

NOTE: By a Special Resolution passed by way of a postal ballot, the results of which were declared on [●], these articles were adopted as the Articles of Association (“**Articles**”) of the Company in substitution for and to the exclusion of all the existing Articles thereof.

THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES

Articles of Association

of

[ESCORTS KUBOTA LIMITED]¹ (“COMPANY”)

Part A

1	The Regulations contained in Table F, in the First Schedule to the Companies Act, 2013, or in the schedule to any previous Companies Act, shall apply to this Company, so far as they have been impliedly or expressly modified by what is contained in the Articles hereinafter mentioned under the regulations for the management of the Company and for the observance of Members thereof and their representatives, shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of, addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 2013, be such as are contained in these Articles.	Table F not to apply but Company to be governed by the Articles
INTERPRETATION		
2	In the interpretation of these Articles the following expressions shall have the following meanings, unless repugnant to the subject or context :-	Interpretation Clauses
	"The Company" or "this Company" means Escorts Limited.	"The Company" or "this Company"
	"The Act" means "the Companies Act, 2013" or any statutory modification or re-enactment thereof for the time being in force.	"The Act"
	"Auditors" means and includes those persons appointed as such for the time being by the Company.	"Auditors"
	"Board" or “Board of Directors”, in relation to a Company, means the collective body of Directors of	"Board"

¹ Subject to availability of the name and approval of the Shareholders, Central Registration Centre and Registrar of Companies.

	the Company and includes any committee thereof.	
	Words importing the masculine gender also include the feminine gender.	"Gender"
	“Chairman” shall mean and include the word “Chairperson”.	
	"In writing "and "written" include printing, lithography and other modes of representing or reproducing words in a visible form.	" In writing" and "Written"
	The marginal notes and catch lines hereto shall not affect the construction hereof.	Marginal notes" and "Catch Lines"
	"General Meeting" means a meeting of Members.	"General Meeting"
	"Annual General Meeting" means a General Meeting of the members duly called and held in accordance with the provisions of Section 96 of the Act.	"Annual General Meeting"
	"Extraordinary General Meeting" means Extraordinary General Meeting of the Members duly called and any adjourned holding thereof.	"Extraordinary General Meeting"
	"Month" means a calendar month	"Month"
	"Office" means Registered Office for the time being of the Company.	"Office"
	"Paid up" includes credited as paid up.	"Paid up"
	"Persons" includes corporations and firms as well as individuals.	"Persons"
	"Register of Members" means the" Register of Members to be kept pursuant to the Act.	"Register of Members"
	"The Registrar" means the Registrar of Companies.	"The Registrar"
	"Company's Regulations" means the Regulations for the time being for the management of the Company.	"Company's Regulations"
	"Seal" means the Common Seal for the time being of the Company.	"Seal"
	Words importing the singular number include, where the context admits or requires, the plural number and vice versa.	"Singular Number"
	"Beneficial Owner" means a person or persons whose name is recorded as such with a Depository.	"Beneficial Owner"
	"Depositories Act" means the Depositories Act, 1996 and shall include any statutory modification(s)	"Depositories Act"

	or reenactment thereof for the time being in force.	
	"Depository" shall mean a Depository as defined under clause (e) of sub section (1) of Section 2 of the Depositories Act, 1996.	" Depository"
	"Securities" means Securities as defined in Section 2(h) of Securities Contracts (Regulations) Act, 1956.	"Securities"
	Unless the context otherwise requires, words or expressions contained in these articles shall bear the same meaning as defined in the Act.	
CAPITAL AND INCREASE AND REDUCTION IN CAPITAL		
3	Subject to the provisions of the Act and these articles, the Authorised Share Capital of the Company shall be of such amount and be divided into such shares as may be provided in clause V of the Memorandum of Association of the Company, from time to time. The Board of Directors shall have the power to classify them into any class of shares and/ or any denomination, as the Board of Directors may decide.	Amount of the Capital
4	Subject to the provisions of the Act, the company may, from time to time, by members' resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.	Increase of Capital of the Company and how carried into effect
5	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the capital of the Company as for payment or part payment for any property or assets of any kind whatsoever, sold or to be sold or to be transferred or for goods or machinery supplied or to be supplied or for services rendered or to be rendered or for technical assistance or know how made or to be made available to the Company or the conduct of its business and shares which may be so allotted may be issued as fully or partly paid up otherwise than in cash and if so issued, shall be deemed to be fully or partly paid up as the case may be.	Allotment otherwise than cash
6	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares	New Capital same as existing capital

	ranking <i>pari passu</i> therewith.	
7	Subject to the provisions of Section 55 of the Act the Company shall have the power to issue preference shares which are or at the option of the Company are to be liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and condition of redemption.	Redeemable Preference Shares
8	The Company may (subject to the provisions of Sections 52, 55, 66 and any other provisions of the Act) from time to time by Special Resolution, reduce its capital and any Capital Redemption Reserve Fund or other premium account in any manner for the time being authorised by law.	Reduction of Capital
9	Subject to the provisions of section 61, the company may, by ordinary resolution,— (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.	Sub-division and consolidation of shares
10	Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of shares, all or any of the rights, and privileges attached to each class may subject to the provisions of Section 48 of the Act may be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or by means of a special resolution passed at a separate meeting of the holders of the issued shares of that class and all the provisions hereinafter contained as to General Meeting shall, Mutatis-mutandis apply to every such meeting This Article is not to derogate from any power the Company would have if this Article were omitted.	Modification of Rights

SHARES AND CERTIFICATES		
11	The Company shall cause to be kept a Register and Index of Members in accordance with Section 88 of the Act.	Register and Index of Members
12	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner herein before mentioned no share shall be subdivided.	Shares to be numbered progressively and no share to be sub-divided
13	The Board shall observe the restrictions as to allotment of shares to the public contained in Section 39 of the Act, and shall cause to be made the returns as to allotment provided for in Section 39 of the Act.	Restriction on allotment
14	Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Directors who may allot or otherwise dispose off the same to such persons on such terms and conditions and such times as the Directors think fit.	Shares under control of directors
15	Where the Board decides to increase the capital of the Company by the issue of new shares, then subject to any directions to the contrary which may be given by the Company in General Meeting, and subject only to those directions such new shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date; and such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than 15 days and not exceeding 30 days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the persons to whom such notice is given that he declines to accept the shares offered, the Board may dispose them off in such a manner as they think most beneficial to the Company.	Further issue of Capital
16	The Company shall, subject to the provisions of the Act, compliance with all applicable laws, rules and regulations and consent of the Board, have power to issue ADRs, GDRs, FCCBs and any other security, on such terms and conditions and in such manner as the Board may deems fit, including their conversion and repayment. Such term(s) may include at the discretion of the	ADR/GDR/FCCBS and other Securities

	Board, limitations on voting by holders of ADRs or GDRs, in accordance with the directions of the Board.	
17	In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 14 and 15, the Company in General Meeting may determine that any shares (Whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or not) in such proportion and on such terms and conditions, (subject to the provisions of Sections 52 and 53 of the Act) either at a premium or at par or at a discount, as such General Meeting shall determine and with full power to give any person (whether members or not) the option to call for or be allotted shares of any class of the Company (subject to the provisions of Sections 52 and 53 of the Act) either at a premium or at par or at a discount, such options being exercisable at such terms and for such consideration as may be directed by such General Meeting of the Company.	Power also to Company in General Meeting to issue Shares
18	Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is on the Register of Members, shall, for the purpose of these Articles, be a Member.	Acceptance of shares
19	The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the inscription of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.	Deposit and calls etc. to be a debt payable immediately
20	Every member, or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times and in such manner, as the Board shall, from time to time, in accordance with the Company's regulations require or fix for payment thereof.	Liability of Members

21	<p>Every Person whose name is entered as a member in the Register of Members shall be entitled to receive, within such time as prescribed under the Act, after allotment/ transfer: a. One certificate for all the shares without payment of any charges or several certificates, each for one or more of his shares, upon payment of such sum as may be decided by the Board for each certificate after the first.</p> <p>(a) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon.</p> <p>(b) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of the certificate for a share to one of the several joint holders shall be sufficient delivery to all such holders.</p> <p>(c) If a share certificate is defaced, lost or destroyed, a duplicate certificate may be issued on payment of such fee as may be decided by the Board but not exceeding the amount prescribed under the Act, and on such terms, if any as to evidence and indemnity and the payment of out of pocket expenses incurred by Company in investigating evidence, as the Board think fit.</p>	Share Certificate
22	<p>If there is no further space on the reverse of a share certificate for endorsement of transfer, it shall, on request, be replaced by a new certificate, free of cost, but a renewal of certificates in the case of certificates worn out, torn through, defaced, destroyed or lost, shall be made on payment of such charge not exceeding one rupee as may from time to time be prescribed by the Board; provided however that such new certificates shall not be granted except upon delivery up of the worn out, torn through or defaced or used up certificate for the purpose of cancellation, or upon proof of destruction or loss, such indemnity as the Board may require in the case of the certificate having been destroyed, lost or defaced beyond identification. Any renewal certificate shall be marked as such.</p> <p>The provisions of Article 21 & 22 shall mutatis mutandis apply to Debentures of the Company.</p>	Renewal of Certificate
23	<p>If any share stands in the names of two or more persons, the person first named in the Register of Members shall as regards receipt of dividends or bonus or service of notices and all or any other matter connected with the Company, except voting</p>	The first named of joint holder deemed sole holder

	at meetings, and the transfer of the shares, deemed the sole holder thereof but the joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share, and for all incidents thereof according to the Company's regulations.	
24	Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.	Company not bound to recognise any interest in share other than that of registered holder
25	Notwithstanding anything contained in these Articles but subject to the provisions of Sections 68, 69 and 70 and any other applicable provisions of the Act, Securities and Exchange Board of India Guidelines, Rules, Regulations and any other law for the time being in force, the Company may purchase its own shares or other specified securities.	Purchase of it's own Securities
26	Notwithstanding anything contained in these Articles but subject to the provisions of Section 54 and any other applicable provisions of the Act and/or any law for the time being in force, the Board of Directors may from time to time issue Sweat Equity Shares.	Sweat Equity Shares
27	Except as provided in the Articles and save as provided in Sections 67, 68 or any other applicable provisions of the Act, none of the funds of the Company shall be applied in the purchase of any shares of the Company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding Company.	Funds of the Company may not be applied in purchase of shares of the Company
28	Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act.	Dematerialization of Securities
29	Every Person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by the law, in respect of any security in the manner provided by the	Option to investors

	<p>Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificate of Securities.</p> <p>If a person opts to hold his/her security with a Depository, the Company shall intimate such Depository the details of allotment of the security and on receipt of the information the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.</p>	
30	All securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Section 89 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.	Securities in Depositories to be in fungible form
31	<p>(a) Notwithstanding anything to the contrary contained in the Act, or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.</p> <p>(b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.</p> <p>(c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his/her securities which are held by a Depository.</p>	Rights of Depositories and Beneficial Owners
32	Notwithstanding anything contained in the Act or these Articles to the contrary, where securities are held in Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs or otherwise permitted by law for the time being in force.	Service of Documents
33	Nothing contained in Section 56 of the Act or these 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.	Transfer of Securities

34	Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.	Allotment of Securities with a Depository
35	Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to the securities held with a Depository.	Distinctive Numbers of Securities held in a Depository
36	The Register and Index of beneficial owners maintained by a Depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members.	Register and Index of Beneficial Owners
UNDERWRITING AND BROKERAGE		
37	<p>(i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.</p> <p>(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.</p> <p>(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.</p>	Commission may be paid
CALLS		
38	<p>The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their 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.</p> <p>Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.</p> <p>The company may accept from any member, the whole or a part of the amount remaining unpaid on any shares held by him, even if no part of that amount has been called up.</p>	Directors may make calls

39	Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.	Notice of calls
40	A call shall be deemed to have been made at time when the resolution authorising such call was passed at a meeting of the Board.	Calls to date from resolution
41	A call may be revoked or postponed at the discretion of the Board, but no Member shall be entitled to such extension save as a matter of grace and favour.	Directors may extend time
42	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board; but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	Call to carry interest
43	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder at or subsequent to the date at which the money sought to be recovered is alleged to have become due, on the shares in respect of which such money is sought to be recovered, that the resolution making the call is duly recorded in the minute book; and the notice of such call was duly given to the Member or his representatives sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of matters aforesaid shall be conclusive of the debt.	Proof on trial of suit for money due on Share
44	Neither the receipt by the Company of a portion of any money which all from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.	Partial payment not to preclude forfeiture

45	The Board may, if thinks fit, agree to and to receive from any Member willing to advance the same, all or any part of the amounts of his shares beyond the sums actually called up; and upon the moneys so paid in advance, or upon so much thereof, from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board may pay or allow interest at such rate as the Member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the member three months notice in writing.	Payment in anticipation of calls may carry interest
46	The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of the sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that Article 24 hereof is to have full effect. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.	Company's lien on shares
47	For the purpose of enforcing such lien the Board may sell the shares subject thereto in such manner as they think fit but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such member, his executors or administrators or his committee or other legal representatives as the case may be and default shall have been made by him or them in the payment of the sum payable as aforesaid for fourteen days after the date of such notice.	As to enforcing lien by sale
48	<p>(i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.</p> <p>(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.</p>	Application of proceeds of sales
49	<p>(i) To give effect to any sale under Article 48, the Board may authorise some person to transfer the shares sold to the purchaser thereof.</p> <p>(ii) The purchaser shall be registered as the holder</p>	Validity of Sales in Exercise of Lien and after Forfeiture

	<p>of the shares comprised in any such transfer.</p> <p>(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.</p>	
50	Where any shares under the powers in the behalf herein contained are sold by the Board and the certificate in respect thereof has not been delivered upto the Company by the former holder of such shares, the Board may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered up.	Board of Directors may issue new Certificates
FORFEITURE OF SHARES		
51	If any Member fails to pay any call or installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter during such time as the call or installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.	If money payable on share not paid, notice to be given to Member
52	The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state, that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable, will be liable to be forfeited.	Terms of Notice
53	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter before payment of all calls or installment, interest and expenses due in respect thereof, be forfeited, by a resolution of the Board to that effect.	In default of payment, shares to be forfeited
54	When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members.	Notice of forfeiture to a Member
55	Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted,	Forfeited shares to be property of Company and may

	or otherwise disposed off, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board thinks fit.	be sold etc.
56	<p>(i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.</p> <p>(ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.</p>	Member still liable to pay money owing at time of forfeiture and interest
57	The forfeiture of a share shall involve extinction, at the time of the forfeiture of all interest in and all claims and demands against the Company, in respect of the shares and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	Effect of Forfeiture
58	<p>Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given-</p> <p>(i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;</p> <p>(ii) 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;</p> <p>(iii) The transferee shall thereupon be registered as the holder of the share; and</p> <p>(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.</p>	Validity of sale under Articles 47 and 55
59	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates issued in respect of the relative shares sold shall stand cancelled and become null and void and of no effect, and the directors shall be entitled to issue a	Directors may issue new certificates

	new certificate or certificates in respect of the said shares to the persons entitled.	
60	At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	Power to annul forfeiture
61	The provisions of these Company's regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	Forfeiture to apply in case of non-payment
TRANSFER AND TRANSMISSION OF SHARES		
62	The Company shall keep a "Register of Transfers".	Register of transfers
63	Every such instrument of transfer shall be executed both by transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.	To be executed by the Transferor and the Transferee
64	On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers 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 thirty days at any one time or for more than forty-five days in the aggregate in any year.	Transfer books when closed
65	The Directors may decline register any transfer of shares not fully paid up or on which the Company has a lien. They may also decline to register a transfer of shares to a transferee of whom they do not approve. In all cases in which the Directors refuse to register a transfer of shares they shall, within two months after the date on which transfer was lodged with the company, send to the party lodging the shares for transfer notice of such refusal.	Director may refuse to register transfer
66	Notwithstanding anything contained in any other provisions of the Articles of Association, where any instrument of transfer of such shares has been	Rights to dividend, right shares and bonus shares to be held in abeyance pending registration

