

**भारत सरकार-कम्पनी कार्य मंत्रालय**  
**कम्पनी रजिस्ट्रार कार्यालय, राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा**  
**नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र**

कार्पोरेट पहचान संख्या : L74899DL1985PLC020401

मैसर्स MINDA HUF LIMITED

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स

MINDA HUF LIMITED

जो मूल रूप में दिनांक ग्यारह मार्च उन्नीस सौ पचासी को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स MINDA SWITCH AUTO LTD.

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिवत आवश्यक विनिश्चय पारित करके तथा लिखित रूप में यह सूचित करके की उसे भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पठित, भारत सरकार, कम्पनी कार्य विभाग, नई दिल्ली की अधिसूचना सं.सा.का.नि 507 (अ) दिनांक 24.6.1985 ए.आर.एन A12002531 दिनांक 28/03/2007 के द्वारा प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित रूप में मैसर्स

MINDA CORPORATION LIMITED

हो गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र, मेरे हस्ताक्षर द्वारा दिल्ली में आज दिनांक अठारह मार्च दो हजार सात को जारी किया जाता है।

**GOVERNMENT OF INDIA - MINISTRY OF COMPANY AFFAIRS**

**Registrar of Companies, National Capital Territory of Delhi and Haryana**

**Fresh Certificate of Incorporation Consequent upon Change of Name**

Corporate Identity Number : L74899DL1985PLC020401

In the matter of M/s MINDA HUF LIMITED

I hereby certify that MINDA HUF LIMITED which was originally incorporated on Eleventh day of March Nineteen Hundred Eighty Five under the Companies Act, 1956 (No. 1 of 1956) as MINDA SWITCH AUTO LTD. having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E) dated 24/06/1985 vide SRN A12002531 dated 28/03/2007 the name of the said company is this day changed to MINDA CORPORATION LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Delhi this Twenty Eighth day of March Two Thousand Seven.



Sd/-

( TEJ PRAKASH SHAMI )

कम्पनी रजिस्ट्रार / Registrar of Companies

राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा

National Capital Territory of Delhi and Haryana



सत्यमेव जयते

COMPANY NO. ...55-20401.....

**FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT UPON CHANGE OF NAME**

*In the Office of the Registrar of Companies, N.C.T. of Delhi & Haryana  
[under the Companies Act, 1956 (1 of 1956)]*

IN THE MATTER OF . .... MINDA SWITCH AUTO LIMITED .....

I hereby certify that ..... MINDA SWITCH AUTO LIMITED .....  
which was originally incorporated on..... ELEVENTH..... day of..... MARCH.....  
One Thousand Nine Hundred... EIGHTY FIVE.....under the Companies Act, 1956  
(Act 1 of 1956) under the name..... MINDA SWITCH AUTO PRIVATE LIMITED...  
having duly passed the necessary resolution in terms of Section 21 of the Companies  
Act, 1956 and the approval of the Central Government signified in writing having been  
accorded thereto under Section 21 read with Government of India, Department of  
Company Affairs Notification No. G.S.R. 507(E) dated 24-6-1985 by Registrar of  
Companies, N.C.T. of Delhi & Haryana, New Delhi vide letter No.. 21/55-20401/165..  
dated..... 2-2-1996..... the name of the said Company is this day changed  
to..... MINDA HUF LIMITED..... and this Certificate is issued pursuant to  
Section 23(1) of the said Act.

Given under my hand at NEW DELHI this ..... 5TH.....  
day of..... FEBRUARY.....One Thousand Nine Hundred and Ninety..... SIX.....



Sd/-

( A. W. ANSARI )

ADDL. REGISTRAR OF COMPANIES,  
N.C.T. OF DELHI AND HARYANA

**FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT UPON CHANGE OF NAME**

**COMPANY NO. 20401**

In the office of the REGISTRAR OF COMPANIES, DELHI & HARYANA  
( UNDER THE COMPANIES ACT, 1956 (1 OF 1956)

IN THE MATTER OF **MINDA SWITCH AUTO PRIVATE LIMITED**

I hereby certify that **MINDA SWITCH AUTO PRIVATE LIMITED.....**  
which was originally incorporated on **11TH** day of **MARCH, 1985** under  
the Companies Act, 1956 and under the name **MINDA SWITCH AUTO PRIVATE  
LIMITED.** having duly passed the necessary special resolution on **25TH**  
day of **MARCH, 1985** in terms of Section 21 of the Companies Act, 1956  
that name of the said company is this day changed to **MINDA SWITCH AUTO  
LIMITED** and this Certificate is issued pursuant to Section 23 (1)  
of the said Act.

Given under my hand at **NEW DELHI** this **SIXTH** day of **MAY, 1985**  
(One thousand nine hundred & **EIGHTY FIVE** )



Sd/-  
( **J. N. KAUL** )  
ADDL. REGISTRAR OF COMPANIES  
DELHI & HARYANA



सत्यमेव जयते

प्रारूप० आई० आर०  
Form I. R.

निगमन का प्रमाण-पत्र

## Certificate of Incorporation

सं०. 20401.....शक.....1906...

No. 20401.....of...19...84-85...

मैं एतद् द्वारा प्रमाणित करता हूँ कि आज .....मिन्दा.स्विच.ओटो.प्राइवेट.लिमिटेड.....

.....  
कम्पनी अधिनियम 1956 (1956 का 1) के अधीन नियमित की गई है और यह कम्पनी  
परिसीमित है।

I hereby certify that .....MINDA.SWITCH.AUTO.PRIVATE.LIMITED.....

.....  
is this day incorporated under the Companies Act, 1956 (No.1 of 1956) and  
that the Company is limited.

मेरे हस्ताक्षर से आज ता०.....20.फाल्गुन..1906.....को दिया गया।

Given under my hand at .....NEW.DELHI..... this .....ELEVENTH.....  
day of .....MARCH... One thousand nine hundred and .....EIGHTY-FIVE.....



Sd/-  
( एस० बी० माथुर )  
कम्पनी रजिस्ट्रार  
( S. B. MATHUR )  
Registrar of Companies  
DELHI & HARYANA

# **THE COMPANIES ACT, 2013**

**AND**

# **THE COMPANIES ACT, 1956**

(Incorporated under the Companies Act, 1956)

## **COMPANY LIMITED BY SHARES**

## **MEMORANDUM OF ASSOCIATION OF**

# **MINDA CORPORATION LIMITED**

The following regulations comprised in these Memorandum of Association were adopted pursuant to members' resolution passed at the Annual General Meeting of the Company held on Thursday, September 10, 2015 in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Memorandum of Association of the Company.

**I Name of the Company :** The name of the Company is **MINDA CORPORATION LIMITED.**

**II Registered Office :** The registered office of the Company will be situated in the National Capital Territory of Delhi

**III Objects :** The objects for which the Company is established are :

**A. THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:**

1 To carry on the business of manufacture, fabricate assemble and deal in automobile parts

To carry on the business of manufacture, fabricate assemble and deal in automobile parts and agricultural implements of all kinds descriptions, automotive and other gears, transmission axles, Universal joints, springs, spring leaves, head lamps, sealed beams, clutch facing and brake lining component parts, spare parts, accessories and fittings of all kinds for the said articles and things used in connection with the manufacture thereof, alloy springs, steel billets, flats and bars, pressed and other engineering items and other related items for motor cars, motor truck, buses, tractors, vans, jeeps, lorries, motor launches, aeroplanes, motor cycles, cycles and vehicles and conveyances of all kinds.

2 To deal in purchase, sell, import, export or supply and/or to act as principals, dealers, agents, sub-agents, manufacturers' etc.

To deal in purchase, sell, import, export or supply and/or to act as principals, dealers, agents, sub-agents, manufacturers' representative either solely or in conjunction with others and either by or through agents, sub-contractors, trustees or otherwise for the Indian manufactured goods/commodities of industrial, domestic and agricultural use and to render services in the foreign countries and vice versa in connection therewith and for the above said purposes.

3 To carry on the business of a company established with the object

To carry on the business of a company established with the object of financing industrial or other enterprises and to make loans, give guarantees and provide securities to any other Company or other person whether promoted and/or managed by this Company or not provided that the Company shall not do any banking business within the meaning of Banking Regulation Act, 1949.

