benefits of the relevant CVCI Investment Agreements and the relevant CVCI Undertakings and the rights of the relevant CVCI Investors hereunder.

146.2.2 In relation to any rights available under the CVCI Investment Agreements or these Articles on the basis of the number of Equity Shares or the percentage of the Company's share capital held by the CVCI Investors, the concerned CVCI Investors shall be entitled, at their sole discretion, to aggregate the Equity Shares held by any member(s) of the relevant CVCI Investor Group with those held by the relevant CVCI Investors.

146.2.3 Any of the rights of the CVCI Investors under the CVCI Investment Agreements may be exercised only by any one (representing all of them) of the concerned CVCI Investors who are parties to such CVCI Agreement or by one of the Permitted Transferees of the concerned CVCI Investors or only by any one investor or prospective investor in its Permitted Transferees.

146.2.4 Each of the CVCI Investors shall have the right, at its discretion, to sell and assign their rights under all or any of the CVCI Agreements and the CVCI Undertakings, including the right to a Board representation, to another investor or investors provided the incoming investor(s) shall hold a minimum shareholding of 5% (Five percent) of the entire issued share capital of the Company or CVCI Securities representing such 5% (taking into account all Dilution Instruments held by the CVCI Investors on an as converted or exercised basis).

146.2.5 Until exercise of the CVCI Warrants, for the purpose of their rights hereunder (other than voting rights), the Investor No. 4 and Investor No. 5 shall be deemed to hold the CVCI Subscription Shares.

146.3 **Investor No. 6**

146.3.1 The Investor No. 6 shall be entitled to assign any of its rights and/or Transfer its obligations hereunder and/or under the Baring Investment Agreements and the Baring Undertakings to any to any Permitted Transferee or to any investor or prospective investor in their Permitted Transferees. For this purpose, the Parties shall execute such deed of adherence or other document as may be requested by the Investor No. 6.

146.3.2 In relation to any rights available under the Baring Agreements or these Articles on the basis of the number of Equity Shares or the percentage of the Company's share capital held by an Investor No. 6, the Investor No. 6 shall be entitled, at its sole discretion, to aggregate the Equity Shares held by any member(s) of the Baring Group with those held by the Investor No. 6.

146.3.3 Any of the rights of the Investor No. 6 under the Baring Agreement may be exercised by any one (representing all of them) of Permitted Transferees of Investor No.6.

146.3.4 The Investor No. 6 shall have the right, at its discretion, to sell and assign similar rights, including

the right to a Board representation, to another investor or investors provided the incoming investor(s) shall hold a minimum shareholding of 5% (Five percent) (calculated on a Fully Diluted Basis) of the entire issued share capital of the Company.

146.3.5 The rights granted under Articles 146.3.1 to 146.3.5, shall be subject to the restriction imposed under Article 138 (*Transfer of Securities*)

146.4 Investor No. 7

146.4.1 The Investor No. 7 shall be entitled to assign any of its rights and/or Transfer its obligations hereunder and/or under the NSR Investment Agreement and the NSR Undertaking to any Permitted Transferee or any Person or to any investor or prospective investor in their Permitted Transferees or any Person. For this purpose, the Parties shall execute such deed of adherence or other document as may be requested by the Investor No.7.

146.4.2 In relation to any rights available under the NSR Investment Agreement, the NSR Undertaking and these Articles on the basis of the number of Equity Shares or the percentage of the Company's share capital held by the Investor No.7, the Investor No.7 shall be entitled, at its sole discretion, to aggregate the Equity Shares held by any member(s) of the NSR Group with those held by the Investor No.7.

146.4.3 Any of the rights of the Investor No.7 under the NSR Investment Agreement, the NSR Undertaking or these Articles may be exercised by any one (representing all of them) of the Permitted Transferees or Person of Investor No.7 or by any investor or prospective investor in its Permitted Transferees or any Person.

146.4.4 The Investor No. 7 shall have the right, at its discretion, to sell and assign similar rights, including the right to a Board representation, to another investor or investors provided the incoming investor(s) shall hold a minimum shareholding of 5% (Five percent) of the entire issued share capital of the Company.