	<p>delivered to the Company for registration and the transfer of shares has not been registered by the Company, the provisions of Section 126 of the Act shall apply in regard to right to dividend in relation to such shares; also any offer of right shares and any issue of fully paid up bonus shares in relation to such shares shall be kept in abeyance in accordance with the provisions of the said section.</p>	of transfer of shares
67	<p>(i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.</p> <p>(ii) Nothing in 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.</p>	Death of one or more joint holder of shares
68	<p>(i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—</p> <p>(a) to be registered himself as holder of the share; or</p> <p>(b) to make such transfer of the share as the deceased or insolvent member could have made.</p> <p>(ii) 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 transferred the share before his death or insolvency.</p>	Title to shares of deceased Member
69	<p>(i) 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.</p> <p>(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>(iii) All the limitations, restrictions and provisions of these Company's regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice</p>	Certificate from Controller of estate duty when required

	<p>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.</p>	
70	<p>A person becoming entitled to a share by reason of the 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, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:</p> <p>Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.</p>	Registration as Member entitled to shares otherwise than by transfer
71	<p>The Board may decline to recognise any instrument of transfer unless—</p> <p>(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;</p> <p>(b) 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 the transferor to make the transfer; and</p> <p>(c) the instrument of transfer is in respect of only one class of shares.</p>	Transfer to be presented with evidence of title and conditions of registration of transfer
72	<p>No fee shall be payable to the Company in respect of transfer or transmission of any share(s) in the Company.</p>	Fee on transfer or Transmission
73	<p>The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of share made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting</p>	The Company not liable for disregard of a notice prohibiting registration of a transfer

	<p>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 so, though it may have been entered or referred to in some books of the Company ; but the Company shall, nevertheless, be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.</p>	
74	<p>Copies of Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every Member at his request on payment of such sum as may be prescribed under the Act or as may be decided by the Board.</p>	<p>Copies of Memorandum and Articles of Association to be sent to members</p>
<p>BORROWING POWERS</p>		
75	<p>Subject to the provisions of Section 179, 180 and other applicable provisions of the Act and of these Articles the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board, accept deposits from members, either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the Company.</p>	
76	<p>The payment or re-payment 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 by the Board by the issue of debentures or debenture stock of the Company, charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being; and debentures, debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.</p>	
77	<p>Any debentures, debenture stock or other securities may be issued at a discount, premium or otherwise and may be issued on conditions that shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at General Meetings, appointment of Directors and otherwise, Debentures with the right to conversion into or</p>	<p>Terms of issue of Debentures</p>

	allotment of shares shall be issued only with the consent of the Company in General Meeting.r	
78	The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company; and shall cause the requirements of the Act in that behalf to be duly complied with, so far as they fall to be complied with by the Company.	Register of Mortgages etc. to be kept
79	The Company shall, if at any time it issues debentures, keep a Register and Index of Debenture holders in accordance with Section 88 of the Act.	Register and Index of Debenture holders

CONVERSION OF SHARES INTO STOCK

80	<p>Where shares are converted into stock,—</p> <p>a. the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:</p> <p>Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.</p> <p>b. the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.</p> <p>c. such of the Company's regulations as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those Company's regulations shall include "stock" and "stock-holder" respectively.</p>	Shares may be converted into stock and Rights of Stock Holders
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MEETING OF MEMBERS		
81	The Company shall in each year hold General Meeting as its Annual General Meeting in addition to any other meeting in that year in accordance with the provisions of the Companies Act, 2013 & rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force).	Annual General Meeting
82	Subject to the provisions of the Act and any other Law, any Notification, Circular issued by the Central Government or any other Government authority/department, the shareholder(s) of the Company may participate in the General meeting(s) of the Company through Electronic Mode/video conferencing or any other mode permissible from time to time.	Participation by shareholders in the General meeting through Electronic Mode
83	Subject to the provisions of Section 100, the Board may, whenever, it thinks fit, call an Extraordinary General Meeting and shall do so upon a requisition in writing by any Member or Members holding in the aggregate not less than one tenth of such of the paid up capital of the Company as at that date carries the right of voting in regard to the matter in respect of which the requisition has been made.	Extraordinary General Meeting
84	(i) 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. (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in Section 103.	Quorum at General Meeting
85	Subject to the provisions of the Act, if, at the expiration of half an hour from the time appointed for the Meeting a quorum of Members, shall not be present, the meeting, if convened by or upon the requisition of Members shall stand cancelled, but in any other case it shall stand adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place, as the Board may determine.	If Quorum not present meeting to be dissolved and adjourned
86	The Chairman or in his absence the Managing Director of the Company shall be entitled to take the chair at every General Meeting whether Annual or Extraordinary. If there be no such Chairman or Managing Director, or if at any Meeting neither of	Chairman of General Meeting

	them be present within fifteen minutes of the time appointed for holding such Meeting then Members present shall elect another Director as Chairman and if no Director be present or if all the Directors present decline to take the chair, then the Members present shall elect one of their member to be Chairman.	
87	No business shall be discussed at any General Meeting except the election of a Chairman, whilst the chair is vacant.	Business confined to election of Chairman whilst chair is vacant
88	The Chairman with the consent of the Meeting may adjourn any Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place.	Chairman with consent may adjourn Meeting
89	In case of equality of votes the Chairman shall both on a show of hands and at a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.	Chairman's casting vote
VOTE OF MEMBERS		
90	No Member shall be entitled to vote either personally or by proxy at any General Meeting or meeting of any class of shareholders either upon a show of hands or upon a poll whilst any money is due from him, alone or jointly, to the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him, have not been paid or in regard to which the Company has, and has exercise, any right of lien.	Members in arrears not to vote
91	Subject to the provisions of the Act and Article 101 every Member shall be entitled to be present, and to speak and vote at such Meeting, and on a show of hands every Member present in person shall have one vote and upon a poll every Member present in person or by proxy shall have one vote for every share held by him either alone or jointly with any other person or persons. Provided, however, if any preference shareholder be present at any Meeting of the company, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares. No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the company has	Number of votes to which Members entitled

	exercised any right of lien.	
92	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; if any Member be minor, the vote in respect of his share shall be by his guardian or anyone of his guardians if more than one, to be elected in case of dispute by the Chairman of the Meeting.	How Members of unsound mind and minor may vote
93	If there be joint registered holders of any shares, anyone of such persons may vote at any Meeting either in personally or by proxy in respect of such shares, as if he were solely entitled thereto, provided that, if more than one of such joint holders be present at any Meeting either personally or by proxy, the vote of the senior who tenders a vote shall alone be accepted in respect of such shares but the other or others of the joint holders shall be entitled to be present at the Meeting. Several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these Articles be deemed joint holders thereof.	Votes of joint Members
94	No Member present only by proxy shall be entitled to vote on a show of hands, unless such Member is a corporation, present by a proxy who is not himself a Member, in which case such proxy shall have a vote on the show of hands as if he was a Member.	No proxy except for a corporation to vote on a show of hands
95	The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or notarially certified copy of that power or authority, shall be deposited at the office not less than forty eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a 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 as valid .	Deposit of instrument of appointment
96	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	Form of proxy
97	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such- proxy was signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at	Validity of vote given by proxy not withstanding death of Member

	the office before the Meeting.	
98	No objection shall be made to validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting or poll shall be deemed valid for all purposes of such Meeting or poll whatsoever.	Time for objections of votes
99	The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.	Chairman of any Meeting to be the judge of validity of any vote
100	The Company shall cause to be kept minutes of all proceedings of General Meetings which shall contain a fair and correct summary of the proceedings there at and a book containing such minutes shall be kept at the office of the Company and shall be open, during business hours for such periods not being less in the aggregate than two hours in each day as the Directors may determine; to the inspection of any Member without charge. Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the Meeting, (a) is, or could reasonably be regarded as defamatory of any person, (b) is irrelevant or immaterial to the proceedings or (c) is detrimental to the interest of the Company. The Chairman of the Meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds. Any such minutes, if purporting to be signed by the Chairman of the Meeting at which the proceedings took place or by the Chairman of the next succeeding Meeting, shall be prima facie evidence of the proceedings.	Minutes of General Meeting and inspection thereof by Members
101	Unless otherwise determined by a General Meeting and subject to Section 149 of the Act, the number of directors shall not be less than three and not more than fifteen.	Number of Directors
102	Subject to the provisions of Section 149 of the Act, and rules made thereunder, the Company may have a woman director.	Woman Director
103	Subject to the provisions of Section 151 of the Act and rules made thereunder, the Company may either on its own or on requisition of such number of small	Small Shareholder's Representative Director

	shareholders as may be provided under the Act, have one director representative of small shareholders in such manner and with such terms and conditions as may be prescribed.	
104	Subject to provisions of Section 161, the Board may appoint an alternate director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An alternate Director appointed under this Article shall vacate office if and when the original director returns to India. If the terms of office of the Original Director is determined before he so returns to India, any provision in the said Act or in these articles for the automatic re- appointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the alternate Director.	Appointment of Alternate Director
105	<p>Subject to provisions of Section 152, 161 and 169 (7) of the Act, the Board of Directors may appoint any person other than a person who fails to get appointed as a director in a general meeting, as an additional director at any time who shall hold office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier and any person so appointed shall retain his office only until the next Annual General Meeting.</p> <p>If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board and the director so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated.</p>	Additional Director and Casual Vacancy of Director(s)
106	A Director shall not be required to hold any qualification shares.	Qualification Shares
107	Each Director Shall be entitled to receive such sitting fee for every meeting of the Board or committee thereof attended by him, as may be determined by the Board, not exceeding such sum as may be prescribed by the Act or the Central Government from time to time. He Shall also be reimbursed the expenses for attending the meeting on actuals.	Sitting fees of Directors
108	Subject to the provisions of Section 197 of the Act, if any Director be called upon to perform extra services or make special exertions or efforts (which expression shall include work done by a Director	Special Remuneration of Director performing extra service

	as a member of any Committee formed by the Directors) the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by fixed sum or otherwise as may be determined by the Board.	
109	If any Director be called upon to go or reside out of the State where the Registered Office is situated for the Company's business and if any Director who has a usual place of residence outside the State where the Registered Office is situated is called upon to come to the State where the Registered Office is situated for company's business or if such Director is required to go to any other station directly from his usual place of residence he shall be entitled to be repaid any travelling or other expenses incurred in connection with the business of the Company.	Expenses incurred by a Director for going out on Company's business
110	The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by the Articles of the Company as necessary quorum of Directors the continuing Director or Directors may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.	Directors may act notwithstanding vacancy
111	Subject to Section 167 and 188 of the act the office of a Director shall be vacated if: <ul style="list-style-type: none"> i. he incurs any of the disqualifications specified in section 164; ii. he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board; iii. he acts in contravention of the provisions of section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested; iv. he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184; v. he becomes disqualified by an order of a court or the Tribunal; vi. he is convicted by a court of any offence, whether involving moral turpitude or otherwise 	When office of Directors to be vacated

	<p>and sentenced in respect thereof to imprisonment for not less than six months:</p> <p>Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;</p> <p>vii. he is removed in pursuance of the provisions of this Act;</p> <p>viii. he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.</p>	
112	<p>A Director or his relative, a firm in which such Director or relative is a partner, any other partner in such a firm, or a private Company of which the Director is a member or Director may enter into any contract with the Company for the sale, purchase or supply of goods, materials, services or for underwriting the subscription of any shares in or debentures of the Company provided that the sanction of the Board is obtained by a resolution passed at its Meeting before or within two months of the date on which the contract is entered into in accordance with Section 188 of the Act. No sanction, however, shall be necessary to any any transactions entered into by the company in its ordinary course of business other than transactions which are not on an arm's length basis... The director, so contracting or being so interested, shall not be liable to the Company for any profit realised by any such contract by reason of such Director holding that office, of the fiduciary relation thereby established, but it is declared that the nature of his interest must be disclosed by him at a meeting of the Board at which the contract is determined, if his interest then exists, or in any other case at the first meeting of the Board after the acquisition of his interest.</p>	Director may contract with Company
113	<p>(1) For the purposes of Article 128, a general notice given to the Board by a director at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding, in such manner as may be</p>	Disclosure of interest

	<p>prescribed.</p> <p>(2) Every director of a company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into—</p> <p>(a) with a body corporate in which such director or such director in association with any other director, holds more than two per cent. shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or</p> <p>(b) with a firm or other entity in which, such director is a partner, owner or member, as the case may be,</p> <p>shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting.</p>	
114	<p>No Director shall act as a Director, take any part in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided that the Board, or any of its number, may vote on any contract if indemnity against loss which it or anyone or more of its number, may suffer by reason of becoming or being sureties or surety of the Company. Nothing in this Article shall apply to:</p> <p>(a) shall be taken to prejudice the operation of any rule of law restricting a director of a company from having any concern or interest in any contract or arrangement with the company;</p> <p>(b) shall apply to any contract or arrangement entered into or to be entered into between two companies where any of the directors of the one company or two or more of them together holds or hold not more than two per cent. of the paid-up share capital in the other company.</p> <p>This Article is subject to the provisions of Section 184 of the Act.</p>	Interested Director not to participate or vote in Board's proceedings
115	The Company shall keep a register in accordance with Section 189 of the Act in which shall be entered	Register of contracts in which Directors are