**B. OBJECTS / MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE - III (A) ARE :**

- |  |   |   |
|--|---|---|
| <i>To purchase, manufacture and deal in materials, substances.</i> | 1 | To purchase or otherwise acquire, own, import, export, sell and deal in all materials, substances, appliances, machines, containers and other articles and apparatus and things capable of being used in any of the aforesaid businesses and to own, lease and otherwise acquire and use facilities of whatever kind as may be convenient or useful or conducive to the effective working of the said business or any part thereof.   |
| <i>Construct and superintend buildings, offices, structures.</i>   | 2 | To acquire, build, construct, alter, maintain, enlarge, pull down, remove or replace, and to work, manage and control any buildings, offices, mills, shops, engines, roadways, tramways, railways branches or sidings, bridges, reservoirs, water courses, wharves, electric-works, and other works and conveniences which may seem necessary to carry out the objects of the Company, and to join with any other person or company in doing any of these things.                       |
| <i>Aid to labour and other Industrial associations</i>             | 3 | To aid pecuniary or otherwise, any association, body or movement having for an object the solution, settlement or surmounting of industrial or labour problems or troubles or the promotion of industry or trade subject to Section 182 of the Companies Act, 2013.   |
| <i>Purchase, lease, exchange</i>                                   | 4 | To purchase, take on lease or tenancy or in exchange, hire, take options over or otherwise acquire for any estate or interest, whatsoever and to hold, develop, work, cultivate, deal with and turn to account, concessions, grants, decrees, licences, privileges, claims, options, leases, property, real or personal or rights or powers of any kind which may appear to be necessary or convenient for the business of the Company.   |
| <i>Distribution in specie</i>                                      | 5 | To distribute among the members in specie any property of the company, or any proceeds of sale or disposal of any property of the company, in the event of its winding up but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.   |
| <i>Disposal of undertaking and property of Company</i>             | 6 | or tribute, grant licences, easements, options and other rights over and in any other manner deal with or dispose off the whole or any part of the undertaking, property, assets, rights and effects of the such considerations as may be thought fit and in particular for stock, Company for shares whether fully or partly paid-up, or securities of any other company having objects in whole or in part similar to those of the company or as may be approved by the shareholders. |
| <i>Payment for property and services</i>                           | 7 | To pay for any rights or property acquired by the Company and to remunerate any person, firm or body corporate rendering services to the company either by cash payment or by allotment to him or them of shares or securities of the Company as paid up in full or in part or otherwise.   |
| <i>Trusty and agency business</i>                                  | 8 | To do all or any of the above things either as principals, agents, trustees, contractors, or otherwise and either alone or in conjunction with others and either by or through agents, sub-contractors, trustees or otherwise.  |
| <i>Financial and commercial obligations</i>                        | 9 | To undertake financial and commercial obligations, transactions and operations, of all kinds connected with the main objects or business of the Company.  |

<i>Guarantee of contracts</i>	10	To guarantee the performance of any contract or obligations of and the payment of money of or dividends and interest on any stock, shares or securities of any company, corporation, firm or person in any case in which such guarantee may be considered directly to further the objects of the Company.
<i>Guarantee and Surety</i>	11	To guarantee the payment of money unsecured or secured of payable under or in respect of promissory notes, bonds, debentures, debenture stock, contracts, mortgages, charges, obligations, instruments and securities of any company or of any authority, Supreme, Municipal, Local or the otherwise or of any persons whomsoever, whether incorporated or not for the attainment of main objects of the Company.
<i>Preliminary Expenses</i>	12	To pay for preliminary expenses of the Company and takeover pre-incorporation contracts, if any.
<i>Investments</i>	13	To invest in other than investments in Company's own shares any moneys of the Company not immediately required in such investments and in such manner as may be thought proper and to hold, sell or otherwise deal with such investments as may be necessary for the purpose of the Company.
<i>Borrowings</i>	14	Subject to the provisions of Section 73, 179, 180 and 181 of the Companies Act, 2013 and the regulations made thereunder and the directions issued by the Reserve Bank of India, to receive money on deposit or loan and borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debentures, or debenture stock (perpetual or otherwise) and to secure the payment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of Company (both present or future) including its uncalled capital and also by a similar mortgage, charge or lien, to secure and guarantee the performance by the Company or any other person or Company of any obligation undertaken by the Company.
<i>Negotiable Instruments</i>	15	To draw, make, accept, endorse, discount, negotiate, execute and issue bills of exchange, promissory notes, bills of lading, debentures and other negotiable or transferable instruments or securities.
<i>Patents</i>	16	To apply for purchase or otherwise acquire and protect, prolong and renew in any part of the world, any patents, patent rights, brevets d'invention, trademarks, designs, licenses, protections, concessions and the like conferring any exclusive or non-exclusive or limited right to their use or of any secret or other information as to any invention, process or privilege which may seem, capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop or grant licenses or privileges in respect of or otherwise turn to account, the property rights and information so acquired.
<i>Improvements of patents and other rights</i>	17	To expend money in experimenting upon and testing and in improving, or seeking to improve any patents, rights, inventions discoveries, processes or information of the Company or which the Company may acquire or propose to acquire.
<i>Research laboratories, colleges and provision of lectures</i>	18	To establish, provide, maintain and conduct research and other laboratories, training colleges, schools and other institutions for the training, education and instruction of students and others who may desire to avail themselves of the same and to provide for the delivery and holding of lectures, demonstrations, exhibitions, classes, meetings and conferences in connection therewith as

		may be necessary in connection with the main objects or business of the Company.
<i>Acquire and undertake business</i>	19	To acquire and undertake all or any part of the business, property and liabilities of any persons, or company, carrying on or proposing to carry on any business which this company is authorised to carry on or possessed of property suitable for the purposes of the Company.
<i>Registration of Company outside India</i>	20	To procure the registration or recognition of the Company in or under the laws of any place outside India.
<i>Promotion</i>	21	To form, incorporate, float or promote any company or companies whether in India or abroad having amongst its or their objects the acquisition of all or any of the assets of control, management or development of the Company or any other object or objects which in the opinion of the Company could directly or indirectly assist the Company in the management of its business or the development of its properties or otherwise prove advantageous to the Company and to pay all or any of the costs and expenses incurred in connection with any such promotion or incorporation and to remunerate any person or Company in any manner it shall think fit for services rendered in the formation or promotion of the company or the conduct of its business or in or about the promotion of any other company in which the Company may have an interest or in the issue of any securities of the Company or any Company promoted by this Company.
<i>Amalgamation and Partnership</i>	22	Subject to the provisions of Section 230 to 232 of the Companies Act, 2013, to amalgamate or to enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint venture or reciprocal concession with any person or persons or company or companies carrying on or engaged in any business or transactions which this Company is authorised to carry on.
<i>Government and other concessions and to promote and oppose legislation</i>	23	To enter into any arrangements and take all necessary or proper steps with Governments or with other authorities, Supreme, National, Local, Municipal or otherwise of any place in which the Company may have interests and to carry on any negotiations or operations for the purpose of carrying out the objects the company or effecting any modification in the constitution of the company or furthering the interests of its members and to oppose any such steps taken by any other company, firm or person which may be considered directly or indirectly to prejudice the interest of the Company or its members and to assist the promotion whether directly or indirectly of any legislation which may seem advantageous to the Company and to obtain from any such Government, authority and company and charters, contracts, decrees, rights, grants, loans, privileges or concessions which the company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, charters, decrees, rights, privileges or concessions.
<i>Publicity</i>	24	To adopt such means of making known the product of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest by publication of books and periodicals and by granting prizes, rewards and donations.
<i>Trust</i>	25	To undertake and execute any trust, the undertaking of which may seem to the Company desirable, and either gratuitously, or otherwise and vest any real or personal property, rights or interests acquired by or belonging to the Company in any person or Company on behalf or for the benefit of the Company, and with or without any declared trust in favour of the Company to accept gifts and to give gifts and donations, to create trusts for the welfare of

employees, members, directors and/or their dependents, heirs and children, and for any deserving object and for other persons.

*Establishment and association connected with the company or for employees of the Company*

26 To apply the assets of the Company in any way in or towards the establishment, maintenance or extension of any association, institution or fund in any way connected with any particular trade or business or with trade or commerce generally and particularly with the trade, including any association, institution or fund for the protection of the interests of masters, owners and employers against loss by bad debt, strike combination, fire, accidents or otherwise or for the benefit of any clerks, workmen or others at any time employed by the Company or any of its predecessors in business or their families or dependents and whether or not in common with other persons or classes of persons and in particular of friendly co-operative and other societies, reading rooms, libraries, educational and charitable institutions, dining and recreation rooms, churches, chapels, schools and hospitals and to grant gratuities, pensions and allowances and to contribute to any funds raised by public or local subscription for any purpose whatsoever, including to national and other funds and institutions.