146.4.5 The rights granted under Articles 146.4.1 to 146.4.4, shall be subject to the restriction imposed under Article 138 (*Transfer of Securities*)

147. Subsidiaries

147.1 The provisions of each of (i) the CVCI Investment Agreements, (ii) the Baring Investment Agreements, and (iii) the NSR Investment Agreements shall apply *mutatis mutandis* to all Subsidiaries of the Company and the Company shall procure that the Subsidiaries act in accordance with the CVCI Investment Agreements, the Baring Investment Agreements, and the NSR Investment Agreements. It is clarified that none of the Investors shall be required to hold any shares of the Subsidiaries to extend the provisions of the CVCI Investment Agreements, the Baring Investment Agreements, and the NSR Investment Agreements and these Articles to the Subsidiaries.

148. Compliance with Environmental Laws

148.1 The operating facilities of the Company and its Subsidiaries will be built and operated in compliance with all applicable Environmental Laws and worker safety regulations and with due regard for the environment and health and safety of its workers.

149. Information Rights

149.1 The Company shall prepare: (i) on a yearly basis, an Annual Budget for each Financial Year at

least 21 (twenty one) days prior to the commencement of such Financial Year, and (ii) on a rolling quarterly basis, a capital budget and a revenue budget in each case, containing such details as has been agreed to by the Company and (iii) on or before within 60 (sixty) days from the Completion Date, a Revised Budget for the Financial Year 2009-2010. The Company may, with the consent of the Investors, extend the time to prepare and deliver the Annual Budget and the Revised Budget. All such budgets shall be subject to the Board's approval. The Company shall and shall ensure that the Associate Companies or its Subsidiaries shall adhere to such budgets.

- 149.2 The Company, its Associate Companies or its Subsidiaries shall not make any capital commitment unless the entire funding for the same has been arranged and is available either in (i) immediate funds or (ii) pursuant to in principle approvals from lenders (and the conditions contained therein can be met by the Company, in the opinion of the Board) at the time of the approval of the quarterly capital budget.
- 149.3 As part of its initiative to enhance and maintain high standards of reporting and corporate communication systems, the Company shall organise, at regular intervals, presentations to the Board, shareholders and analysts as may be directed by the Board.
- 149.4 The Investors shall receive such information as they may be entitled to under applicable Law. The Directors shall receive such information as requested by the Investors and/or as per applicable Law.
- 149.5 The Company shall publish any unpublished price sensitive information before providing it to the Investors. The Company may suspend the information rights under this Article, for the duration of the time the Board withholds publication of price sensitive information in the best interests of the Company.
- 149.6 The Investors shall be entitled to share information received from the Company (which is not unpublished price sensitive information) with its Affiliates and Permitted Transferees and all partners and investors and potential investors in such Permitted Transferees.
- 149.7 The Company and each of the Subsidiaries shall give full access to the Investors and their authorized representatives (including lawyers, accountants, auditors and other professional advisors) to visit and inspect all properties, assets, corporate, financial and other records, reports, books, contracts and commitments of the Company and the Subsidiaries, and to discuss and consult its business, actions plans, budgets and finances with the directors and executive officers of the Company and the Subsidiaries. All costs of such inspections shall be borne by the Company and/or the Subsidiaries if, as a result of such inspection, any breach of law or the Investment Agreement is discovered.
- 149.8 The Company will confirm to the CVCI Investors once each year the following:
- (a) The Company has no credit relationships with the Specified Group, or if it does have a credit relationship with the Specified Group, the nature of the relationship, the amount of credit extended and the CVCI Group entity extending the credit. (i) For the purpose of this Article, "Credit relationships" include loans, guarantees, letters of credit, as well as less obvious relationships, such as any car leases, corporate credit cards and deposit account overdraft lines and (ii) "**Specified Group**" means the entities in respect of which the Company has agreed to provide such confirmation under the CVCI Investment Agreements.
 - (b) That the Company and Specified Group do not market the other's products/services to their respective customers.

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

Names, Descriptions Address and Occupation of Subscribers	Number of Equity Shares (in words and Figures)	Signature of Subscribers the Subscribers	Name, Address and Occupation of witnesses to
OM PRAKASH GARG S/o Late Shri Totaram Garg Tilak Road, Duttapura, MORENA (M.P.) (Business)	25 (Twenty Five)	Sd/- (O. P. Garg)	
Sd/-			Witness to both Subscribers.
GWALIOR			(RADHE SHYAM RATHI) S/o L. Shri V. D. Rathi Sarafa Road, Chartered Accountant
GOPAL DAS GARG S/o Late Shri Totaram Garg Tilak Road, Duttapura, MORENA (M.P.) (Business)	25 (Twenty Five)	Sd/- (Gopal Das Garg)	
TOTAL =	50 (Fifty Equity Shares only)		

Date: 23rd Nov., 85