	<p>particulars of all contracts or arrangements to which articles 125 and 126 apply including the date of the contract or arrangements, the name of the parties thereto, the principal terms and conditions thereof, the date on which it was placed before the Board, the names of the Directors voting for and against the contract or arrangement and the names of those remaining neutral and the register shall be placed before the next Meeting of the Board and shall be signed by all the Directors present at the Meeting. The register shall be kept at the office of the Company and shall be open to inspection at such office, and extracts may be taken therefrom and copies thereof may be required by any Member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of this act shall apply accordingly.</p>	interested
116	<p>A Director may be or become a Director of any Company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefits received as a Director or shareholder of such Company except in so far as Section 197 or Section 188 of the Act may be applicable.</p>	Directors may be Directors of Company promoted by the Company
117	<p>Subject to provisions of Section 152 of the Act and these articles, not less than two third of the total number of directors of the Company shall be person whose period of office is liable to determination by retirement of director by rotation. At every Annual General Meeting of the Company, one third of the Directors whose period of office is liable to retire by rotation for the time being of the Company shall retire by rotation. If the number to retire is not three or multiple of three, then the number nearest to one third shall retire from office. The directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became directors on the same day, those who are to retire shall, in default and subject to an agreement among themselves, be determined by lot.</p>	Retirement of the Directors
118	<p>Notwithstanding anything to the contrary contained in these Articles so long as any moneys remain owing by the Company to any financial institution out of any loans granted by them to the Company or so long as the financial Institution hold debentures in the Company by direct subscription or private placement or so long as the financial Lending Institution holds shares in the Company as a result of conversion of the said loans/ debentures, the</p>	Nominee Director

	<p>financial Institution shall have a right to appoint from time to time one or more persons as Director(s) on the Board of Directors of the Company (which Director is hereinafter referred to as the "Nominee Director"). The financial Institution may at any time and from time to time remove the Nominee Director appointed by it and may, in the event of such removal and also in case of death or resignation of the Nominee Director, appoint another in his place and also fill any vacancy which may occur as result of the Nominee Director ceasing to hold office for any reason whatsoever. The Board of Directors of the Company shall have no power to remove the Nominee Director from office. Each such nominee Director shall be entitled to attend all General Meetings, Board Meetings and Meetings of the Committee of which he is a member, and he and the financial institution appointing him shall also be entitled to receive notice of all such meetings as also the minutes of all General Meetings. The Nominee Director shall be paid all remunerations, fees, allowances, expenses and other moneys to which other Directors are entitled. Subject as aforesaid the nominee Director shall be entitled to the same rights and privileges and save and except as provided for in the provisions of any law for the time being in force in respect of the respective financial institution be subject to the same obligations as any other Director of the Company. The Nominee Director shall ipso facto vacate his office immediately the moneys owed by the Company to the financial Institution are paid off or on the financial Institution ceasing to hold shares / debentures of the Company.</p>	
119	[Omitted]	[Omitted]
120	A retiring Director shall be eligible for re-election.	Eligibility for re-election
121	Subject to the provision of the Act, the Company at the General Meeting at which a Director retires in manner aforesaid, may fill up the vacancy by electing the retiring director or some other person thereto.	Company to appoint successors
122	<p>(a) If the place of the retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.</p> <p>(b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and that</p>	Provisions in default of appointment

	<p>Meeting also has not expressly resolved not to fill the vacancy the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting unless:</p> <p>(i) at that Meeting or at the previous Meeting a resolution for the reappointment of such Director has been put to the Meeting and lost;</p> <p>(ii) the retiring Director has, by notice in writing addressed to the Company or the Board, expressed his unwillingness to be so reappointed;</p> <p>(iii) he is not qualified or disqualified for appointment;</p> <p>(iv) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act, or</p> <p>(v) Section 162 is applicable to the case.</p>	
123	<p>Subject to Section 149 of the Act the Company may , by ordinary Resolution, from time to time, increase or reduce the number of Directors, and the Company may, (subject to the provisions of section 169 of the Act) remove any Director before the expiration of his period of office and appoint another qualified person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.</p>	<p>Company may increase or reduce the number of Directors</p>
124	<p>No person not being a Retiring Director, shall be eligible for appointment to the office of Director at any General Meeting, unless he or some other member intending to propose him has, at least fourteen clear days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or intention of such member to propose him as a candidate for that office, along with the deposit of one lakh rupees or such higher amount as may be prescribed which shall be refunded to such person or, as the case may be, to the member, if the person proposed gets elected as a director or gets more than twenty-five per cent. of total valid votes cast either on show of hands or on poll on such resolution.</p>	<p>Notice of candidature for office of Director except in certain cases</p>
125	<p>The Company shall keep at its office a register containing the particulars of its Key Managerial</p>	<p>Register of Key Managerial Personnels and notification of</p>

	Personnel's mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.	change to registrar
126	(a) Every Director or other Key Managerial Personnel (including a person deemed to be a Director by virtue of the provisions of Section 170 of the Act) shall, within 14 days of his appointment to any of the above offices in any other body corporate, disclose to the Company particulars relating to his office in the other body corporate which are required to be specified under Section 170 of the Act.	Disclosure by director of appointment to any other body corporate
	(b) Every Director or other Key Managerial Personnel by virtue of Section 170 of the Act shall give notice to the Company of such matter relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section.	Disclosure by director of his holdings of shares and debentures of the company etc.
KEY MANAGERIAL PERSONNEL		
127	Subject to the provisions of the Act,— (i) The Company shall have the following whole-time key managerial personnel by means of a resolution of the Board containing the terms and conditions of the appointment including the remuneration: a. Managing director, or Chief Executive Officer or manager and in their absence, a whole-time director; b. Company secretary; and c. Chief Financial Officer (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.	Appointment of Key Managerial Personnel
128	Notwithstanding anything contained in Section 203 or any other provisions of the Act, the Board may appoint or re-appoint an individual as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company at the same time.	Appointment of Chairperson of the Company

PROCEEDINGS OF THE BOARD OF DIRECTORS		
129	Subject to the provisions of Section 173 of the Act, the Directors may meet together as Board for the dispatch of business from time to time and shall hold a minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board and they may adjourn and otherwise regulate their Meetings as they think fit.	Meeting of Directors
130	Subject to the provision of the Act or any Notification, Circular issued by the Central Government or any other Government authority/department, the Director(s) of the Company may participate in the meeting(s) of the Board/Committee through Electronic Mode/video conferencing or any other mode prescribed by law from time to time.	Participation by Director in Board/ Committee meeting through Electronic Mode
131	<p>Subject to the provisions of Section 173 of the Act, A meeting of the Board shall be called by giving not less than seven days' notice in writing to every director at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means.</p> <p>A meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting.</p>	Notice of Meetings
132	Subject to Section 174 of the Act, quorum for a meeting of the Board shall be one third of its total strength (excluding Director, if any, whose place be vacant at the time and 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 exceed 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, being not less than two, shall be the quorum during such time.	Quorum
133	If a Meeting of the Board could not be held for want of quorum, then the Meeting shall stand adjourned to such day, time and place as the Director or Directors present at the Meeting may fix.	Adjournment of Meeting for want of quorum
134	A Director may at any time and the secretary upon the request of a Director shall convene a Meeting of the Board by giving a notice in writing to every	When Meeting to be convened

	Director at his address registered with the company.	
135	The Directors may from time to time elect from among their number a Chairman and a Vice Chairman of the Board and determine the period for which they are respectively to hold office. If there be no Chairman or a Vice Chairman or if at any Meeting of the Board neither of them be present at the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such Meeting.	Chairman
136	Unless otherwise provided under the Act, Questions arising at any Meeting shall be decided by a majority of votes, and in case of an equality of votes, the Chairman of the Meeting shall have a second or casting vote.	Questions at Board Meeting how decided
137	A Meeting of the board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities powers and discretion which by or under the Act or Articles of the Company are for the time being vested in or exercisable by the Board generally.	Powers of Board Meeting
138	Subject to the restrictions contained in section 179 of the act, the Board may delegate any of their power to committees of the Board consisting of such member or members of its body, as it thinks fit, and it may from time to time revoke and discharge any such committee of the board, either wholly or in parts, and either as to person or purposes; but every Committee of the Board so formed shall in the exercise of the powers so delegated conform 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 like force and effect as if done by the Board.	Directors may appoint Committee
139	The Meetings 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.	Meeting of the Committee how to be governed
140	No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by	Resolution by circulation

	<p>circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the directors, or members of the committee, as the case may be, at their addresses registered with the company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed and has been approved by a majority of the directors or members, who are entitled to vote on the resolution.</p> <p>A resolution passed as above shall be noted at a subsequent meeting of the Board or the committee thereof, as the case may be, and made part of the minutes of such meeting.</p>	
141	<p>All acts done by any Meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or that they or any of them were at disqualified or had vacated office or that appointment of any of them had been terminated by virtue of any provisions contained in the Act or these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director, and had not vacated office or he had not been terminated. Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been noticed the Company to be invalid or to have terminated.</p>	<p>Acts of Board or Committee valid notwithstanding (informal) appointment</p>
142	<p>In terms of the provisions of Section 118 of the Company, the Directors shall cause minutes to be duly entered in a book or books provided for the purpose;</p> <ol style="list-style-type: none"> i. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat. ii. All appointments made at any of the meetings aforesaid shall be included in the minutes of the meeting. iii. In the case of a meeting of the Board of Directors or of a committee of the Board, the minutes shall also contain— <ol style="list-style-type: none"> a. the names of the directors present at the meeting; and b. in the case of each resolution passed at the meeting, the names of the directors, if any, dissenting from, or not concurring with the 	<p>Minutes of proceedings of Directors and Committees to be kept</p>

	<p>resolution.</p> <p>iv. Any such minutes of any Meeting of the Board or of any Committee of the Board if purporting to be signed by the Chairman of such Meeting or by the Chairman of the next succeeding Meeting, shall be received as prima facie evidence of the matters stated in such minutes.</p>	
143	<p>The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the Memorandum of Association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in General Meeting but subject nevertheless to the provisions of the Act and other laws and of the Memorandum of Association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.</p>	Powers of Directors
144	<p>Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its articles, then and in that case this Article authorises and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.</p>	General Powers of Board
145	<p>Subject to the provisions of the Act and these Articles the general conduct and management of the business of the Company shall be in the hands of the Managing Director(s), if any or Directors, as the case may be, who shall have power and authority on behalf of the Company subject to the restrictions and compliance with the provisions of the Act and subject to control and supervision of the Directors.</p>	General Management to be in the hands of Managing Director(s)
146	<p>Subject to the provisions of Section 196 and other applicable provisions of the Act, the Directors may from time to time appoint one or more of their body to be a Managing Director or Managing Director(s) in which expression shall be included a Joint</p>	Power to appoint Managing or whole- time Director(s)

	Managing Director or Whole-time Director of the Company for such terms not exceeding five years at a time as they may think fit, to manage the affairs and business of the Company,	
147	The remuneration of a Managing Director or Whole-time Director (Subject to Section 197 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Board of Directors subject to approval of the shareholders in General Meeting and may be by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any of all these modes.	Remuneration of Managing or Whole - time Director(s)
THE SEAL		
148	The Board shall provide a Common Seal for the purposes of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being. The seal of the company shall not be affixed to any instrument except by the 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 two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	The Seal, its custody and use
149	<p>The Board may have Official Seal(s) for use outside India. Every such Seal shall be facsimile of the Common Seal of Company with an addition on its face of the name of the territory, district or place where it is to be used.</p> <p>The Company may, by writing under its Common Seal, authorize any person appointed for the purpose in that territory, district, or place, to affix the Official Seal to any deed or other document to which the company is a party in that territory, district or place.</p> <p>The person affixing such official seal, shall, by writing under his hand, certify on the deed or other document to which the seal is affixed, the date on which and the place at which it is affixed. The deed or other document to which the official Seal is duly affixed, shall bind the Company as if it had been</p>	Use of Common Seal out of India

	sealed with the Common Seal of the Company.	
DIVIDENDS		
150	The profits of the company subject to any special rights relating thereto created or authorised to be created by these Articles, shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively or otherwise at the discretion of the Board of Directors.	Divisions of profits
151	The Company in General Meeting may declare a dividend, to be paid to members according to their respective rights but no dividend shall exceed the amount recommended by the Board. The members shall be entitled to receive the dividend in proportion to the amount paid-up on each share.	The Company in General Meeting may declare a dividend
152	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	Interim Dividend
153	Where capital is paid in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.	Capital paid-up in advance at interest not to earn dividend
154	The Board may retain the dividends payable upon shares in respect of which any person is, under Article 70, entitled to become a Member, or which any person under that Article is entitled to transfer, until such person shall become a Member, in respect of such shares or shall duly transfer the same.	Retention of dividends until Completion of transfer under Article 70
155	No Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever, either alone or jointly with any other person or persons, and the Board may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.	No Member to receive dividend whilst In debt to the Company and Company's right of reimbursement thereout
156	A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.	Transfer of share must be registered
157	Subject to the provisions of the Act, dividends unclaimed for one year after having been declared	Unclaimed Dividend

	may be invested or otherwise used by the Board for the benefit of the Company until claimed. All dividends unclaimed for six years after having been declared may be forfeited by the Directors for the benefit of the Company. The Directors may remit the forfeiture whenever they may think proper.	
158	Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against calls.	Dividend & call together
CAPITALISATION OF PROFITS		
159	(1) The Company in General Meeting may, upon the recommendation of the Board of Directors, resolve- <ul style="list-style-type: none"> (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) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. 	Capitalisation
	(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, either in or towards: <ul style="list-style-type: none"> (a) paying up any amounts for the time being unpaid on any shares held by such members respectively; (b) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; (c) partly in the way specified in sub-clause (a) and partly in that specified in sub- 	Sum how applied

	<p>clause (b).</p> <p>(3) A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.</p>	
160	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall –</p> <p>(a) make all appropriations and applications of the amounts resolved to be capitalized thereby, and all allotments and issues of fully paid shares or other securities, if any; and</p> <p>(b) generally do all acts and things required to give effect thereto.</p>	Powers of the Board for Capitalisation
	<p>(2) The Board shall have power –</p> <p>(a) to make such provisions, by the issue of fractional certificates/ coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and</p> <p>(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, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the applicable thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.</p>	Board's power to issue fractional certificate/ coupon etc.
	<p>(3) Any agreement made under such authority shall be effective and binding on such members.</p>	Agreement binding on members

ACCOUNTS		
161	<p>The Company shall cause to be kept proper books of account in accordance with the provisions of Section 128 and 129 of the Act.</p> <p>The books of account aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide.</p>	Books of Accounts
162	<p>Subject to the provisions of the Act, the Board shall from time to time determine whether and to what extent and at what time and place and under what conditions the books or papers of the Company or any of them shall be open to the inspection of Members not being Directors. No Member (not being a Director) shall have any right to inspect any books or papers of the Company except as conferred by law or authorised by the Board subject to the foregoing.</p> <p>Inspection in respect of any subsidiary of the company shall be done only by the person authorised in this behalf by a resolution of the Board of Directors.</p>	As to inspection of books of account by Members
163	<p>A copy of the financial statements, including consolidated financial statements, if any, auditor's report and every other document required by law to be annexed or attached to the financial statements in such form as may be prescribed from time to time pursuant to Section 136 of the Act, shall be sent to every member of the company, to every trustee for the debenture-holder of any debentures issued by the company, and to all persons other than such member or trustee, being the person so entitled, not less than twenty-one days before the date of the meeting: at which such documents are to be laid.</p>	Copies of Statements of Accounts to be sent to members & others
AUDIT		
164	<p>Auditor shall be appointed and their rights and duties regulated in accordance with Sections 139 to 147 of the Act.</p>	Auditors
165	<p>Subject to the provisions of the Act, the office of the Auditors shall be liable to rotation at such period as may be prescribed.</p>	Auditors Rotation
WINDING UP		
166	<p>Subject to the provisions of Chapter XX of the Act</p>	Liquidator may divide assets in

	<p>and rules made thereunder—</p> <p>(i) 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.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p> <p>Subject to the provisions of this Act as to overriding preferential payments under section 326, the assets of a company shall, on its winding up, be applied in satisfaction of its liabilities pari passu and, subject to such application, shall be distributed among the members according to their rights and interests in the company.</p>	specie
INDEMNITY AND RESPONSIBILITY		
167	<p>Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal or in connection with any application under section 463 in which relief is granted to him by the court or the Tribunal.</p>	Directors and others right to indemnity
168	<p>No member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to required discovery of or any information respecting any detail of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret, process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.</p>	Secrecy clause

PART B

1. Notwithstanding anything to the contrary contained in the preceding Articles 1 to 168 in Part A, the provisions of following Articles contained in Part B of these Articles shall apply in accordance with their terms and in the event of any inconsistency or contradictions between the provisions of Part A of these Articles and the provisions of Part B of these Articles, the provisions of Part B of these Articles shall override and prevail over the provisions of Part A of these Articles. Notwithstanding anything to the contrary contained in these Articles, Part B of these Articles will come into effect immediately upon the Acquirer (*as defined below*) holding 16.38% (Sixteen Point Three Eight Percent) of the Issued Share Capital (*as defined below*), calculated in accordance with Article 2.2.17 of Part B of these Articles, which shall be the date which is the earlier of: (a) the MTO Closing Date (*as defined below*); or (b) the date on which Additional Subscribed Shares (*as defined below*) are allotted to the Acquirer, and the Acquirer can exercise its voting rights associated with such Additional Subscribed Shares under Applicable Law.