*Provident Fund Institutions*

27 To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company or is allied to or associated with the Company or with any such subsidiary Company, or who are or were at any time Directors or officers of the company as aforesaid and the wives, widows, families and dependents of any such persons, and also establish and subsidize and subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interest and well-being of the Company or of any such other company as aforesaid, and make payments to or towards the insurance of any such persons as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.

*To do all thing incidental*

28 To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.

*Bank Operation*

29 To open current, cash credit, overdraft, or other bank accounts and to draw, make, accept, endorse, discount and execute all kinds of negotiable and transferable instruments and securities.

*Acquire Industry/Sick industry*

30 To purchase or acquire Industry/Sick industry and to revive and rehabilitate Sick units.

*To do all or any of the above things either as principals, agents, trustees, contractors, or otherwise*

31 To do all or any of the above things either as principals, agents, trustees, contractors, or otherwise and either alone or in conjunction with others and either by or through agents, sub-contractors, trustees or otherwise.

*To engage in research and provide technical know-how*

32 To engage in research and provide technical know-how into all aspects of personnel, industrial and business management and administration, to collect, prepare and distribute information and statistics relating to any type of business or industry and to provide, propose and carry out such methods, procedures and measures.

<i>Agency employment of exports</i>	33	To act as agents or managers in carrying on any business, concerns and undertaking and to employ experts to investigate and examine into the condition, management, prospects, value and circumstances, of any business, concerns and undertakings and of any assets, property or rights of any kind and to carry on all or any of the business of mechanical, electrical and general engineers, manufacturers and merchants of, agents for and dealers in engineering specialties of every description
<i>Agents and under writers</i>	34	To carry on the business as advertising agents, travelling agents, transport agents, brokers, underwriters and estate agents.
<i>Store-keeper</i>	35	To carry on, in any mode, the business of storekeepers in all its branches and in particular to buy, sell, manufacture and deal in goods, stores, consumable articles, chattels, and effects of all kinds, both wholesale or retail.
<i>General Traders</i>	36	To carry on the business as traders, agents, suppliers and commission agents, of products and commodities and materials in any form or shape manufactured or supplied by any company, firm, association of person, body, whether incorporate or not, individuals government, semi- government, or any local authority.
<i>Engineering goods</i>	37	To carry on the business of manufacturers of and dealers in automobile parts, accessories, ancillaries, stores and spares and to engineer, develop, design, assemble, manufacture, produce, import and export, buy, sell and otherwise deal in industrial, mining, agricultural and other machines and all types of tools, plants, equipment instruments appliances and hardware of all kinds, general fittings, accessories and appliances of all description made of metal, alloy, glass, synthetic and other fibres, chemicals and PVC compounds, and plastics.
<i>Electrical Engineers</i>	38	To carry on the business of electrical engineers, electricians, engineers, contractors, manufacturers, constructors, suppliers, of and dealers in electrical and other appliances, cables, wire-lines, dry- cells, accumulators, lamps and works.
<i>Electrical Equipment</i>	39	To manufacture and/or produce and/or otherwise engage in the manufacture or production of or dealing in electrical kilowatt hour meters, magnets, electromagnets, power cables, industrial jewels, ammeters, voltmeters and other types of measuring instruments, electrical or non-electrical, die, castings, screws nuts and bolts, tungsten, filament transformers of all types, circuit-brakers punched card machines, computers and calculators and their accessories hoists, elevators, trolleys and coaches, winches, power generators, magnetic separators, winders air compressors, welders, fans of all types, switches and motors of all types, drills, electric grinders, air conditioners, refrigerators, washing machines, television and wireless apparatus, video cassette recorders, video cassette players including radio receivers and transmitters, electronic instruments, diodes, transistors and allied items, watches and clocks.
<i>Mechanical Engineers</i>	40	To carry on the business of mechanical engineers, machinists, fitters, millwrights, founders, wire drawers, tube makers, metallurgists, saddlers, galvanizers, japanners, annealers, enamellers, electroplaters, and painters.
<i>Data processing</i>	41	To carry on a general business of providing comparative information about the characteristics, interest or other attributes of individuals, communities, organisations, countries or other social units and of any articles or commodities or economic trends or persons to design, invents, prepare, own, make use of, sell or otherwise dispose of and, to deal in and with

computers, data processing machines, tapes, cards, memory equipments or any other equipment and materials of every kind and description useful in connection with this business to license or otherwise authorise others to engage in the foregoing, and to engage in research and development in areas related to or involving the foregoing.

- |                               |     |   |
|-------------------------------|-----|---|
| <i>Wood products</i>          | 42. | To grow, take on lease, acquire, develop, deal in plantations and forests, and to process in all aspects timber, wood, plywood and all kinds of wood and to make products wherein wood is a constituent part and to design, develop, fabricate any products involving the substantial use of wood.  |
| <i>Petro Chemicals</i>        | 43. | To manufacture and process petroleum and petro-chemicals and their by-products.   |
| <i>Oils</i>                   | 44. | To manufacture, produce, refine, prepare, purchase, store, sell and to trade and deal in all kinds of minerals oils and all products and byproducts thereof including wax, paraffin, soap, paint, varnish, washing and toilet soap, lubricants, illuminant and butter substitutes, oil, cloth candles, glycerin and stearine.   |
| <i>Resins and Paints</i>      | 45. | To carry on business of manufacturers and dealers, importers and exporters of natural and synthetic resins, moulding, powders, adhesives and cements, oil paints, distempers, cellular paints, colours, varnishes enamels, gold and silver leaf and enamels and spirits.  |
| <i>Calcined Coke</i>          | 46. | To carry on development and research work and to manufacture calcine, refine, process, import, export, buy, sell and deal in petroleum coke, calcined coke and coal tar, anthracite coal and to draw out, manufacture and deal in coal tar, canlion products and other bye-products as may be possible and to utilise waste gases for industrial uses and purposes.   |
| <i>Glass</i>                  | 47. | To manufacture, prepare, import, export, buy, sell and otherwise deal in all kinds of glass, glassware, glass goods, mirrors, looking glass, scientific glass, wares, sheet and plate glass, bangles, false pearls, bottles, phials and all kinds of articles prepared of glass and to carry on the business of glass patent solvers, glass embossers, ecclesiastical lead workers, tablet, show card and show case manufacturers.  |
| <i>Instruments</i>            | 48. | To manufacture, produce, assemble, distribute, stock, barter, exchange pledge, repair, use, buy, sell import and export and otherwise deal in all types of scientific instruments and their accessories, testing instruments, process control instruments, electrical and electronic instruments, nautical, aeronautical and survey instruments, optical and ophthalmic instruments, general laboratory medical and surgical instruments, apparatuses, scientific laboratory, glassware, photographic, chemical and other instruments, apparatuses, appliances, equipment, devices, contrivance, their accessories and components.  |
| <i>Agricultural Machinery</i> | 49. | To engineer, develop, design, assemble, manufacture, produce, import, export, buy, sell operate, run, let on hire and otherwise deal in kinds of earth moving and agricultural machines, petrol and diesel engines, tools, plants, tractors, equipment, spares, appliances, implements, accessories, mobile or otherwise and heavy vehicles and machines for agricultural and land reclamation, drainage irrigation, waterworks, engineering forest clearing, pumping and other purposes spraying machines, vehicles and equipment, whether mobile or otherwise and mobile workshops and garage equipment for repair and service stations and tubewells, pump, floating or otherwise, motors and irrigation machinery and transportation equipment for movement |

of its products or stores, machines or personnel and as general purpose freight carriers.