2 Definition and Interpretation

2.1. Definitions

“**Act**” shall mean the Companies Act, 2013 including any rules, circulars and notifications enacted thereunder, and any amendments, re-enactments or other statutory modifications thereof for the time being in force.

“**Acquirer**” shall mean Kubota Corporation a company duly organised and existing under the laws of Japan and having its principal office at 2-47, Shikitsu Higashi 1-chome, Naniwa-ku, Osaka 556-8601, Japan.

“**Acquirer Fall Away Percentage**” shall have the meaning ascribed to it in Article 5.1 of Part B of these Articles.

“**Acquirer MEOD**” shall mean: (a) Insolvency of the Acquirer; or (b) breach by the Acquirer of Articles 3 (*Board, Committee & Related Matters*), 4 (*Reserved Matters*), 8 (*Restrictions on Transfer of Securities*) or 5 (*Fallaway of Acquirer’s Rights*) of Part B of these Articles.

“**Acquirer’s Nominee Director(s)**” shall have the meaning ascribed to it in Article 3.1.3. (a) of Part B of these Articles.

“**Acquirer’s Permitted Transferee**” shall mean a wholly-owned subsidiary of the Acquirer.

“**Acquirer Sale Securities**” shall have the meaning ascribed to it in Article 8.4.1 of Part B of these Articles.

“**Acquirer’s Securities**” shall mean the Securities held by the Acquirer in the Company from time to time and shall include the Additional Shares, once acquired or subscribed, as the case may be.

“**Additional Subscribed Shares**” shall mean 9,363,726 (Nine Million Three Hundred and Sixty-Three Thousand Seven Hundred and Twenty Six) Shares subscribed by, and issued and allotted to the Acquirer constituting 6.49% (Six Point Four Nine Percent) of the Issued Share Capital.

“**Affiliate**” shall mean in relation to a Person,

- (a) being a corporate entity, shall mean any entity, which, Controls, is Controlled by, or is under common Control with such Person; or
- (b) being a natural Person, shall mean a Relative of such Person.

“**Applicable Law**” shall mean any statute, law, enactment, regulation, ordinance, policy, treaty, convention, protocols, rule, judgment, notification, directive, guideline, rule of common law, injunction, writ or order, decree, bye-law, permits, licenses, approvals, consents, authorizations, government approvals, or any restriction or condition, or any similar form of decision of, or determination, application or execution by, or interpretation or pronouncement having the force of law of, any Government Authority having jurisdiction over the matter in question, whether in effect as of the execution date of the Shareholders Agreement or thereafter.

“**Articles**” shall mean the articles of association of the Company, as amended from time to time.

“**Board**” shall mean the board of Directors of the Company as may be constituted from time to time in accordance with these Articles and Applicable Law.

“**Board Committee(s)**” shall have the meaning ascribed to it in Article 3.4.1 of Part B of these Articles.

“**Board Meeting**” shall mean a meeting of the Board, duly convened in accordance with the Applicable Law and the Charter Documents.

“**Business**” shall mean the business of manufacturing, assembly, sales, marketing, financing, servicing, research and development of: (a) tractors; (b) combine harvester & rice transplanter; (c) utility vehicles; (d) turf equipment; (e) construction machinery; (f) engines; (g) implements; (h) transmission for tractors, construction equipment and implements; (i) other farm mechanisation equipment; (j) railway equipment; and (k) spare parts of the items referred in (a) to (j) above.

“**Business Day**” shall mean a day (other than a Saturday, Sunday or a public holiday) on which commercial banks are open for business in Japan and the State of Haryana, India.

“**Chairman**” shall have the meaning ascribed to it in Article 3.3.1 (a) of Part B of these Articles.

“**Chairman Disqualification**” shall have the meaning ascribed to it in Article 3.3.1 (a) of Part B of these Articles.

“**Charter Documents**” shall mean, collectively, the Memorandum and the Articles, as may be amended from time to time.

“**Company Mandatory Tender Offer(s)**” shall mean the open offer(s) that the Acquirer is obligated to make to the public shareholders of the Company pursuant to, and in accordance with, applicable regulations or rules of the Takeover Code, including, without limitation, under Regulation 4 of the Takeover Code.

“**Control**” shall have the meaning ascribed to it under the Act.

“**Controlled Affiliates**” shall mean any subsidiary of the Company or Affiliates of the Company which are under Company’s Control.

“**D&O Policy**” shall have the meaning ascribed to it in Article 3.6.2 of Part B of these Articles.

“De-Minimis Securities” shall mean 23,15,028 (Twenty-Three Lakhs Fifteen Thousand and Twenty Eight) Shares held by the Specified Promoters.

“Deadlock” shall have the meaning ascribed to it in Article 9.1 of Part B of these Articles.

“Deed of Accession” shall have the meaning ascribed to it in Article 8.1.5 of Part B of these Articles.

“Defaulting Party” shall mean: (a) upon occurrence of the Specified Promoters MEOD, the Specified Promoters; or (b) upon occurrence of the Acquirer MEOD, the Acquirer.

“Delegation of Authority Matrix” shall have the meaning ascribed to it in Article 3.8.1. of Part B of these Articles.

“Director” shall mean a director of the Company, appointed in accordance with these Articles and Applicable Law.

“Director Liability” shall have the meaning ascribed to it in Article 3.6.1 of Part B of these Articles.

“Disqualified” shall mean, with respect to Lead Specified Promoter’s appointment, or a right to be appointed, to Managing Director or Chairman at the Company under these Articles, any disqualification under Applicable Law that prohibits the Lead Specified Promoter from being appointed or performing such specified role.

“EL Competitor” shall mean the entities or business groups as set out under the Shareholders Agreement, provided, and to the extent, they undertake a business similar to, or identical with, the Business;

“Encumbrance” shall mean any: (a) mortgage, charge (whether fixed or floating), claim, pledge, lien, deposit, hypothecation, assignment, deed of trust, security interest or other encumbrance of any kind; (b) any equity, entitlement to ownership, provisional or executory attachment, appointment of a receiver, liquidator or similar Person (whether provisional or not); (c) any claim, lien or charge under a contract; or (d) any conditional sale, right to claim title or possession, voting agreement, option, lock-in, pre-emption right, right of first refusal or offer, tag-along right, drag-along right, right to acquire, non-disposal undertaking, any transfer restriction or any other restriction whatsoever imposed under Applicable Law or contract on the transferability, in favour of any Person.

“Good Faith Negotiations” shall have the meaning ascribed to it in Article 9.2 of Part B of these Articles.

“Government Authority” shall mean any government, or any governmental, legislative, executive, administrative, judicial or regulatory, authority, body, board, ministry, department, commission, tribunal, stock exchange, agency or other Person exercising legislative, executive, administrative, judicial or regulatory functions (including any court or tribunal), having jurisdiction over the matter in question, whether as of the execution date of the Shareholders Agreement or thereafter.

“Guarantee” of, or by a specified Person, shall mean any obligation, contingent or otherwise, of such specified Person guaranteeing or having the economic effect of guaranteeing any indebtedness of any Person in any manner, whether directly or indirectly.

“Inability” shall mean any disability, incapacity or illness or any similar condition that impairs the ability of the Lead Specified Promoter to perform his services, as required under these

Articles, the MD Employment Agreement or as may be agreed mutually between the Company, Promoters and the Acquirer, with such disability, incapacity or illness continuing for not less than 120 (One Hundred and Twenty) consecutive days.

“Independent Director(s)” shall mean any Person appointed as an independent director on the Board in accordance with the Act, Applicable Laws and the Charter Documents.

“Insolvency” shall mean:

- (a) in relation to any Person, other than an individual, any of the following: (i) where such Person is adjudged insolvent by a court or other relevant Government Authority, and such adjudication order is not subject to any challenge or appeal for a period of 60 (Sixty) days from the date of such order; (ii) where corporate insolvency resolution process has been commenced by an order of a court of competent jurisdiction, which order is not subject to any challenge or appeal for a period of 60 (Sixty) days from the date of such order; (iii) where such Person commences voluntary winding-up or liquidation or any similar Proceedings; (iv) where such Person is subjected to the appointment of a receiver, administrative receiver, official liquidator including provisional liquidator, trustee, interim resolution professional, other encumbrancer or similar officer over its undertaking or corporate entity or attachment of a material part of its assets or undertaking; (v) where such Person ceases to carry on its business, or a distress or execution is levied or enforced against any of its business or material assets, which is not subject to challenge or appeal for a period of 60 (Sixty) days from the date of such levying or enforcement; or (vi) where such Person is dissolved or suffers any analogous event to any of the above under Applicable Law.
- (b) In relation to a Person who is an individual, any of the following: (i) where such Person is adjudged insolvent by a court or other relevant Government Authority and such adjudication order is not subject to any challenge or appeal for a period of 60 (Sixty) days from the date of such order; (ii) where such Person commences voluntary insolvency Proceedings; and (iii) where such Person is subjected to the appointment of a receiver, administrative receiver, official liquidator including provisional liquidator, trustee, other encumbrancer or similar officer over its undertaking or corporate entity or attachment of a material part of its assets or undertaking, which appointment is not subject to any challenge or appeal for a period of 60 (Sixty) days.

“Issued Share Capital” shall mean the total issued, subscribed and paid-up share capital of the Company.

“KBT Competitor” shall mean any entity or business group as set out under the Shareholders Agreement, provided, and to the extent, such entity or business group undertakes a business similar to, or identical with the business of the Acquirer.

“Key Managerial Personnel” shall mean (i) the chief executive officers of various business divisions of the Company, chief operating officer, chief financial officer, chief technology officer; chief information officer; head of research and development; head of human resources; head of legal department; company secretary; head of quality assurance and control; and chief sales and marketing officer; (ii) senior management comprising of employees in the grade of Associate Vice President and above; (iii) such other persons as may be mutually identified by the Specified Promoters and Acquirer in writing; and (iv) any other person that is defined as a key managerial personnel under the Act (other than Managing Director or a whole time director).

“Lead Specified Promoter” shall mean Mr. Nikhil Nanda.

“**Lock-in Period**” shall have the meaning ascribed to it in Article 8.1.3 of Part B of these Articles.

“**Material Event of Default**” shall mean either the Specified Promoters MEOD or the Acquirer MEOD.

“**Managing Director**” shall have the meaning ascribed to it in Article 3.3.2 (a) of Part B of these Articles.

“**MD Disqualification**” shall have the meaning ascribed to it in Article 3.3.2 (a) of Part B of these Articles.

“**MD Employment Agreement**” shall mean the employment agreement to be entered into between the Company and the Lead Specified Promoter in an agreed form (by the Acquirer, the Company and Lead Specified Promoter), as may be amended mutually by the Company and the Lead Specified Promoter in writing from time to time, which shall come into effect from the Re-appointment Date.

“**Meeting Agenda**” shall have the meaning ascribed to it in Paragraph 6.1 of Schedule II of Part B of these Articles.

“**Memorandum**” shall mean the memorandum of association of the Company, as amended from time to time.

“**MEOD Default Notice**” shall have the meaning ascribed to it in Article 7.1 of Part B of these Articles.

“**MEOD Remedy Period**” shall have the meaning ascribed to it in Article 7.1 of Part B of these Articles.

“**MTO Closing Date**” shall mean the last date on which payment to the public shareholders in relation to the open offer is made by the Acquirer in relation to the acquisition of Shares of the Company, in accordance Regulation 4 of the Takeover Code.

“**Mutual Consent**” shall mean the written consent of at least 1 (One) Acquirer’s Nominee Director and 1 (One) Specified Promoters’ Nominee Director, both of whom have been duly appointed to the Reserved Matters Committee, in relation to the Reserved Matters notified by the Company to the Reserved Matters Committee prior to any Board Meeting or Shareholders’ Meeting in accordance with provisions of **Schedule II** (*Reserved Matters Committee*).

“**Nominee Director(s)**” shall have the meaning ascribed to it in Article 3.1.3 of Part B of these Articles.

“**Non-Defaulting Party**” shall mean: (a) the Acquirer in relation to a Specified Promoters MEOD; and (b) the Specified Promoters in relation to an Acquirer MEOD.

“**Non-Independent Director(s)**” shall mean a Director who is either an Acquirer’s Nominee Director or a Specified Promoters’ Nominee Director.

“**Occupier**” shall have the meaning ascribed to it in Article 3.5.3. of Part B of these Articles.

“**Officer Who Is In Default**” shall have the meaning ascribed to it under the Act.

“**Ordinary Course of Business**” shall mean an action taken by, or on behalf of, a person that is in the ordinary course of the operations, and is consistent with its past practice.

“Pending Capital Reduction” shall mean the selective capital reduction of 1,22,57,688 (One Crore Twenty-Two Lakhs Fifty Seven Thousand Six hundred and Eighty Eight) equity shares held by the Trust for nil consideration.

“Person” shall mean any individual, Hindu undivided family, sole proprietor, corporation, limited or unlimited liability company, body corporate, society, partnership (whether limited or unlimited), joint venture, estate, trust, executor, administrator, union, unincorporated association or organisation, firm, Government Authority or other enterprise, association, organization or entity, whether or not required to be incorporated or registered under Applicable Law, and their respective successors, legal personal representatives and assigns, as the case may be.

“Proceeding(s)” shall mean any action, suit, claim, summons, subpoena, inquiry or investigation of any nature, civil, criminal, administrative, governmental, regulatory or other investigations, proceedings, requisition, disputes, assessment proceedings (including in a representative capacity), re-assessment proceedings, block assessments, search, survey and seizure related proceedings, tax deduction at source related proceedings, interest or penalty related proceedings, rectification, stay of demand related proceedings, appeals (at any level) or other similar actions

“Promoters” shall collectively mean the Specified Promoters and Trust.

“Re-appointment Date” shall mean September 19, 2022.

“Relative” shall have the meaning ascribed to such term under the Act.

“Reserved Matters” shall have the meaning ascribed to it in Article 4.1 of Part B of these Articles.

“Reserved Matters Committee” shall have the meaning ascribed to it in Article 4.2 of Part B of these Articles.

“Reserved Matter Notice” shall have the meaning ascribed to it in Paragraph 6.1 of Schedule II of Part B of these Articles.

“ROFO Acceptance Notice” shall have the meaning ascribed to it in Article 8.3.1 (c) of Part B of these Articles.

“ROFO Exercise Notice” shall have the meaning ascribed to it in Article 8.3.1 (b) of Part B of these Articles.

“ROFO Exercise Period” shall have the meaning ascribed to it in Article 8.3.1 (b) of Part B of these Articles.

“ROFO Offer Price” shall have the meaning ascribed to it in Article 8.3.1 (b)(ii) of Part B of these Articles.

“ROFO Purchaser” shall have the meaning ascribed to it in Article 8.3.1 (a) of Part B of these Articles.

“ROFO Right” shall have the meaning ascribed to it in Article 8.3.1 (b) of Part B of these Articles.

“ROFO Seller” shall have the meaning ascribed to it in Article 8.3.1 (a) of Part B of these Articles.

“**ROFO Terms**” shall have the meaning ascribed to it in Article 8.3.1 (b)(ii) of Part B of these Articles.

“**ROFO Third Party Purchaser**” shall have the meaning ascribed to it in Article 8.3.1(a) of Part B of these Articles.

“**ROFO Transfer Notice**” shall have the meaning ascribed to it in Article 8.3.1(a) of Part B of these Articles.

“**ROFO Transfer Securities**” shall have the meaning ascribed to it in Article 8.3.1(a) of Part B of these Articles.

“**Role Split Date**” shall have the meaning ascribed to it in Article 3.3.1 (a) of Part B of these Articles.

“**Securities**” shall mean the Shares, preference shares, debentures or such other class or series of shares, securities or stock, whether or not convertible into or exchangeable for Shares issued by the Company, from time to time.

“**Selective Capital Reduction**” shall mean the selective capital reduction of 21,442,343 (Twenty-One Million Four Hundred and Forty Two Thousand Three Hundred and Forty Three) fully paid-up Shares held by the Trust for nil consideration.

“**Senior Management Officers**” shall have the meaning ascribed to it in Article 9.2 of Part B of these Articles.

“**Shares**” shall mean the equity shares of par value INR 10/- (Indian Rupees Ten) in the equity share capital of the Company.

“**Shareholders Agreement**” shall mean the shareholders agreement dated November 18, 2021, in relation to the Company, executed by the Acquirer, the Company and the Promoters.

“**Shareholders’ Meeting**” shall mean a meeting of the Shareholders, and shall include any adjourned or reconvened meeting of the Shareholders in accordance with Applicable Law.

“**Specified Promoters**” shall mean Nikhil Nanda, Shweta Nanda, Navya Naveli Nanda, Agastya Nanda, AAA Portfolios Private Limited, Big Apple Clothing Private Limited and Har Parshad and Company Private Limited.

“**Specified Promoters Fall Away Percentage**” shall have the meaning ascribed to it in Article 6.1 of Part B of these Articles.

“**Specified Promoters MEOD**” shall mean (a) Insolvency of any of the Specified Promoters so long as such Specified Promoter is a shareholder of the Company; or (b) breach by the Specified Promoters of Articles 3 (*Board, Committee & Related Matters*), 4 (*Reserved Matters*), 8 (*Restrictions on Transfer of Securities*), 6 (*Fallaway of Specified Promoters’ Rights*) of Part B of these Articles.

“**Specified Promoters’ Nominee Directors**” shall have the meaning ascribed to it in Article 3.1.3 (b) of Part B of these Articles.

“**Specified Promoters’ Permitted Transferee**” shall mean: (a) a company which is a wholly-owned subsidiary of the relevant Specified Promoter; or (b) any entity which is solely owned by one or more of the Specified Promoters; or (c) any entity or individual forming part of the

Specified Promoters; or (d) a private trust wherein one or more of the Specified Promoters and/ or their respective legal heirs and/ or successors in title are the sole beneficiaries.

“**Specified ROFO Transfer Securities**” shall have the meaning ascribed to it in Article 8.3.1 (b)(i) of Part B of these Articles.

“**Tag-Along Notice**” shall have the meaning ascribed to it in Article 8.4.2 of Part B of these Articles.

“**Tag-Along Right**” shall have the meaning ascribed to it in Article 8.4.1 of Part B of these Articles.

“**Tag-Along Securities**” shall have the meaning ascribed to it in Article 8.4.1 of Part B of these Articles.

“**Tag Limit**” shall have the meaning ascribed to it in Article 8.4.1 of Part B of these Articles.

“**Tag-Period**” shall have the meaning ascribed to it in Article 8.4.2 of Part B of these Articles.

“**Takeover Code**” shall mean the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time.

“**Third Party**” shall mean any Person other than the Company, the Promoters and the Acquirer

“**Transfer**” shall mean:

- (a) any transfer or other disposition of Securities or voting interests or any interest therein, including, without limitation, by operation of Applicable Law or by court order, by judicial process, or by foreclosure, levy or attachment;
- (b) any sale, assignment, gift, donation, redemption, conversion or other disposition of such Securities or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title to, or beneficial ownership of, such Securities or any interest therein, passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value; and
- (c) the granting of any Encumbrance in, or extending or attaching to, such Securities or any interest therein.

“**Trust**” shall mean Escorts Benefit and Welfare Trust.

2.2. **Interpretation**

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

- 2.2.1. headings are for convenience only and shall not affect the construction or interpretation of any provision of these Articles;
- 2.2.2. any word or phrase defined in the body of these Articles as opposed to being defined in this Article 2 (*Definitions*) of Part B of these Articles shall have the meaning assigned to it in such definition throughout these Articles, unless the contrary is expressly stated or appears from the context;
- 2.2.3. where a word or phrase is defined, other parts of speech and grammatical forms and the cognate variations of that word or phrase shall have the corresponding meanings;

- 2.2.4. reference to Articles and Schedules are to articles and schedules of these Articles;
- 2.2.5. the Schedules hereto shall constitute an integral part of these Articles;
- 2.2.6. all words (whether gender-specific or gender-neutral) shall be deemed to include each of the masculine, feminine and neuter genders;
- 2.2.7. the expressions “hereof”, “herein” and similar expressions shall be construed as references to these Articles as a whole, and not limited to the particular article or provision in which the relevant expression appears;
- 2.2.8. the rule of ejusdem generis (of the same kind) will not apply to the interpretation of these Articles. Accordingly, include and including will be read without limitation;
- 2.2.9. a reference to any document (including these Articles) is to that document, as amended, consolidated, supplemented, or replaced from time to time, in accordance with its terms;
- 2.2.10. a reference to a statute or statutory provision includes, to the extent applicable at any relevant time:
- (i) that statute or statutory provision, as from time to time consolidated, modified, re-enacted or replaced by any other statute or statutory provision,
 - (ii) any subordinate legislation or regulation made under the relevant statute or statutory provision;
- 2.2.11. the words “directly or indirectly” shall mean directly or indirectly, through one or more intermediary Persons, or through contractual or other legal arrangements, and “direct or indirect” have the correlative meanings;
- 2.2.12. when any number of Business Days is prescribed in these Articles or any document referred in these Articles, the same shall be reckoned exclusively of the first and inclusively of the last Business Day;
- 2.2.13. any reference to day or calendar days shall mean a reference to days of the Gregorian calendar;
- 2.2.14. any reference in these Articles, to consent or approval or similar connotation, unless expressly stated otherwise shall be in writing;
- 2.2.15. “in writing” includes any communication made by letter or fax or e-mail or any other form of electronically transmitted writing
- 2.2.16. all references under these Articles to the term: (a) “Acquirer” shall include the Acquirer’s Permitted Transferee, in case the Acquirer’s Securities have been transferred by the Acquirer to the Acquirer’s Permitted Transferee; and (b) “Specified Promoters” shall include the Specified Promoters’ Permitted Transferee(s), in case the Securities have been transferred by them to the Specified Promoters’ Permitted Transferee(s); and
- 2.2.17. notwithstanding anything to the contrary contained in these Articles, for the purpose of computing the shareholding percentage-based threshold of the Acquirer or the Specified Promoters provided under Part B of these Articles,
- (a) it shall be deemed that the Pending Capital Reduction is effective; and
 - (b) any Securities issued by the Company (whether directly or indirectly or through a trust)

to any Person(s) under any employee stock option scheme of the Company shall not be taken into account.

3 BOARD, COMMITTEE AND RELATED MATTERS

3.1 COMPOSITION OF THE BOARD AND NOMINEE DIRECTORS

- 3.1.1 Subject to Applicable Law, the Board shall comprise of a maximum of 18 (Eighteen) Directors.
- 3.1.2 So long as the Acquirer holds Acquirer's Securities that constitute less than 40% (Forty Percent) of the Issued Share Capital of the Company, the Company's Board shall comprise of 16 (Sixteen) Directors, out of which 8 (Eight) shall be Independent Directors and 8 (Eight) shall be Non-Independent Directors. Further, to the extent the Acquirer holds Acquirer's Securities that constitute equal to or more than 40% (Forty Percent) of the Issued Share Capital of the Company, the Company shall cause the size of the Board to be 18 (Eighteen) Directors, comprising of 9 (Nine) Independent Directors and 9 (Nine) Non-Independent Directors. To the extent permitted by Applicable Laws, the foregoing composition and size of the Board shall not be varied without the prior mutual written consent of each of the Acquirer and the Specified Promoters.
- 3.1.3 *Nominee Directors:* Subject to the terms of these Articles and any other terms as may be agreed between the Acquirer and Specified Promoters, the Acquirer and the Specified Promoters shall, have the right to nominate the following Non-Independent Directors in the manner set out below:
- (a) *Acquirer's Nominee Directors:* The Acquirer shall have the right to nominate the following number of the Non-Independent Directors on the Board ("**Acquirer's Nominee Directors**"): (i) so long as the Acquirer holds less than 40% (Forty Percent) of the Issued Share Capital, it shall have the right to nominate 4 (Four) Non-Independent Directors on the Board; and (ii) so long as the Acquirer holds equal to or more than 40% (Forty Percent) of the Issued Share Capital, it shall have the right to nominate 5 (Five) Non-Independent Directors on the Board.
 - (b) *Specified Promoters' Nominee Directors:* The Specified Promoters shall have the right to nominate 4 (Four) of the Non-Independent Directors on the Board ("**Specified Promoters' Nominee Directors**") and together with the Acquirer's Nominee Directors, the "**Nominee Directors**").
- 3.1.4 The Acquirer's Nominee Directors or the Specified Promoters' Nominee Directors shall not be required to hold any qualification Securities issued by the Company, and shall not have to provide any Guarantee, collateral, assurance or undertake any obligations in connection with any financing availed or to be availed by the Company.
- 3.1.5 Each of the Acquirer and the Specified Promoters shall have the right to request the removal of their respective Nominee Director and shall be entitled to nominate another Director in place of the Nominee Director so removed. In case of resignation, retirement, removal, or vacation from office of an Acquirer's Nominee Director for any reason, the Acquirer shall have the right to nominate another Director in place of such Acquirer's Nominee Director. Similarly, in case of resignation, retirement, removal, or vacation from office of a Specified Promoters' Nominee Director for any reason, the

Specified Promoters shall have the right to nominate another Director in place of such Specified Promoters' Nominee Director.

- 3.1.6 Subject to Applicable Law, the Company shall complete any appointment of a Person nominated by the Acquirer and/or the Specified Promoters as a Nominee Director, at the next Board Meeting (after receipt of such nomination from the Acquirer and/ or the Specified Promoters), and in any event within 30 (Thirty) calendar days of a notice to the Company from the Acquirer and/ or the Specified Promoters, as the case may be, relating to the appointment of such Director or within such additional period as the Company, Acquirer and Promoters may agree. For avoidance of doubt, each of the Company, Promoters and Acquirer shall render all necessary assistance (including, through exercise of their respective voting rights in respect of the Securities held by them or through any Director nominated by them) as may be required for the appointment or re-appointment of a Person nominated by the Specified Promoters as Specified Promoters' Nominee Directors or by the Acquirer as Acquirer's Nominee Director, as the case may be, in accordance with Article 3 of Part B of these Articles (*Board, Committee And Related Matters*).
- 3.1.7 Each Acquirer and Specified Promoters shall be entitled to nominate an alternate Director to act in place of their respective Nominee Director during the absence of such Nominee Director, by notice in writing addressed to the Board, and the Board shall, on receipt of such notice, appoint such nominated alternate Directors as an alternate Director to such Nominee Director.

3.2 QUORUM

- 3.2.1 Subject to Applicable Law and these Articles, quorum for all meetings of the Board shall be one third of its total strength (excluding Director, if any, whose place may be vacant at the time and any fraction contained in that one third being rounded off as one) or 2 (Two) Directors whichever is higher, and shall mandatorily require the presence of 1 (One) Acquirer's Nominee Director and 1 (One) Specified Promoters' Nominee Director. The said Acquirer's Nominee Director and Specified Promoters' Nominee Director shall be present at the time of commencement and throughout the Board Meetings.
- 3.2.2 Subject to Article 4 (*Reserved Matters*) of Part B of these Articles, in the event a valid quorum is not present within 1 (One) hour of the scheduled time for any Board Meeting, then such Board Meeting shall stand automatically adjourned to the same day in the next week, at the same time and place, or if that day is not a Business Day, on the next Business Day, at the same time and place. At such adjourned Board Meeting, if any of the Acquirer's Nominee Director or Specified Promoters' Nominee Director is not present, but there is adequate quorum under Applicable Law, then all matters, other than the Reserved Matters, set out in the agenda for the Board Meeting shall be considered and voted upon in the adjourned meeting, provided no agenda items which were not specifically set out on the agenda for the Board Meeting, which was adjourned, may be considered at such adjourned Board Meeting.
- 3.2.3 Notwithstanding anything contained in this Article 3.2 (*Quorum*) of Part B of these Articles, in the event that there is any Reserved Matter included in an agenda of a meeting of the Board of the Company, such meeting shall be convened and its quorum shall be considered adequate under Applicable Law, if and only there is at least 1 (One) Acquirer's Nominee Director and 1 (One) Specified Promoters' Nominee Director present at the said meeting and a Mutual Consent has been obtained in accordance with Article 4 (*Reserved Matters*) of Part B of these Articles.