- Spraying* 50. To undertake the business of distribution and application of chemicals, fertilizers and pesticides, aerial or otherwise.
- Entertainment* 51. To construct a cinematograph theatre, and other building and works and conveniences, for the purpose thereof and to manage, maintain and carry on the said theatre and to let out other buildings when so erected or contracted; to carry on the business of proprietors and managers of theatre (cinemas, picture places and concert halls) and to provide for the production, representation, and performance (whether by mechanical means or otherwise) of operas, stage plays, operettas, burlesques, vaudevilles, revues ballets, pantomimes spectacular pieces, promenade, and other concerts and other musical and dramatic performance and entertainments; to manufacture films and other appliances and machines in connection with mechanical reproduction or transmission of pictures, movement, music and sounds and to organise and conduct theatrical production and entertainments of all kinds.
- Tourist agents* 52. To carry on business as tourists, agents and contractors and to facilitate travelling and to provide conveniences for tourists and travellers and promote the provision of conveniences of all kinds in the way of through tickets, circular ticket, sleeping cars or berths reserved places, hotel and lodging accommodation; guides, safe deposits, enquiry bureaux, libraries, lavatories, reading room, baggage transport and otherwise.
- Hotel* 53. To carry on business of hotel, restaurant, cafe, tavern, beer house, restaurant room, boarding and lodging house keepers, licensed victualers, wine, beer and spirit merchant maltsters, manufacturers of aerated minerals and artificial, waters and other drinks purveyors, caterers for public amusements, generally coach cab, carriage and motorcar proprietors, livery, staple and garage keepers, jobmasters importers and brokers of food, live and dead stock, hairdressers, perfumers, chemists, proprietors of clubs, baths, dressing room, laundries, reading writing and newspaper rooms, libraries grounds and places of amusements and recreation, sport, entertainment and instruction of all kinds, tobacco and cigar merchants.
- Architect and Builders* 54. To carry on all or any of the business of constructional engineers, architects, builders, contractors, decorators, electricians, wood workers and paviours and to acquire, develop, buy, sell, real estate multi-storied or other building and group housing schemes.
- Real Estate* 55. To purchase, sell, develop, take in exchange, or on lease, hire or, otherwise, acquire, whether for investment or sale, or working the same, any real or personal estate, including lands, mines, business buildings, factories, mills, houses, cottages, shops, depots, warehouses, machinery plant, stock in trade, mineral rights, concessions, privileges, licenses, easement or interest in or with respect to such property in consideration for gross sum or rent or partly in one way and partly in the other or for any other consideration; to carry on business as proprietor of flats and buildings and to let on lease or otherwise apartments therein, and to provide for the conveniences commonly provided in flats, suites and residential and business quarters.
- Carriers* 56. To carry on all or any of the business of transport, cartage and haulage contractors, garage proprietors, owners and charters of road vehicles, air crafts, ship, tugs, barge, and boats of every description, lighter man, carriers of goods and passengers by road, rail, water or air Carmen, cartage contractors, stevedores, wharfingers, cargo superintendents, packers,

hauliers warehousemen, storekeepers and job masters.

*Packing*

57. To carry on the business of manufacturers, processors, designers, buyers, sellers, exporters, importers, and/or otherwise, dealers in all kinds of card board packing, corrugated packing, pillow packing, plastic packing, polythene packing, gunny bags, polyethylene films, containers, bottles, hollow wares, etc. whether made of plastic or any man-made fibre, leather or of other material including high and low density polythene, polypropeline, plastic, P.V.C. chemical and other man-made fibrous material, used in manufacture of card board packing, corrugated packing, plastic packing, polythene packing gunny bags, containers, bottles, hollow ware, etc. and to manufacture, process, buy, sell, import, export or otherwise deal in all or any of such products, the raw materials, stores, stores packing materials, products and allied commodities.

*Food, Fruits and related products*

58. To carry on the business of farming, horticulture, floriculture, sericulture, dairies, cultivators of all kinds of food grains, seeds, fruits, proprietors of orchards and traders, exporters, dealers and sellers of the products of farming, dairy, horticulture, floriculture, sericulture and pisciculture and fishing and manufacturers of drinks alcoholic or otherwise, including beverages produced from such products or otherwise, to carry on the business of cultivators, growers, manufacturers, millers, grinders, rollers, processors, cold storers, canners and preservers and dealers of food grains and other agricultural, dairy, horticultural and poultry products, fruits, vegetables, herbs, medicines flowers, drinks, fluids, gas and fresh and preservable, products and to extract bye-products and derivatives whether edibles pharmaceuticals medicines or of any other kind and food preparations of every kind and description and generally to carry on the business of manufacturer of and trading in preserved, dehydrated, canned or converted agricultural products, fruits and vegetables, provisions, foods, dairy and poultry products and articles and other derivatives of all kinds and descriptions and to set up and run machinery for processing and preserving the same.

*Research and Experiment*

59. To establish experimental farms and research stations any where in India for conducting experiments, test and research for developing better qualities of food grains and agricultural products and for developing milch strain in cattle by cross breeding or otherwise, and increasing egg laying capacity in poultry and also for finding outways and means of improving other agricultural crops, produce, seeds, fodder crops and cattle feed of all kinds.

*Food and Dairy products*

60. To manufacture, process, chemically, electrically or any other means, refine, extract, hydrolize, manipulate, mix deodorise, grind bleach, hydrogenate, buy, sell, import, export, produce or otherwise deal in, seeds and agricultural products, food, food products, dieteict products and preparations, patent drugs and proprietary articles of all kinds, whether basic or derived and in all forms and in particular protein food of all kinds.

*Iron and Steel*

61. To carry on all or any of the business of manufacturers, processors, importers, exporters, of and dealers in all kinds of ferrous and non-ferrous materials meant for any industrial or non-industrial use whatsoever and to carry on the business in cold or hot rolling re-rolling, slitting, edge-milling, sheeting, stamping, pressing, extruding, forging, drawing, flatterning, straightening, heat treatment of all kinds of steel and other metals or and other kind of strips, sheets, fails, taper, wires, wire products, rods, plates and any other redione, shaper or forms.

- Optics* 62. To buy, sell, design, manufacture, process and deal in any product relating to optics, including fibre glass optics, lenses, and laser equipment.
- Cold Storage* 63. To erect, build, maintain and let out on hire or rent, cold storage rooms and provide for refrigeration and to carry on the undertake, storage, packing, removal, carrying, delivery, purchases, sales and exchange of fruits and vegetables including potatoes and all kinds of agricultural and other goods and generally to carry on the business of cold storage Company in all its branches.
- Paper* 64. To carry on the business of manufacturers of and dealers in all kinds and classes of paper and pulp including sulphite and sulphate wood pulp, mechanical pulp and soda pulp and papers including transparent vellum, writing, printing, glaxed, absorbent, newsprinting, wrapping, tissue, cover, blotting, filter, bank or bond, badami, brown, buff or coloured lined, azure laid, grass or water proof, hand made parchment, drawing, craft, carton, envelope and of and straw duplex and triplex boards and all kinds of articles in the manufacture of which in any form of pulp, paper or board is used and also to deal in or manufacture artificial leather of all varieties, grades and colour.
- Technical Information and know how* 65. To acquire from or sell to any person or body corporate or unincorporate whether in India or elsewhere technical and managerial information, know-how, processes, engineering, manufacturing, operating and commercial data, plants, layouts and blue prints useful for the design, erection and operation of any plant or process of manufacture and to acquire and grant license or other rights and benefits in the field of chemicals, fertilizers and other agricultural inputs and to render any kind of management and consultancy service.
- Rubber and Plastics* 66. To promote, establish, acquire and run or otherwise carry on the business of any plastic or rubber industry or business of manufacture of materials for use in such industries or business such as wax, paper, bakelite, plywood, celluloid, products, chemicals of all sorts and other articles or things and similar or allied products or process and to sell, purchase or otherwise acquire or deal in materials or things inconnection with such trade and industry.
- Steel ace* 67. To erect, acquire, purchase, take on lease or tenancy and run a steel foundry and to carry on the business or running a steel foundry based on electric furnace or any type of furnace used for the manufacture of steels, alloy steels or special steels from iron, iron scrap or any other raw material and to manufacture in the foundry such castings or ingots from steel, alloy steels or special steels and to sell such castings or ingots as may be required by any industry or industries or as deemed necessary.
- Finance* 68. To carry on the business as financiers and for that purpose to give and take loans, give guarantees and provide securities with or without security and on such terms and conditions as the Company may in its absolute discretion deem fit, to any person or persons to enable them to purchase either by themselves or jointly with other person or persons provided that the Company shall not carry on any banking business within the meaning of Banking Regulations Act, 1949.
- Oils and Oleagenous Products* 69. To carry on the business of manufacturing, processing, buying, refining, selling, importing, exporting and dealing in wholesale and retail in all kinds of oils, oil seeds, Vegetable Ghee, Oleagenous and sponaceous substance and all kinds of by-products or ingredients thereof.