3.3 CHAIRMAN AND MANAGING DIRECTOR

3.3.1 Chairman of the Board

- (a) Subject to Applicable Laws and Article 3.3.2 (*Managing Director*) of Part B of these Articles, the Specified Promoters and the Acquirer will jointly nominate the Lead Specified Promoter to be the chairman of the Board (“**Chairman**”) and the Managing Director until the date (“**Role Split Date**”) on which, such role of Chairman and the Managing Director cannot be held by the same person under Applicable Law. During his tenure as the Chairman, the Lead Specified Promoter shall preside as the chairman over such Board Meetings at which he is present. If, during his tenure as the Chairman, i.e., the Lead Specified Promoter, is not present at any Board Meeting, the Lead Specified Promoter shall have the right to appoint one of the Acquirer’s Nominee Directors present at such a Board Meeting to act as Chairman for the purposes of such Board Meeting. The Chairman shall not have a casting vote in the Board Meetings. The Lead Specified Promoter shall continue to be the Chairman until the Role Split Date unless the Lead Specified Promoter (i) resigns on his own volition, or (ii) ceases to be the Chairman due to Inability; or (iii) is Disqualified to be Director or Chairman; or (iv) ceases to be the Chairman on account of his death (any such resignation, cessation or disqualification, collectively, “**Chairman Disqualification**”). With effect from the Role Split Date, the Lead Specified Promoter shall cease to be the Chairman. If the Lead Specified Promoter ceases to be the Chairman due to Chairman Disqualification (other than any Chairman Disqualification on account of resignation on his own volition, or death) and such Chairman Disqualification ceases to exist, and the Lead Specified Promoter becomes eligible to be a Chairman, then any re-appointment of the Lead Specified Promoter as the Chairman, shall be mutually discussed in good faith and such re-appointment shall be subject to mutual agreement between the Acquirer and the Lead Specified Promoter.
- (b) Upon the Lead Specified Promoter ceasing to be the Chairman in accordance with Article 3.3.1(a) of Part B of these Articles, for every successor Chairman, the Acquirer shall have the right to select a candidate for nomination and appointment as Chairman, which selection of candidate shall be discussed by the Acquirer and Specified Promoters in good faith. If the selected candidate of the Acquirer is mutually agreeable to the Acquirer and Specified Promoters, then such Person shall be nominated for appointment as the Chairman. If the selection of candidate by the Acquirer for nomination as Chairman is not mutually agreeable to the Acquirer and Specified Promoters, then the Acquirer shall have the right to select another Person for nomination as Chairman as per this Article 3.3.1(b) of Part B of these Articles.
- (c) Notwithstanding anything mentioned in Article 3.3.1(a) of Part B of these Articles, in the event that Lead Specified Promoter resigns on his own volition from his role as the sole Managing Director in accordance with Article 3.3.2.(a) (i) of Part B below, the Acquirer and Specified Promoters shall nominate the Lead Specified Promoter as the non-executive Chairman, with effect from the date on which Lead Specified Promoter’s resignation as Managing Director becomes effective, unless there is any Chairman Disqualification or MD Disqualification (other than any Chairman Disqualification or MD Disqualification on account of resignation on his own volition). It is hereby clarified that, upon the occurrence of events contemplated under this Article 3.3.1(c) of Part B, the Chairman appointed pursuant to Article 3.3.1(b) of Part B above shall cease to hold the position of Chairman, with effect from the date of appointment of Lead Specified Promoter as non-executive Chairman in accordance with this Article 3.3.1(c) of Part B of these Articles.
- (d) Notwithstanding anything mentioned in Articles 3.3.1(b) and 3.3.1(c) of Part B above, if the Lead Specified Promoter is neither the Chairman nor the Managing Director, then

every successor Chairman shall be jointly nominated and appointed by the Acquirer and the Specified Promoters, which appointment shall come into effect upon expiry of the term of the then Chairman.

3.3.2 Managing Director

- (a) The Business shall be managed on a day-to-day basis under the leadership of a managing director of the Company as such term is defined under the Act (“**Managing Director**”) along with the Key Managerial Personnel and the other senior management personnel of the Company, subject to the Applicable Laws and/or these Articles. Upon expiry of each tenure of the Managing Director, the Specified Promoters and the Acquirer shall take all steps and exercise all rights as may be required or necessary to nominate and cause the re-appointment of Lead Specified Promoter as the sole Managing Director until occurrence of an MD Disqualification. After the appointment of the Lead Specified Promoter as the Managing Director of the Company, as contemplated herein, he shall remain the sole Managing Director of the Company, unless the Lead Specified Promoter (i) resigns on his own volition or (ii) ceases to be the Managing Director due to Inability; or (iii) is Disqualified to be a Director or Managing Director under Applicable Laws; or (iv) ceases to be the Managing Director on account of his death (any such reason for resignation, cessation or disqualification, collectively, “**MD Disqualification**”).
- (b) Subject to Applicable Laws: (i) the Company shall render all necessary assistance as may be required for the appointment or re-appointment of a Person nominated by the Specified Promoters and the Acquirer in accordance with Article 3.3.2. (a) above or Article 3.3.2.(d) or 3.3.2.(e) below as the sole Managing Director, and the Acquirer and the relevant Promoters shall favourably vote in Board Meetings and Shareholders' Meetings to give effect to the same; and (ii) the terms of appointment of the sole Managing Director shall be determined by the Board from time to time, provided that, with effect from the Re-appointment Date, while the Lead Specified Promoter is appointed as the Managing Director, the terms of his appointment (including roles and responsibilities) of the Managing Director shall at all times be strictly governed in accordance with the MD Employment Agreement.
- (c) In the event the Lead Specified Promoter decides on his own volition to resign from the position of the Managing Director, then the Lead Specified promoter shall (i) discuss such proposed resignation with Acquirer in advance and no less than 180 (One Hundred Eighty) calendar days prior to the date of tendering his resignation; and (ii) deliver a copy of the written notice of such resignation tendered by the Lead Specified Promoter to the Board.
- (d) Upon the Lead Specified Promoter ceasing to be the Managing Director in accordance with Article 3.3.2 (a) above, for every successor Managing Director, the Acquirer shall have the right to select a candidate for nomination and appointment as Managing Director, which selection of candidate shall be discussed by the Acquirer and Specified Promoters in good faith. If the selected candidate of the Acquirer is mutually agreeable to the Acquirer and Specified Promoters, then such Person shall be nominated for appointment as the Managing Director. If the selection of candidate by the Acquirer for nomination as Managing Director is not mutually agreeable to the Acquirer and Specified Promoters, then the Acquirer shall have the right to select another Person for nomination as Managing Director as per this Article 3.3.2 (d).
- (e) Notwithstanding anything mentioned in Article 3.3.2 (d) above, if the Lead Specified Promoter is neither the Chairman nor the Managing Director, then every successor Managing Director shall be jointly nominated and appointed by the Acquirer and the

Specified Promoters, which appointment shall come into effect upon expiry of the term of the then Managing Director.

- (f) In discharging the duties and obligations in accordance with these Articles and the MD Employment Agreement, the Acquirer, Promoters and the Company hereby agree, acknowledge and confirm that the Lead Specified Promoter shall place reliance on the skills, qualifications, acumen, recommendations, decisions and performance of the respective roles and responsibilities, on each Key Managerial Personnel, who will be jointly appointed by the Specified Promoters and the Acquirer in accordance with Article 3.7 (*Key Managerial Personnel*) of Part B of these Articles; provided however that, it is clarified that placing of such reliance shall not absolve the Lead Specified Promoter from his role, responsibilities and duties as the Managing Director under Applicable Laws and the MD Employment Agreement. Each such Key Managerial Personnel shall be granted roles, responsibilities and authorities pursuant to an approved Delegation of Authority Matrix as set forth under Article 3.8 (*Delegation of Authority*) of Part B of these Articles.
- (g) If the Lead Specified Promoter ceases to be the Managing Director due to MD Disqualification (other than any MD Disqualification on account of resignation on his own volition, or death) and such MD Disqualification ceases to exist, and the Lead Specified Promoter becomes eligible to be the Managing Director, then any re-appointment of the Lead Specified Promoter as the Managing Director, shall be mutually discussed in good faith and such re-appointment shall be subject to mutual agreement between the Acquirer and the Lead Specified Promoter.

3.4 **BOARD COMMITTEES**

- 3.4.1 The Board may constitute one or more committees, including but not limited to (i) Audit Committee and (ii) Nomination, Remuneration and Compensation Committee (each a “**Board Committee(s)**”) with such powers as the Board may delegate to such Board Committees.
- 3.4.2 Unless otherwise required by Applicable Law, the composition of Non-Independent Directors on such Board Committees shall consist of Acquirer’s Nominee Directors and Specified Promoters’ Nominee Directors in the same proportion as the proportion of Acquirer’s Nominee Directors and Specified Promoters’ Nominee Directors on the Board as set forth under Article 3.1 (*Composition Of The Board And Nominee Directors*) of Part B of these Articles.

3.5 **NON-EXECUTIVE STATUS AND INDEMNIFICATION**

- 3.5.1 The Company agrees and acknowledges that (i) 4 (Four) of Acquirer’s Nominee Directors (including, their alternate directors), as determined by the Acquirer; and (ii) up to 2 (two) of Specified Promoters’ Nominee Directors (including, his/ her alternate director), as determined by the Specified Promoters, shall be non-executive Directors, and shall not be responsible for the day-to-day operation of the Business or the Company.
- 3.5.2 Subject to Applicable Law, such non-executive Directors (including, their alternate directors) shall not be: (i) liable for any default or failure of the Company in complying with the provisions of any Applicable Law (including, defaults under the Act); and (ii) identified as occupiers or principal employers of any facilities used by the Company or a Director in charge of managing the affairs of the Company or Officer Who Is In Default under Applicable Law.

3.5.3 The Parties agree that so long as the Acquirer holds Acquirer's Securities that constitute less than 40% (Forty Percent) of the Issued Share Capital, the Company shall nominate 1 (One) of the Specified Promoters' Nominee Directors to be a whole time director on the Board who shall act as the 'occupier' of all the factories of the Company for the purposes of the Factories Act, 1948 ("**Occupier**"). The Parties further agree that once the Acquirer holds Acquirer's Securities that constitute equal to or more than 40% (Forty Percent) of the Issued Share Capital, the Acquirer and Specified Promoters shall discuss in good faith and mutually agree to the successor Occupier; provided however that, until such mutual agreement is reached between the Acquirer and the Specified Promoters regarding the successor Occupier, the Specified Promoters' Nominee Director, appointed in accordance with this Article 3.5.3. of Part B, shall continue to act as the Occupier.

3.6 INDEMNIFICATION TO DIRECTORS

3.6.1 Notwithstanding anything to the contrary contained in these Articles, the Company agrees to indemnify, defend and hold each Director (including their alternate director) harmless to the maximum extent permitted under Applicable Law except in the event of fraud, wilful misconduct or gross negligence by such Director, against all Losses suffered or incurred by such Director ("**Director Liability**") as a result of or arising out of or in connection with the following:

- (a) any act, omission or conduct of, or by, the Company, or their employees or agents as a result of which, in whole or in part, such Director is made a party to, or otherwise incurs any Director Liability pursuant to, any action, suit, claim or Proceeding arising out of or relating to any such conduct;
- (b) any action or failure to act as may be required of such Director at the request of, or with the consent of, the Board and/or the Company;
- (c) any Proceedings on account of any contravention or alleged contravention of Applicable Law (including, the laws relating to establishments, provident fund, gratuity, labour, environment and pollution) by the Company or the Directors; or
- (d) defending any Proceedings, against the Company or against himself/ herself in his/ her capacity as a Director.

3.6.2 The Company shall, at its own cost, procure, and at all times maintain, a directors' and officers' liability insurance for all Directors obtained from a reputed insurance company acceptable to the Acquirer and Specified Promoters, and on such terms (including coverage) as are acceptable to the Acquirer and the Specified Promoters ("**D&O Policy**"). For avoidance of doubt, the Company acknowledges and agrees that if the D&O Policy does not cover liabilities of any of the Director(s), or where the limits have been exhausted *vis-à-vis* such Director, then such Director shall be indemnified through funds of the Company to the extent not covered/ indemnified under the D&O Policy.

3.6.3 To the extent permitted under Applicable Laws, if a Director is required to deposit any monies with a Government Authority or pay for legal representation, in relation to any Director Liability which is the subject matter of indemnification herein, then the Company shall deposit such amount directly with the Government Authority or make such payment directly for such legal representation, on behalf of such Director for purposes of complying with the Applicable Law; provided that, if it is determined by a non-appealable judgment or order of a court of competent jurisdiction that such Director was not eligible for any indemnification under these Articles, then such Director must refund such monies deposited by the Company on their behalf, immediately upon such determination.

3.7 APPOINTMENT OF KEY MANAGERIAL PERSONNEL

3.7.1 To the extent permitted under Applicable Law, the Specified Promoters and the Acquirer shall have the right to jointly nominate 2 (Two) or more Persons for the designations listed below as a Reserved Matter, and the Company, Acquirer and Promoters shall undertake necessary actions in this regard:

- (a) The Chief Executive Officers of each divisions of the Company;
- (b) Chief Financial Officer;
- (c) Chief Operating Officer;
- (d) Chief Technology Officer;
- (e) Chief Information Officer;
- (f) Head of Research and Development;
- (g) Head of Human Resources Department;
- (h) Head of Legal Department;
- (i) Company Secretary;
- (j) Head of Quality Assurance and Control;
- (k) Chief Sales and Marketing Officer; and
- (l) Any new role or designation created in the Company to lead a material activity or perform a material function in relation to the Business (other than a whole time director (as defined under the Act)).

3.7.2 Appointment of such nominated persons as Key Managerial Personnel shall be subject to approval by the Board, in accordance with Applicable Law and these Articles. Provided that in the event, only 1 (One) Person is permitted to be appointed at a particular designation as a Key Managerial Personnel under Applicable Law, then the Specified Promoters and the Acquirer shall jointly nominate 1 (One) Person for such designation. Provided further that the terms of employment and performance of any and/or all Key Managerial Personnel employed by the Company, as on the date on which the Shareholders Agreement becomes effective, shall be reviewed by the Specified Promoters and Acquirer upon request for such review by either Party. Post such review, the Specified Promoters and the Acquirer shall jointly discuss and deliberate and, if mutually agreed, take necessary action, as they deem fit, in respect of the Key Managerial Personnel under review, in accordance with these Articles and Applicable Laws.

3.8 DELEGATION OF AUTHORITY

3.8.1 The Key Managerial Personnel, Managing Director and whole time directors appointed by the Company shall be responsible for performing their respective roles and responsibilities as set forth in a delegation of authority matrix (“**Delegation of Authority Matrix**”) adopted by the Company from time to time. Such Delegation of Authority Matrix shall identify, *inter alia*, the power, authority, duties and responsibilities to be performed by a specified designations constituting a Key Managerial Personnel, Managing Director and whole time directors. The Managing Director, whole time directors and the Key Managerial Personnel shall, at all times, adhere to the Delegation of Authority Matrix while providing services to the Company and in

undertaking the day-to-day operations of the Company. The Specified Promoters, Company and the Acquirer shall agree to an initial Delegation of Authority Matrix which shall be effective on the date that this Part B of these Articles become effective, on or prior to such date. Any change to the Delegation of Authority Matrix shall be a Reserved Matter and shall be adopted according to the process set forth in these Articles for Reserved Matters.

4 RESERVED MATTERS

4.1 Subject to Articles 5 (*Fall Away of Acquirer's Rights*) and 6 (*Fall Away of Specified Promoters' Rights*) of Part B of these Articles, the matters set out in **Schedule I** (*List Of Reserved Matters*) of these Articles ("**Reserved Matters**") shall not be placed for approval of the Board (or any of the Board Committees) or Shareholders without the prior Mutual Consent of the Reserved Matters Committee. For sake of clarification, if a Reserved Matter is communicated by the Company to the Reserved Matters Committee for seeking its Mutual Consent in accordance with the procedure set forth in **Schedule II** (*Reserved Matters Committee*) of these Articles, and the Company does not receive any communication from the Reserved Matters Committee on such Reserved Matter within a period of 30 (Thirty) calendar days of such communication by the Company, such non communication shall be deemed to be a rejection or disapproval of such Reserved Matter by the Reserved Matters Committee. Upon receipt of rejection or disapproval or non-communication from the Reserved Matters Committee (as contemplated herein), the relevant Reserved Matter shall not be included in the Meeting Agenda item to be placed for approval of the Board (or any of the Board Committees) or Shareholders, as the case may be.

4.2 RESERVED MATTERS COMMITTEE

The Specified Promoters and the Acquirer shall constitute a 'Reserved Matters Committee' which shall, *inter alia*, be responsible to decide upon the Reserved Matters before such matters are placed before the Board or Shareholders for requisite corporate actions ("**Reserved Matters Committee**"). The terms of reference of Reserved Matters Committee, constitution, manner of proceedings, quorum requirements, and other details are set forth under **Schedule II** (*Reserved Matters Committee*) of these Articles.

4.3 In the event the Reserved Matters Committee communicates its Mutual Consent (with or without conditions) to the Company on a Reserved Matter to the Company, then each Party shall undertake all steps necessary to cause its Nominee Directors or its representatives to vote, at a Board Meeting or Shareholders' Meeting where such Reserved Matter is being placed, as per the Mutual Consent communicated to the Company.

4.4 The Company shall ensure that no action in respect of the Reserved Matters is undertaken unless the process set forth in Article 4 (*Reserved Matters*) read with **Schedule II** (*Reserved Matters Committee*) of these Articles, has been followed.

5 FALL AWAY OF ACQUIRER'S RIGHTS

5.1 Notwithstanding anything contained to the contrary in these Articles, but subject to Article 5.2 below, any non-compete/ non-solicitation restrictions and any information rights, as may be mutually agreed amongst the Company, Acquirer and Promoters, the Company, Acquirer and Promoters agree that in the event the aggregate shareholding of the Acquirer and the Acquirer's Permitted Transferee in the Company falls below 16.38% (Sixteen Point Three Eight Percent) of the Issued Share Capital ("**Acquirer Fall Away Percentage**"), for any reason other than as a result of a dilution of shareholding due to issuance of the Securities:

(a) all rights of the Acquirer under Part B of the Articles; and

- (b) all obligations of the Acquirer under Part B of the Articles other than obligations including but not limited to the obligations in Articles 8.1.2. (*No Transfer to Competitors*) and 8.3 (*Right of First Offer*) and any other obligations pertaining to confidentiality and announcement and dispute resolution, as may be mutually agreed between the Company, Acquirer and Promoters from time to time,

shall extinguish and shall cease to have effect. The Company, Acquirer and Promoters further agree that that once the aggregate shareholding of the Acquirer and the Acquirer's Permitted Transferee in the Company exceeds 17% (Seventeen Percent) of the Issued Share Capital, the Acquirer Fall Away Percentage shall be construed to mean 17% (Seventeen Percent) of the Issued Share Capital, for the purpose of this Article 5.1 of Part B of these Articles.

- 5.2 If, at any time, the aggregate shareholding of the Acquirer and the Acquirer's Permitted Transferee in the Company falls below the Acquirer Fall Away Percentage, solely as a result of a dilution of shareholding of the Acquirer on account of issuance of Securities, then the Acquirer Fall Away Percentage shall, for the purpose of Article 5.1 of Part B of these Articles, be deemed to mean the then aggregate shareholding of the Acquirer and the Acquirer's Permitted Transferee in the Company post such dilution.

- 5.3 Further, in the event the aggregate shareholding of the Acquirer and/or the Acquirer's Permitted Transferee in the Company falls below the Acquirer Fall Away Percentage, then in accordance with Applicable Law, the Company and the Acquirer shall undertake all steps required to re-classify the Acquirer (and/or the Acquirer's Permitted Transferee, as the case may be) as 'public shareholders' from 'promoters', including but not limited to making the required application to the stock exchange for such re-classification.

6 FALL AWAY OF SPECIFIED PROMOTERS' RIGHTS

- 6.1 Notwithstanding anything contained to the contrary in these Articles, but subject to Article 6.2 below, any non-compete/ non-solicitation restrictions and any information rights, as may be mutually agreed amongst the Company, Acquirer and Promoters, the Company, Acquirer and Promoters agree that in the event the aggregate shareholding of the Specified Promoters and the Specified Promoters' Permitted Transferee in the Company falls below 8.5% (Eight Point Five Percent) ("**Specified Promoters Fall Away Percentage**") of the Issued Share Capital, for any reason other than as a result of a dilution of shareholding due to issuance of the Securities:

- (a) all rights of the Specified Promoters under Part B of the Articles; and
- (b) all obligations of the Specified Promoters under Part B of the Articles other than obligations including but not limited to the obligations in Articles 8.1.2. (*No Transfer to Competitors*) and 8.3 (*Right of First Offer*) and any other obligations pertaining to confidentiality and announcement and dispute resolution, as may be mutually agreed between the Company, Acquirer and Promoters from time to time,

shall extinguish and shall cease to have effect.

- 6.2 If, at any time, the aggregate shareholding of the Specified Promoters and the Specified Promoters' Permitted Transferee in the Company falls below the Specified Promoters Fall Away Percentage, solely as a result of a dilution of shareholding of the Specified Promoters on account of issuance of Securities, then the Specified Promoter Fall Away Percentage shall, for the purpose of Article 6.1 of Part B of these Articles, be deemed to mean the then aggregate shareholding of the Specified Promoters and the Specified Promoters' Permitted Transferee in the Company post such dilution.

- 6.3 Further, in the event the aggregate shareholding of the Specified Promoters and/or the Specified Promoters' Permitted Transferee in the Company falls below Specified Promoters Fall Away Percentage, then in accordance with Applicable Law, the Company and the Specified Promoters shall undertake all steps required to re-classify the Specified Promoters (and/or the Specified Promoters' Permitted Transferee as the case may be) as 'public shareholders' from 'promoters', *including* but not limited to making the required application to the stock exchange for such re-classification.

7 MATERIAL EVENT OF DEFAULT AND CONSEQUENCES OF MATERIAL EVENT OF DEFAULT

- 7.1 The Non-Defaulting Party shall have the right, exercisable by a written notice, issued within 30 (Thirty) calendar days of the Non-Defaulting Party becoming aware of a Material Event of Default ("**MEOD Default Notice**"), to require the Defaulting Party to remedy the Material Event of Default (in case the Material Event of Default is capable of being remedied) within 120 (One Hundred and Twenty) calendar days from the date of the MEOD Default Notice ("**MEOD Remedy Period**"). If the Material Event of Default (which is capable of being remedied) remains uncured upon expiry of MEOD Remedy Period, or if the Material Event of Default is incapable of being remedied, upon delivery of the MEOD Default Notice by the Non-Defaulting Party to the Defaulting Party, the Non-Defaulting Party shall have the right (but not an obligation) to enforce its rights under Article 7.2 (*Suspension of Rights*) of Part B of these Articles.

7.2 SUSPENSION OF RIGHTS

- 7.2.1 Notwithstanding anything to the contrary contained in these Articles, the Company, Acquirer and Promoters agree that in the event of occurrence of a Material Event of Default, which has not been disputed, or in case it has been disputed, in accordance with any order or judgement (interim or final), the relevant Non-Defaulting Party shall have the right to issue a notice to the Company seeking that all ordinary voting rights of the Defaulting Party (in relation to any and all Securities held by the Defaulting Party), whether under the Charter Documents or otherwise relating to Securities of the Defaulting Party, including, without limitation, the rights under Article 4 (*Reserved Matters*) of Part B of these Articles, shall automatically be suspended without any notice to the Defaulting Party and the Company shall enforce the same, unless there is any restraining or stay order against the enforcement/ implementation of such order or judgement.
- 7.2.2 All the obligations of the Defaulting Party, whether under the Charter Documents or otherwise relating to the Securities of the Defaulting Party, shall continue to be applicable to the Defaulting Party.
- 7.2.3 In the event of a Material Event of Default, which has not been disputed, or in case it has been disputed, in accordance with any order or judgement (interim or final), the relevant Non-Defaulting Party shall have the right to issue a notice to the Company seeking that all the ordinary voting rights in relation to the additional Shares acquired by the Defaulting Party and/or its Affiliates, directly or indirectly, shall also remain suspended so long as the Defaulting Party is a direct or indirect (i) beneficiary of such additional Shares acquired by Defaulting Party and / or its Affiliates; or (ii) party to any voting arrangement.

8 RESTRICTIONS ON TRANSFER OF SECURITIES

8.1 GENERAL CONDITIONS

- 8.1.1 *Null & Void Transfer of Securities:* Any Transfer of Securities (including, the legal or beneficial ownership of such Securities) by the Acquirer or any Promoter(s) or any rights attached to Securities in breach of these Articles shall be null and void *ab initio*.
- 8.1.2 *No Transfer to Competitors:* The Acquirer, the Acquirer's Permitted Transferee, the Promoters and the Specified Promoters' Permitted Transferee shall not Transfer any Securities to an EL Competitor or its Affiliates or a KBT Competitor or its Affiliates.
- 8.1.3 *Transfer in Compliance with the Charter Documents:* Other than as permitted in Articles 8.1.4 (*Permitted Trust Transfers*), 8.1.8 (*Specified Promoters' De-Minimis Transfer*) and 8.2 (*Permitted Transfer*) of Part B of these Articles, neither the Acquirer nor any of the Specified Promoters shall Transfer either directly or indirectly (whether in the form of a gift, sale or in any other manner whatsoever) any of their respective Securities (including, the legal or beneficial ownership of such Securities) to any Person without the prior written consent of Acquirer (if the transferor is Specified Promoters) or Specified Promoters (if the Acquirer is the transferor) or Acquirer and Specified Promoters (if the Trust is the transferor) for 5 (Five) years from the date the Part B of Articles come into effect ("**Lock-in Period**").
- 8.1.4 *Permitted Trust Transfers:* Transfer of Securities held by the Trust or any part thereof, as a part of the Selective Capital Reduction, may be undertaken without any Transfer restrictions. However, any other Transfer of Securities held by the Trust shall be in accordance with Article 8 (*Restrictions on Transfer of Securities*) of Part B of these Articles.
- 8.1.5 *Deed of Accession:* It shall be a condition of any Transfer of Securities by the Acquirer or any of the Promoters that the relevant Third Party or the Permitted Transferee, as the case may be, enters into a deed of accession in the form as may be agreed amongst the Company, Promoters and the Acquirer ("**Deed of Accession**").
- 8.1.6 *Acquirer Single Block:* Notwithstanding anything contained in these Articles, the Acquirer and the Acquirer's Permitted Transferee shall exercise their rights under these Articles or otherwise in relation to Acquirer's Securities as a single block. For avoidance of doubt, it is hereby clarified that all the obligations of the Acquirer shall continue to apply on the Acquirer's Permitted Transferee.
- 8.1.7 *Specified Promoters' Single Block:* Notwithstanding anything contained in these Articles, the Specified Promoters and the Specified Promoters' Permitted Transferee shall exercise their rights under the Charter Documents or otherwise in relation to Securities of the Specified Promoters, as a single block. For avoidance of doubt, it is hereby clarified that all the obligations of the Specified Promoters shall continue to apply on the Specified Promoters' Permitted Transferee.
- 8.1.8 *Specified Promoters' De-Minimis Transfer:* Notwithstanding the Lock-in Period and Article 8.1.5 (*Deed of Accession*) above, but subject to Articles 8.1.2. (*No Transfer to Competitors*), 8.3 (*Right of First Offer*) and 6 (*Fallaway of Specified Promoters' Rights*) of Part B of these Articles, the Specified Promoters shall at all times be entitled to freely Transfer up to an aggregate of De-Minimis Securities, whether in a single transaction or a series of transactions.

8.2 **PERMITTED TRANSFER**

- 8.2.1 *Acquirer's Affiliate Transfer:* Notwithstanding anything contained in Articles 8.3 (*Right of First Offer*) and 8.4 (*Tag-Along Rights*) of Part B of these Articles, but subject to this Article 8.2 (*Permitted Transfers*), the Acquirer shall have the right to freely Transfer its Securities or any part thereof (including, the rights under these Articles) in favour of a transferee that is the Acquirer's Permitted Transferee so long as (i) such Acquirer's Permitted Transferee executes

the Deed of Accession as contemplated above and is bound by terms of these Articles and (ii) such transferee remains an Acquirer's Permitted Transferee.

8.2.2 *Specified Promoters' Affiliates Transfer*: Notwithstanding anything contained in Articles 8.3 (*Right of First Offer*) and 8.4 (*Tag-Along Rights*) of Part B of these Articles, but subject to this Article 8.2 (*Permitted Transfers*), any of the Specified Promoters shall have the right to freely Transfer their Securities or any part thereof (including, the rights under these Articles) in favour of a transferee being the Specified Promoters' Permitted Transferee(s) so long as (i) such Specified Promoters' Permitted Transferee executes the Deed of Accession as contemplated above and is bound by terms of these Articles and (ii) such transferee remains a Specified Promoters' Permitted Transferee.