<i>Flour Mills</i>	70. To establish, instal and run flour mills and oil-presses, Mills and solvent extraction, plants; and store, sell, buy or deal in grains of all kinds, rice, cereals and other produce of every description. To erect, construct and maintain granaries and store houses.
<i>Tin Containers</i>	71. To carry on the business or businesses of manufacturers, importers and exporters and dealers in tanks, Drums, Tin containers and other articles for carrying or storing vanaspati oils, water and other materials solid liquored.
<i>Refractories</i>	72. To carry on the business of manufacturers of refractories, bricks, tiles, pottery earthenware and ceramic products of all kinds.
<i>Chemicals</i>	73. To manufacture and deal in all chemical products such as coal tar products and their intermediates, dyes, drugs, medicines and pharmaceuticals, petroleum and its products and derivatives, all types of heavy chemicals such as sulphuric and other acids, caustic soda, soda ash, all types of textile chemicals and sizing and finishing materials, cement and allied products, photographic chemicals, clay and boards, including straw boards, glycerin and allied products, all industrial and pharmaceutical, organic and inorganic chemicals, fertilizers, pesticides, manures, fungicides and allied products, fats, waxes and their products, hides, skins and leather.
<i>Laminates</i>	74. To manufacture, buy, sell or deal in laminates, whether decorative or industrial laminate sheets, cotton fabrics impregnated with epoxy coating for electrical industry, cotton fabrics with plastisol coating for furnishing and polyester fabrics.
<i>Auto Parts</i>	75. To carry on the business of manufacture, fabricate assemble and deal in automobile parts and agricultural implements of all kinds descriptions, automotive and other gears, transmission axles, universal joints, springs, spring leaves, head lamps, sealed beams, clutch facing and brake lining component parts, spare parts, accessories and fittings of all kinds for the said articles and things used in connection with the manufacture thereof, alloy springs, steel billets, flats and bars, pressed and other engineering items and other related items for motor cars, motor trucks, buses, tractors, vans, jeeps, lorries, motor launches, aeroplanes, motor cycles, cycles and vehicles and conveyances of all kinds.
<i>Cements</i>	76. To carry on all or any off the business of manufacturers of and dealers and workers in Cement, Cement Machineries, lime, plasters, whiting, clay, gravel, sand, minerals, earth, stone, builders requisites.
<i>Mines</i>	77. To purchase, hold, acquire mines, mining lease, licenses, rights, claims and metalliferous lands, real estate, and to explore, search, work, exercise, develop, treat, refine and to turn to account ores, all sorts of minerals, working deposits, sub soil minerals and to crush, win, set, quarry, smelt, calcine, refine, drass, preserve, manufacture and prepare for market, ore, metal and mineral substances of all kinds, and to carry on metallurgical operations in all its branches.
<i>Vegetables and Food Products</i>	78. To purchase, sell, import, export, produce or otherwise deal in, preserved vegetables, tinned fruits, and all types of food product, food-grains, develop and exploit farms, horticulture, agricultural, animal husbandry, dairy, poultry and allied farming lines which can be conveniently carried on in farming business or to assist anyone in this business and to carry on the business of farming and aerial spraying.
<i>Tea and Coffee</i>	79. To cultivate tea, coffee, cocoa, cinchona, rubber and other produce and to carry on the business of planters in all its branches to carry on and do

the business of cultivators, winners and buyers of every kind of vegetable mineral, or other products of the soil, prepare, manufacture and render marketable any such product and to sell, dispose of and deal in any such produce, either in its prepared, manufactured, or raw state and either by wholesale or retail.

- Brewers and Distiller* 80. To carry on business as brewers, distillers and manufacturers of and merchants and dealers in cinegar, acetic acid, glucose, wines, spirits, porter, malts, hopes, grain, meal yeast, aerated water, carbonic acid gas mustard, pickles, sauces, condiments of all kinds, cocoa, coffee, cocoa butter preserves and all or any other commodities and things which may be conveniently used or manufactured in connection with the above business.
- Investment* 81. To buy, sell and deal in shares, stocks, debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, debenture stocks, bonds, obligations and securities, issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority, supreme, municipal, local, or otherwise, whether at home or abroad, to acquire any such shares, stocks, debenture stocks, bonds, obligations or securities by original subscription, tender, purchase, exchange or otherwise and to subscribe for the same either conditionally or otherwise and to guarantee for subscription, thereof, and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof; to issue shares, stocks, debentures, debenture stocks, bonds, obligations and securities of all kinds and to frame, constitute and secure the same, as may seem expedient with full power to make same transferable by delivery or by instrument of transfer or otherwise and either, perpetual or terminable and either redeemable or otherwise and to charge or secure the same by trust deed or otherwise on the undertaking of the company or upon any specific property and rights present and future of the Company (including, if thought fit, uncalled capital).
- Tyres, tubes and Vehicles* 82. To manufacture, export and import, sell and to carry on business in tyres and tubes and vehicles.
- Importers Exporters* 83. To carry on business as importers and exporters of goods or merchandise of any description or to act as shippers, commission agents, forwarding and clearing agents.
- Postage stamps, Investment portfolios* 84. To carry on all or any of the businesses as buyers, sellers, importers, exporters, distributors, agents, brokers, stockists, commission agents, auctioneers and valuers and dealers of postage stamps, investment portfolios and related philatelic materials for collection and to process loose stamps into made up display packets for sale and services related therewith.
- Stamp Album* 85. To manufacture Stamp albums, Stock books tweezers, Watermark detectors, Stamps hinges, Colour guide, perforation gauge, stamp amount and other related philatelic accessories.
- Agents, Factors* 86. To act as investors, traders, agents, factors, brokers, wharfingers, exporters, importers, shippers, surveyors, liquidators, builders or underwriters in any their city in India or elsewhere.
- Securities* 87. To hold, sell, buy or otherwise deal in shares, debentures, bonds, units and securities whether issued or guaranteed by any Government, Local Authority or otherwise or other interest in any other Company.

- Acquire* 88. To carry on the business of a hire purchase Company and to acquire or to provide on hire purchase basis all types of industrial and office plant, equipment, machinery, vehicles, required for manufacturing, processing, transportation and trading business and other commercial and service businesses.
- Limited Liability* IV. The liability of the Members is limited and this liability to the amount unpaid, if any, on the shares held by them.
- Share Capital* V. ***The Authorized Share Capital of the Company is Rs. 642,000,000 (Rupees Six Hundred Forty Two Million) comprising of Rs. 450,000,000/- (Rupees Four Hundred Fifty Million Only) divided into 225,000,000 (Two Hundred Twenty Five Million) Equity Shares of Rs. 2/- (Rupees Two Only) each and Rs. 192,000,000/- (Rupees One Hundred and Ninety Two Million Only) divided into 240,000 (Two Hundred Forty Thousand) 0.001% cumulative Redeemable Preference Shares of Rs. 800/-(Rupees Eight Hundred Only) each.***

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

Names, Addresses, description and occupation of subscribers	Number of Equity Shares taken by each subscriber	Signature of Subscribers	Name, Addresses, description and occupation of witnesses
1. DEVKI NANDAN GARG S/o Late Shri Amar Singh Devki Nandan B-79, C. C. Colony, Delhi - 110 007 (Business)	10 (Ten)	Sd/- Devki Nandan Garg	I witness the signatures of all the subscribers.  Sd/- (VIJAY KUMAR JAIN), B. Com. F.C.A., S/o Shri K. L. Jain, 5581, Lahori Gate, Delhi - 110 006 Chartered Accountant
2. KISHORI LAL SHARMA S/o Shri Lal Chand Sharma BU-96, Vishakha Enclave, Pitam Pura, Delhi - 110 034 (Service)	10 (Ten)	Sd/- Kishori Lal Sharma	
3. RAM NIWAS TANWAR S/o Shri Sarjeet Singh C-6/34, Lawrence Road, Delhi - 110 035 (Service)	10 (Ten)	Sd/- Ram Niwas Tanwar	
Total	30 (Thirty) Equity Shares		

Place : Delhi Dated : 2nd day of February, 1985.

**THE COMPANIES ACT, 2013**  
**AND**  
**(THE COMPANIES ACT, 1956)**  
**(Incorporated under the Companies Act, 1956)**  
**PUBLIC COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**MINDA CORPORATION LIMITED**

**PRELIMINARY**

*Interpretation*

1. Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act.