8.3 **RIGHT OF FIRST OFFER**

8.3.1 The Specified Promoters and the Acquirer agree, undertake and covenant as follows:

- a) Subject to Article 8.1 (*General Conditions*) of Part B of these Articles, if, (i) pursuant to the expiry of the Lock-in Period; or (ii) pursuant to Specified Promoters' De-Minimis Transfer in accordance with Article 8.1.8 (*Specified Promoters' De-Minimis Transfer*) above, the Acquirer or any Specified Promoters (in each case, a "**ROFO Seller**") proposes to Transfer all or any of the Securities ("**ROFO Transfer Securities**") held by it/them to any Third Party ("**ROFO Third Party Purchaser**"), then, prior to any Transfer of the ROFO Transfer Securities by the ROFO Seller to such ROFO Third Party Purchaser, the ROFO Seller shall have the obligation to provide to the Specified Promoters (in case the ROFO Seller is the Acquirer) or the Acquirer (in case the ROFO Seller is a Specified Promoter) (each, a "**ROFO Purchaser**") a written notice ("**ROFO Transfer Notice**") stating the intention of the ROFO Seller to Transfer the ROFO Transfer Securities and the number of ROFO Transfer Securities proposed to be sold by the ROFO Seller.
- b) Within a period of 45 (Forty-Five) calendar days from the date of receipt of the ROFO Transfer Notice ("**ROFO Exercise Period**"), the ROFO Purchaser shall have the right ("**ROFO Right**") to issue a notice in writing (such notice, a "**ROFO Exercise Notice**") to the ROFO Seller, stating therein:
 - (i) the offer to purchase all (or any) of the ROFO Transfer Securities (the number of ROFO Transfer Securities identified by the ROFO Purchaser in the ROFO Exercise Notice is hereinafter referred to as the "**Specified ROFO Transfer Securities**"); and
 - (ii) the price offered per Specified ROFO Transfer Security ("**ROFO Offer Price**"), and all other terms and conditions ("**ROFO Terms**") relating to the offer to purchase the Specified ROFO Transfer Securities.
- c) Upon receipt of the ROFO Exercise Notice, and in case the ROFO Offer Price and ROFO Terms are acceptable to the ROFO Seller, the ROFO Seller may, within 30 (Thirty) calendar days from the date of receipt of the ROFO Exercise Notice, issue a written notice ("**ROFO Acceptance Notice**") to the ROFO Purchaser to notify its acceptance, and agreeing to sell all, but not less than all, of the Specified ROFO Transfer Securities on the ROFO Terms and at the ROFO Offer Price. The Company, Promoters and the Acquirer agree that:
 - (i) a ROFO Acceptance Notice shall be irrevocable, and shall constitute a binding acceptance by the ROFO Seller to Transfer, and the ROFO Purchaser to

purchase, the Specified ROFO Transfer Securities at the ROFO Offer Price and on the ROFO Terms; and

- (ii) subject to Applicable Law, the ROFO Seller and the ROFO Purchaser shall consummate the Transfer of the Specified ROFO Transfer Securities within a period of 30 (Thirty) calendar days from the date of the ROFO Acceptance Notice, at the ROFO Offer Price and on the ROFO Terms.
- d) If the ROFO Purchaser does not issue the ROFO Exercise Notice within the ROFO Exercise Period, or if the ROFO Purchaser notifies the ROFO Seller that it/they has/have decided not to exercise the ROFO Right, then the ROFO Seller shall be entitled to sell the ROFO Transfer Securities to a ROFO Third Party Purchaser subject to Applicable Law, which sale must be consummated within a period of 30 (Thirty) calendar days from the date of expiry of the ROFO Exercise Period, failing which the ROFO Seller shall not be entitled to Transfer any ROFO Transfer Securities to the ROFO Third Party Purchaser without first complying with the provisions of this Article 8.3 (*Right of First Offer*).
- e) If the ROFO Purchaser issues the ROFO Exercise Notice and offers to purchase the Specified ROFO Transfer Securities, and the ROFO Seller chooses not to accept the ROFO Offer Price and the ROFO Terms offered by such ROFO Purchaser, then the ROFO Seller shall be entitled to sell the ROFO Transfer Securities to the ROFO Third Party Purchaser at a price which shall be not less than 100% (One Hundred Percent) of the ROFO Offer Price, on terms no more favourable for the ROFO Third Party Purchaser than the ROFO Terms, and subject to Applicable Law, which sale must be consummated within a period of 30 (Thirty) calendar days from the date of receipt of the ROFO Exercise Notice, failing which the ROFO Seller shall not be entitled to Transfer any ROFO Transfer Securities to the ROFO Third Party Purchaser without first complying with the provisions of this Article 8.3 (*Right of First Offer*).
- f) If pursuant to this Article 8.3 (*Right of First Offer*), the ROFO Purchaser triggers the Company Mandatory Tender Offer(s), the Specified Promoters, Company and the Acquirer agree that they shall co-operate with each other and provide all necessary information and assistance reasonably required by the ROFO Purchaser in connection with the mandatory open offer.

8.4 TAG-ALONG RIGHT

- 8.4.1 If pursuant to the expiry of the Lock-in Period, the Acquirer proposes to Transfer to a Third Party purchaser all or part of the Acquirer's Securities ("**Acquirer Sale Securities**"), then subject to Article 8.3 (*Right of First Offer*) above, the Specified Promoters shall have a right (but not the obligation) ("**Tag-Along Right**") to sell to such Third Party purchaser, and the Acquirer shall be obligated to cause the Third Party to purchase from the Specified Promoters, the Specified Promoters Securities up to the Tag Limit ("**Tag-Along Securities**"). Upon receipt of the Tag-Along Notice, the Acquirer shall cause the Tag-Along Securities to be Transferred to the Third Party purchaser, simultaneously with Transfer of Acquirer Sale Securities, at the same price and on the same terms and conditions as is offered to the Acquirer by such Third Party purchaser.

For the purpose of these Articles, the "**Tag Limit**", shall be such proportion of the Specified Promoters Securities that is equal to the proportion that the Acquirer Sale Securities represents to the Acquirer's Securities.

8.4.2 PROCEDURE:

In the event that the Specified Promoters do not wish to exercise their ROFO Right as set forth under Article 8.3 (*Right of First Offer*) above, then, within 10 (Ten) calendar days (“**Tag-Period**”) from the expiration of ROFO Exercise Period, the Specified Promoters shall notify the Acquirer their intention to exercise the Tag-Along Right through delivery of a written notice (“**Tag-Along Notice**”) to the Acquirer, specifying the number of Tag-Along Securities that the Specified Promoters seeks to Transfer to the Third Party purchaser. In the event that the Specified Promoters do not issue the Tag-Along Notice within the Tag-Period, the Specified Promoters shall be deemed to have not exercised their Tag-Along Right.

- 8.4.3 If pursuant to Articles 8.4.1 and 8.4.2 of Part B of these Articles, the Third Party purchaser triggers the Company Mandatory Tender Offer(s), the Specified Promoters shall cooperate with the Acquirer and the Third Party purchaser in relation to such open offer obligation.

9 DEADLOCK

- 9.1 A deadlock (“**Deadlock**”) shall be deemed to have occurred if any Reserved Matter is not approved by either the Acquirer or the Specified Promoters, or an Acquirer’s Nominee Director or Specified Promoters’ Nominee Director, in accordance with Article 4 (*Reserved Matters*), in 2 (Two) consecutive instances (at the meetings of the Reserved Matters Committee). Provided however that, a second request for approval of such Reserved Matter shall not be raised less than 30 (Thirty) calendar days after the first request for approval of such Reserved Matter.
- 9.2 If a Deadlock cannot be resolved within 45 (Forty Five) calendar days of the second instance of its occurrence as per Article 9.1 of Part B of these Articles, then the matter shall be escalated to the senior level management representatives of the Acquirer and the Specified Promoters (being such individual as identified by each of the Acquirer and the Specified Promoters) (collectively, “**Senior Management Officers**”), who will attempt to resolve the Deadlock in good faith within 60 (Sixty) calendar days of such Deadlock having been escalated to the Senior Management Officers (“**Good Faith Negotiations**”) in an amicable and commercially reasonable manner in the interest of the Company. The decision (if any) of the Good Faith Negotiation shall be final and binding on the Specified Promoters, Company and the Acquirer, and the decision (if any) of such Good Faith Negotiation shall be forthwith communicated to the Board of the Company.
- 9.3 In the event that the Deadlock remains unresolved even after Good Faith Negotiations under Article 9.2 of Part B of these Articles, and the matter constituting Deadlock is not resolved within 60 (Sixty) calendar days of the Deadlock having been escalated to the Senior Management Officers in accordance with Article 9.2 of Part B of these Articles or such further date as may be unanimously agreed by all members of the Senior Management Officer, the Deadlock shall be deemed to be unresolved, and the Board and/ or Shareholders shall not proceed with the matter which has caused the Deadlock, provided that the other provisions of Charter Documents and other documents shall continue to apply as if no Deadlock has taken place. Any resolution to a Deadlock shall be in writing, and shall be implemented by the Specified Promoters, Company and the Acquirer in terms of the resolution of the Deadlock. It is hereby clarified that this Article 9 shall not in any manner whatsoever prejudice the Reserved Matter rights of the Specified Promoters and the Acquirer under these Articles or otherwise in relation to their respective Securities.

SCHEDULE I

LIST OF RESERVED MATTERS

1. *Amendments to charter documents of Company or Controlled Affiliates:* Any amendments or modifications to the Memorandum or Articles of the Company or the articles of association or memorandum of association of the Controlled Affiliates;
2. *Material Change in Assets or business of the Company or Controlled Affiliates:* Any acquisition, change, disposal or transfer of any Assets of the Company or its Controlled Affiliates having fair value of more than INR 500,000,000 (Indian Rupees Five Hundred Million), for the previous Financial Year, other than as in the Ordinary Course of Business or as provided in the business plan;
3. *Reorganization:* Any merger, de-merger, re-organization, dissolution, winding up or liquidation of the Company or its Controlled Affiliate or initiation of or engaging in any new line of business. Any material re-organization of the business of the Company;
4. *Changes to the capital structure of the Company or Controlled Affiliates:* Any action that impacts the capital or voting structure or control of the Company or its Controlled Affiliates, including, without limitation, issuance of or alteration of the terms of any Securities or instruments representing ownership or voting interest in the Company or buyback, delisting (as applicable) or redemption of any Securities of the Company or the securities of its Controlled Affiliates;
5. *Changes to the Board composition of the Company or Controlled Affiliates:* Change to the size or composition of the Board or its committees or that of the board of directors/ committees of the Controlled Affiliates;
6. *The business plans of the Company or Controlled Affiliates:* Amendment of any business plan (which shall include, among other things, items of capital expenditures, items of operating expenditures, sources of financing or funds (including, incurring liabilities)) and business strategy, of the Company or Controlled Affiliates, or material deviation (i.e, deviation of more than 10% (Ten Percent) on each of the line items of the business plan) therefrom;
7. *Material Related Party Transactions of the Company or Controlled Affiliates:* Undertaking any material related party transaction (as per Applicable Law) in relation to the Company or its Controlled Affiliates, as the case may be;
8. *Changes in Brand Strategy Plan of the Company or Controlled Affiliates:* Approval of, including any amendment of Brand Strategy Plan, or any brand strategy plan in relation to the Controlled Affiliates, or any modification thereof;
9. *Key Managerial Personnel of the Company or Controlled Affiliates:* Appointment/ reappointment or removal of Key Managerial Personnel of the Company or key management personnel of Controlled Affiliates or any change in the Delegation of Authority Matrix related to Key Managerial Personnel, Managing Director and whole time directors;
10. *Special Resolution Related Matters of the Company or Controlled Affiliates:* Any matters which require a special resolution to be passed by the Shareholders or by the shareholders of the Controlled Affiliates; and
11. Entering into any agreement or arrangement in relation to any of the foregoing.

SCHEDULE II

RESERVED MATTERS COMMITTEE

1. Powers and Functions:

- 1.1. Any action proposed to be undertaken in relation to the Company which is a Reserved Matter, shall first be referred to the Reserved Matters Committee for Mutual Consent.
- 1.2. The Reserved Matters Committee shall review the Reserved Matters prior to initiation of any corporate actions by the Board or Shareholders in relation thereto.
- 1.3. While considering and deciding upon a Reserved Matter, the Reserved Matters Committee shall have the power to require the Board and/ or management of the Company to provide all such data and/ or information as they deem fit to assess such matter.
- 1.4. The Reserved Matters Committee, in its sole discretion, shall be entitled to seek professional advise in relation to the Reserved Matters being assessed and the cost for such advise shall be borne by the Company.
- 1.5. Basis the assessment, the Reserved Matters Committee may make recommendations and/ or impose additional conditions while granting its Mutual Consent. Such recommendations and/ or conditions shall be binding on the Board and Shareholders, as applicable.

2. Members:

- 2.1. The Committee shall comprise of 4 (Four) Directors.
- 2.2. 2 (Two) of such Directors shall be Acquirer's Nominee Directors and the remaining 2 (Two) shall be Specified Promoters' Nominee Directors.

3. Meetings:

The participation of Directors in a meeting of the Reserved Matters Committee may be either in person or through video conferencing or audio-visual means or teleconferencing, as may be reasonably practicable. There shall not be any set frequency of meetings and the same shall take place as and when a Reserved Matter comes up for consideration or as may otherwise be demanded by any of the Acquirer or the Specified Promoters.

4. Quorum:

Quorum for a meeting of the Reserved Matters Committee shall be at least 1 (One) Acquirer's Nominee Director and 1 (One) Specified Promoters' Nominee Director.

5. Voting:

Voting at a meeting of Reserved Matters Committee shall be by show of hands.

6. Process and Decisions:

- 6.1. Before the Company includes any Reserved Matters in the agenda to be placed for decision of the Board (or any of the Board Committee) or Shareholders, it must, at least 15 (Fifteen) calendar days before such matter is to be included in the agenda to be placed for decision of the Board (or

any of the Board Committee) or Shareholders (“**Meeting Agenda**”), notify each member of the Reserved Matters Committee in writing of such Reserved Matter (“**Reserved Matter Notice**”).

- 6.2. The Reserved Matter Notice must contain, among other things, the following: (a) description of the Reserved Matter to be included in the Meeting Agenda, (b) last date by which the Reserved Matters Committee shall communicate its decision to the Company, (c) the details of the Board Meeting or Shareholders’ Meeting at which such Meeting Agenda will be placed, and (d) an explanatory statement explaining the commercial rationale for placing such Reserved Matter for approval before the Board or Shareholders along with all material documents and information that may be required for the Reserved Matters Committee to make a decision in respect of such Reserved Matter.
- 6.3. Upon receipt of a Reserved Matter Notice, any member of the Reserved Matters Committee may request for a meeting from other members of the Reserved Matters Committee by delivering 2 (Two) days advance notice from the stipulated date for such meeting of the Reserved Matters Committee. Any member of the Reserved Matters Committee may ask the Company to provide all reasonable information as it may deem fit for purposes of making a decision in respect of a Reserved Matter.
- 6.4. A decision of the Reserved Matters Committee in relation to a Reserved Matter shall be approved by at least 1 (One) Acquirer’s Nominee Director and 1 (One) Specified Promoters’ Nominee Director, all of whom have been duly appointed to the Reserved Matters Committee, which shall be recorded in writing along with reasons, recommendations and conditions, if any.
- 6.5. Upon reaching of such decision on a Reserved Matter, the Reserved Matters Committee shall authorize any member of the Reserved Matters Committee to communicate its decision in writing to the Company.
- 6.6. In the event of a rejection or disapproval or non-communication by the Reserved Matters Committee of its Mutual Consent in relation to a Reserved Matter, such Reserved Matter shall not be included in the Meeting Agenda item to be placed for approval of the relevant meeting of the Board (or any of the Board Committees) or Shareholders, as the case may be.
- 6.7. The Company shall take all actions as may be necessary to give effect to such written decision of the Reserved Matters Committee in respect of a Reserved Matter.