The marginal notes hereto shall not effect the construction hereof and in these presents, unless there be something in the subject or context inconsistent therewith.

“**Act**” means the Companies Act, 2013 (18 of 2013) or any Statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable Section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous Company Law, so far as may be applicable.;

“**Accounts**” means the audited balance sheet as at the end of the financial year and cash flow statement of the Company for the financial year and the statement of profit and loss of the Company for the Financial Year, together with any explanatory notes, reports, statements or documents included in or annexed to them, all of which are certified by the auditors of the Company;

“**Affiliate**” of any specified Person means any other person controlling, controlled by or under common control with such Person or, in the case of a natural person, any Relative of such Person;

For purposes of these Articles, “**control**” and any of its derivatives would include the right to make policy decisions, whether by virtue of shareholding, board control, management contracts or any other arrangement, whether oral or written and shall also include (i) legal or beneficial ownership of substantial / majority shareholding/ownership; or (ii) the right to appoint the majority of directors / the applicable governing body; or (iii) any specific contract conferring power of management; and/ or (iv) any other power of management;

“**Articles**” means the articles of association of a company as originally framed or as altered from time to time or applied in pursuance of any previous company law or of this Act;;

**“Associate Company”**, in relation to another Company, means a Company in which that other Company has a significant influence, but which is not a Subsidiary Company of the Company having such influence and includes a Joint Venture Company.

**“Auditor(s)”** means and includes the person appointed as such for the time being to hold the position of Auditors as per the provision of Act.

**“Big Four Firm”** means collectively KPMG, Deloitte Touche Tohmatsu, PricewaterhouseCoopers and Ernst & Young;

**“Board”** means in relation to a company, means the collective body of the Directors of the Company;

**“Business”** means the business carried on by the Company through itself and its subsidiary companies as well as the Phase I Companies and the Phase II Companies namely the business inter alia of the design, manufacture, supply, sale and distribution of automotive vehicle components to original equipment manufacturers (OEMs) and to the after-market sector, either directly or indirectly and in India as well as overseas and certain non-automotive business as is currently carried on by the Company or which is currently carried on by the Phase I Companies as well as the Phase II Companies in the manner contemplated under these Articles; and which shall be carried on by the Company post completion of the acquisition of the Phase I Companies and the Phase II Companies in the manner contemplated under these Articles ;

**“Business Day”** means days, other than Saturdays and Sundays on which banks are generally open for business in Mumbai, India and New Delhi, India;

**“Business Hours”** means the hours between 10.00 a.m. and 5.00 p.m. on a Business Day;

**“Business Plan”** means the business plan of the Company and shall comprise the business strategy, annual budget (prepared quarterly), use of proceeds of the Subscription Amount, financial statements including statement of profit & loss , balance sheet and cash flow statements for the ongoing Financial Year and the subsequent 2 (Two) Financial Years (for the three Financial Years period covered in the Business Plan, the Business Plan would form the basis of management of the Business and operations of the Company until such time that the same is duly updated / revised with the consent of the Board in the manner and subject to the affirmative vote of the Investors as more particularly set out herein;

**“Charter Documents”** means collectively the Memorandum and Articles (including for this purpose and where applicable the Restated Articles) or, where the context so requires, the relevant constituent documents of an entity other than the Company;

**“Chief Executive Officer”** means an officer of the Company, who has been designated as such by it.

**“Chief Financial Officer”** means a person appointed as the Chief Financial Officer of the Company.

**“Closing”** shall mean the completion of all of the actions detailed in Clause 4.2 of the Investment Agreement;

**“Closing Date”** shall have the meaning set forth in Clause 4.1 of the Investment Agreement;

**“Company”** shall mean Minda Corporation Limited, a company registered in India under the provisions of the Companies Act, 1956 and having its registered office at 36A, Rajasthan Udyog Nagar, New Delhi 110 033, India;

**“Conditions Precedent”** shall have the meaning set forth in Clause 3.1 of the Investment Agreement;

**“Deed of Adherence”** shall mean a deed of adherence substantially in the form as annexed to the Investment Agreement as Annexure “B”;

**“Director”** means a director appointed to the Board of the Company;

**“Disclosure Letter”** means either (a) the letter as of the date of the Investment Agreement from the Company and the Promoters to the Investors in a form mutually agreed in writing which sets out the specific disclosures made by the Company and the Promoters in respect of the Warranties; or (b) the disclosure letter provided by the Company and the Promoters to the Investors at Closing (“Updated Disclosure Letter”), setting out the specific disclosures made by the Promoters] and the Company in respect of the Warranties for the period between execution of the Investment Agreement and the Closing Date;

**“Encumbrance”** means any encumbrance, claim, right of others, security interest, burden, title retention agreement, Lease, covenant, debenture, mortgage, pledge, charge, hypothecation, lien, deposit by way of security, option interest, proxy, beneficial ownership (including usufruct and similar entitlements), encroachment, public right, easement, any voting agreement, interest, option, right of first offer, first, last or other refusal right, or transfer restriction in favour of any Person executorial attachment and any similar interest held by a third party or any agreement, arrangement or obligation to create any of the foregoing;

**“Equity Shares”** or “Shares” means equity shares of the Company having a face value of Rs. 2/- (Rupees Two only) each;

**“ESOP”** shall mean any (a) employee stock option plan; (b) employee stock option scheme; or (c) other plan or scheme whereby employees of the Company are provided an opportunity to subscribe to or otherwise acquire Equity Shares;

**“Expert”** includes an Engineer, a Valuer, a Chartered Accountant, a Company Secretary, a Cost Accountant and any other person who has the power or authority to issue a certificate in pursuance of any law for the time being in force.

**“Financial Year”** means the financial year of the Company, which shall commence on 1st April of each calendar year and end on 31st March of the next calendar year;

**“First Tranche Subscription Amount”** means an aggregate amount of Rs. 800,000,000/- (Rupees Eight Hundred Million only) being the aggregate consideration payable by the Investors for subscribing to the First Tranche Subscription Shares at Closing;

**“First Tranche Subscription Shares”** means the 1,000,000 (One

Million) Equity Shares allotted and issued to Investors in accordance with the provisions of the Investment Agreement;

**“Further Public Offering / FPO”** means a further public offering of the Equity Shares in accordance with the provisions of these Articles;

**“GAAP”** means Generally Accepted Accounting Principles in India;

**“Governmental Authority”** includes the Government of India, and the Government of any state or other political subdivision thereof; any entity, authority or body exercising executive, legislative, regulatory or administrative functions of or pertaining to the government, including any government authority, agency, department, board, commission or instrumentality of the Government of India or any political subdivision thereof; any court, tribunal or arbitrator; and includes the Registrar of Companies (Ministry of Corporate Affairs), Securities and Exchange Board of India (“SEBI”), recognised stock exchanges or quotation systems, the Reserve Bank of India (“RBI”) and the Foreign Investment Promotion Board (“FIPB”);

**“Governmental Approvals”** means any consent, approval, authorization, waiver, permit, grant, franchise, concession, agreement, license, certificate, exemption, order, registration, declaration, filing, report or notice of, with, to, from or by any Governmental Authority;

**“Investment Agreement”** means the Investment Agreement dated [February 21, 2011] entered into between the Company, the Promoters, the Investors and Minda Capital;

**“Independent Director”** means an Independent Director referred to in sub-Section (6) of Section 149 of the Act.

**“Indebtedness”** as applied to any Person, means, without duplication:

- (a) all indebtedness for borrowed money;
- (b) all obligations evidenced by a note, bond, debenture, letter of credit, draft or similar instrument;
- (c) that portion of obligations with respect to capital leases that is properly classified as a liability on a balance sheet in conformity with GAAP;
- (d) notes payable and drafts accepted representing extensions of credit;
- (e) any obligation, owed for all or any part of the deferred purchase price of property or services;
- (f) all guarantees of any nature extended by such Person with respect to Indebtedness of any other Person; and
- (g) all indebtedness and obligations of the types described in the foregoing paragraphs (a) through (f) to the extent secured by any Encumbrance on any property or asset owned or held by that Person;

**“Interested Director”** means a Director who is in any way, whether by himself or through any of his relatives or firm, Body Corporate or other association of individuals in which he or any of his relatives is a Partner,

Director or a Member, interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into by or on behalf of the Company.

**“Investors”** shall mean Investor No.1, Investor No.2 and Investor No.3, (as hereinafter defined) collectively;

**“Investor No.1”** shall mean Kotak India Growth Fund II, a trust organized under the Indian Trust Act, 1882, registered with the Securities Exchange Board of India as a venture capital fund, being represented by its investment manager, Kotak Investment Advisors Limited, a company duly incorporated in India, under the provisions of the Companies Act, 1956 and having its registered office at 36-38A, Nariman Bhavan, 227, Nariman Point, Mumbai 400 021, India;

**“Investor No.2”** shall mean Kotak India Private Equity Fund, a public limited company, with limited life, based in Mauritius and having its registered office at 4th Floor, Raffles Tower, 19 Cybercity, Ebene, Republic Of Mauritius;

**“Investor No.3”** shall mean Kotak Investment Advisors Limited, a company duly incorporated in India, under the provisions of the Companies Act, 1956 and having its registered office at 36-38A, Nariman Bhavan, 227, Nariman Point, Mumbai 400 021;

**“Investor Acquisition Cost”** shall mean the amount paid by an Investor to acquire the Shares held by it on a per Share basis, which amount shall be determined by dividing the Subscription Amount paid by the Investor along with any additional amounts paid by the Investor to subscribe to additional Shares other than the Subscription Shares subscribed to by such Investor by the aggregate number of Shares held by such Investor.

**“Investor Consent”** means:

- (a) the affirmative vote of the Investor Director, provided that if the Investors at any time notify the Company or other Restricted Entity in writing (which term includes notification transmitted by electronic mail) that such Director’s vote should not be taken to be Investor Consent in respect of any Minority Protection Item(s), this sub paragraph (a) will not apply and only paragraph (b) of this definition will apply; or
- (b) the prior written consent (including written consent transmitted by electronic mail) of the Investors.

**“Investor Director”** means the Director collectively nominated by the Investors or his / her alternate director from time to time and also means (where the context so requires) any director collectively nominated by the Investors or his / her alternate to the board of directors of any subsidiary of the Company.

**“Intellectual Property Rights”** means all patents, patent applications, trademarks, service marks, logos, get-up, trade names, internet domain names, rights in designs, copyrights, software (including rights in computer software) and moral rights, databases, trade secrets, geographical indications, processes and models, rights in know-how, confidential information and other intellectual property rights, in each case whether registered or unregistered and including applications for registration, and all rights or forms of protection having equivalent or similar effect

anywhere in the world;

“**IRR**” means Internal Rate of Return to be calculated using the XIRR function of Microsoft Excel Software application or using similar algorithm used in the software;

“**Key Management Personnel**” shall mean any person who holds an office of Chief Executive Officer or the Managing Director or the Manager, the Company Secretary, the Whole-Time Director, the Chief Financial Officer and such other Officer as may be prescribed under the Act by whatever name called in the Company or in any subsidiary of the Company or any Phase I Company or any Phase II Company (after acquisition of the business and operations of the Phase II Company in the manner contemplated under the Investment Agreement);

“**Law**” includes all statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines policies, directions, directives and orders of any Governmental Authority, statutory authority, tribunal, board, court or recognised stock exchange;

“**Lien**” means any kind of security interest of whatsoever nature including any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, title retention, security interest or other Encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any person;

“**Liquidity Event**” means either:

- (a) the Investors ceasing to hold in the aggregate less than 2.5% (Two Decimal Point Five Percent) of the Equity Share capital; or
- (b) the expiry of a period of 180 (One Hundred Eighty) calendar days from the date on which the Equity Shares of the Company are first listed (and traded) on a Stock Exchange; whichever is earlier;

“**Losses**” means all losses, liabilities, obligations, fines, expenses, costs, and damages accrued, whether or not resulting from third party claims), including interests and penalties with respect thereto and reasonable out-of-pocket expenses, including reasonable attorneys’ and accountants’ fees and disbursements;

“**MAL**” shall mean Minda Autogas Limited, a company incorporated under the provisions of the Act and having its registered office at B-64, Wazirpur Industrial Area, Delhi 110 052, India

“**Management Team**” means any Key Management Personnel who shall have received any Equity Shares pursuant to an ESOP;

“**Material Adverse Change**” shall mean a material adverse effect, wherever quantifiable in monetary terms of a value not below Rs. 10,000,000/- (Rupees Ten Million only), on:

- (a) the assets, business, properties, liabilities, financial conditions, results, operations or prospects of the Company; or
- (b) the ability of the Company or the Promoters or the Investors to perform its/their material obligations under the Investment Agreement; or
- (c) the validity or enforceability of the Investment Agreement or of the

material rights or remedies of the Investors, or the Promoters or the Company; or

- (d) the status or validity of any material permits, approvals, licenses or permissions required for the Company to carry on its business and shall include in this regard any material laws, regulations or policies in any of the jurisdictions in which the Company does business;

**“Mayank Auto”** shall mean Mayank Auto Engineers Private Limited, a company incorporated under the provisions of the Act and having its registered office at A-15 Ashok Vihar, Phase – I, New Delhi 110 052, India

**“Memorandum”** means the memorandum of association of the Company as originally framed or as altered from time to time in pursuance of any previous company law or of this Act;;

**“MIDC”** means the Maharashtra Industrial Development Corporation, a statutory authority constituted under applicable Law;

**“Minda Autocare”** shall mean Minda Autocare Limited, a company incorporated under the provisions of the Act and having its registered office at 36A, Rajasthan Udyog Nagar, Delhi – 110033;

**“Minda Capital”** shall mean MINDA CAPITAL LIMITED, a company registered in India under the provisions of the Companies Act, 1956 and having its registered office at A-15 Ashok Vihar, Phase – I, New Delhi 110 052, India;

**“Minda KTSN”** shall mean Minda KTSN Plastic Solutions Gmbh & Co. KG., a limited partnership constituted under the laws of Germany and having its principal place of business at Favrikstr.2, 01796, Pirna, Germany;

**“Minda Sai”** shall mean Minda Sai Limited, a company incorporated under the provisions of the Act (as hereinafter defined) and having its registered office at 2659/2, Gurudwara Road, Karol Bagh, New Delhi 110 005, India;

**“Minda Schenk”** shall mean Minda Schenk Plastic Solutions GmbH, a limited liability company incorporated under the laws of Germany and having its principal place of business at Esslingen, Germany;

**“Minority Protection Items”** means collectively the items detailed in Article 178 and 179 and “Minority Protection Item” shall mean any of them;

**“MMSL”** means Minda Management Services Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at A-15 Ashok Vihar, Phase – I, New Delhi 110 052, India;

**“Meeting”** or **“General Meeting”**, means “Annual General Meeting” or “Extraordinary General Meeting” of Members duly called and constituted including an adjourned Meeting. In the context of Board of Directors, it shall mean the Meeting of the Board including an adjourned Meeting in accordance with the provisions of the Act.

**“Month”** means calendar month;

**“Net Debt”** means all debt and debt-like obligations whether interest bearing or otherwise (including obligations under finance lease

arrangements) excluding trade liabilities and provisions and as reduced by cash and cash equivalents held by the Company on a consolidated basis for the period ending March 31, 2011 for India based companies and December 31, 2010 for Europe based companies and calculated in accordance with the principles detailed in Annexure "F" to the Investment Agreement;

**"NOIDA"** means the New Okhla Industrial Development Authority, a statutory body constituted under the Uttar Pradesh Industrial Area Development Act, 1976, as amended from time to time;

**"Ordinary Resolution"** and 'Special Resolution' means an Ordinary Resolution, or as the case may be, Special Resolution referred to in Section 114 of the Act.

**"Parties"** means collectively, the Investors, the Company, the Promoters and Minda Capital and the same shall be referred to in the singular as a "Party";

**"Persons"** shall include individuals, partnerships, trusts, bodies corporate, associations, Governmental Authorities;

**"Previous Company Law"** means any of the laws specified in the Section 2(67) of the Act.

**"Pre-Money Valuation"** means the equity valuation of the Company on a fully diluted basis prior to the subscription by the Investors to the Subscription Shares and shall be calculated as follows:

Pre-Money Valuation = 10.5 (Ten Decimal Point Five) multiplied by PAT.

Notwithstanding the forgoing, at no time shall the Pre-Money Valuation of the Company exceed Rs. 7,893,000,000/- (Rupees Seven Thousand Eight Hundred Ninety Three Million only);

**"Phase I Companies"** means collectively Minda Sai, Mayank Auto, Minda Schenk and Minda Autocare together with their respective subsidiaries, if any;

**"Phase II Companies"** means collectively Minda Stoneridge Instruments Ltd., Minda Valeo Security Systems Pvt. Ltd., Minda Silca Engineering Ltd., Minda Furukawa Electric Pvt. Ltd., PT. Minda Asean Automotive, Indonesia, Minda Vietnam Co. Ltd., Vietnam, Minda International Limited and UZ-Minda LLC, Uzbekistan, together with their respective subsidiaries;

**"Profit After Tax"** or **"PAT"** shall be the consolidated operating profit after tax of the Company for the Financial Year ending March 31, 2011 for Indian companies and Financial Year ending December 31, 2010 for European companies and determined in accordance with the provisions of Clause 2.3 of the Investment Agreement;

**"Promoters"** shall mean Promoter No.1, Promoter No.2, Promoter No.3, Promoter No.4, Promoter No.5 and Promoter No.6 (as hereinafter defined) collectively;

**"Promoter No. 1"** shall mean MR. ASHOK MINDA, Indian inhabitant and son of Late Shri Shadi Lal Minda currently residing at 17 Olof Palme

Marg, Vasant Vihar, New Delhi 110 017, India;

**“Promoter No. 2”** shall mean MRS. SARIKA MINDA, Indian inhabitant and wife of Mr. Ashok Minda currently residing at 17 Olof Palme Marg, Vasant Vihar, New Delhi 110 017, India;

**“Promoter No. 3”** shall mean MS. MEGHA MINDA, Indian inhabitant and daughter of Mr. Ashok Minda currently residing at 17 Olof Palme Marg, Vasant Vihar, New Delhi 110 017, India;

**“Promoter No. 4”** shall mean MR. AAKASH MINDA, Indian inhabitant and son of Mr. Ashok Minda currently residing at 17 Olof Palme Marg, Vasant Vihar, New Delhi 110 017, India;

**“Promoter No. 5”** shall mean Sarika Minda acting for the purposes of the Investment Agreement in her capacity as trustee of the Sarika Minda Family Trust, a trust within the meaning of the Indian Trusts Act, 1882, having its address at A-15, Ashok Vihar, Phase – I, Delhi – 110052;

**“Promoter No.6”** shall mean ASHOK KUMAR MINDA HUF, an Hindu Undivided Family having its address at A-15, Ashok Vihar, Phase – I, Delhi – 110052 represented through its karta, Mr. Ashok Minda;

**“Promoter Group”** means collectively the Promoters and any entity which is Controlled directly or indirectly by the Promoters and which holds either Equity Shares or preference shares issued by the Company or as defined under the Act or as defined in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

**“Proxy”** includes Attorney duly constituted under a power of Attorney or as defined under the Act;

**“Register”** means the Register of Members to be kept pursuant to Section 88 of the Act;

**“Relative”** means a lineal ascendant, descendant, spouse, brother, sister and a spouse of any of them and as defined under the Act;

**“Restated Articles”** means these Articles of the Company which reflect the provisions of the Investment Agreement as agreed between the Promoter and the Investors and as defined under the Act;

**“Rupees”** or **“Rs.”** means the lawful currency of the Republic of India;

**“Rules”** means any Rule made pursuant to Section 469 of the Act or such other provisions pursuant to which the Central Government is empowered to make rules, and shall include such rules as may be amended from time to time.

**“Seal”** means the common seal of the Company for the time being;

**“Second Conditions Precedent”** has the meaning set forth in Clause 3.6 of the Investment Agreement;

**“Second Closing”** shall mean the subscription by the Investors to the Second Tranche Subscription Shares in accordance with the provisions of Article 15(4);

**“Second Closing Date”** shall mean the date on which Second Closing

takes place in accordance with the provisions of Article 15(3);

**“Second Long Stop Date”** means August 31, 2011 or such extended date as may be mutually acceptable to the Parties ;

**“Second Tranche Subscription Amount”** means the aggregate consideration payable by the Investors for subscribing to the Second Tranche Subscription Shares at Second Closing in accordance with the formula set out in the Investment Agreement;

**“Second Tranche Subscription Shares”** means the Equity Shares to be subscribed to by the Investors at Second Closing in accordance with the provisions of these Articles and the Investment Agreement for the Second Tranche Subscription Amount;

**“Secretary”** is a Key Managerial Personnel appointed by the Board to perform any of the duties of Company Secretary or any individual possessing qualification prescribed for the time being by any rules made under the Act and appointed by the Board to perform the duties, which may be performed by a Secretary under the Act and other ministerial or administrative duties.

**“Shareholder”** means any Person that is a registered holder of Equity Shares in the Company from time to time;

**“SIDCUL”** means the State Industrial Development Corporation of Uttarakhand Limited, a statutory body incorporated by the Government of Uttarakhand;

**“Stock Exchange”** has the meaning set out in Article 172;

**“Subscription Amount”** shall mean the First Tranche Subscription Amount and the Second Tranche Subscription Amount collectively;

**“Subscription Shares”** shall mean the First Tranche Subscription Shares and the Second Tranche Subscription Shares collectively;

**“Tax”** mean any and all applicable taxes payable by a Person specifically in relation to income, sales, works contract, octroi, entry, lease, service, excise or customs, including without limitation, on gross receipts, sales, turn-over, value addition, use, lease, consumption, property, income, franchise, capital, occupation, license, excise, and customs, stamp duty, Minimum Alternate Tax and other taxes, duties, assessments or fees, howsoever imposed, withheld, levied, or assessed by the relevant Governmental Authority pertaining to the aforesaid taxes;

**“Trade Mark”** means collectively the **“MINDA”** trademark for which Minda Spectrum Advisory Services Limited has applied/received trademark registration from the applicable Governmental Authority as well as any other trademarks being used in the Business;

**“Transaction Documents”** shall mean, the Investment Agreement and all agreements and letters that are required / have been executed as a Condition Precedent to the Investment Agreement;

**“Transfer”** includes any transfer, assignment, sale, disposal, lease, alienation, amalgamation, merger, or Encumbrance in each case whether voluntary or involuntary;

**“Warranties”** shall have the meaning given to the term in Clause 6.1 and

Annexure “C” of the Investment Agreement;

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

### **Interpretation**

In these Articles, unless the context requires otherwise:

- (a) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of these Articles;
- (b) references to one gender shall include all genders;
- (c) any reference to any enactment or statutory provision is a reference to it (unless otherwise specified) as amended, modified, consolidated or re-enacted (with or without modification) and includes all instruments or orders made under such enactment;
- (d) words in the singular shall include the plural and vice versa;
- (e) any reference to a Clause, Schedule or Annexure shall be deemed to be a reference to a Clause, Schedule or Annexure of these Articles;
- (f) references to an agreement or document shall be construed as a reference to such agreement or document as the same may have been amended, varied, supplemented or novated in writing at the relevant time in accordance with the requirements of such agreement or document and, if applicable, of these Articles with respect to amendments.
- (g) any reference to a Party in these Articles shall include, in the case of a body corporate, references to its successors and permitted assigns and in the case of a natural Person, to his or her heirs, executors, administrators and legal representatives, each of whom shall be bound by the provisions of these Articles in the same manner as the Party itself is bound;
- (h) any reference to a document in an Agreed Form is to a document in form and substance agreed among the Company, the Promoters and the Investors;
- (i) the words “hereby,” “herein,” “hereof,” “hereunder” and words of similar import refer to these Articles as a whole (including any Schedules and Annexures hereto) and not merely to the specific Clause or paragraph in which such word appears;
- (j) the words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation”;
- (k) “fully diluted” means the total of all classes and series of shares outstanding combined with all options, warrants, and convertible securities of all kinds and the effect of any anti-dilution protection regarding previous financings, all on an “as if converted” basis and expressed as Equity Shares;
- (l) where any statement in these Articles is qualified by the expression “so far as the Company is aware” or “to the best of the Company’s knowledge and belief” or any similar expression referring to the

Company's or the Promoters' awareness or knowledge, that statement will be deemed to include an additional statement that it has been made after reasonable inquiry and includes all matters, events or circumstances of which the Company or its Directors or the Promoters should reasonably be aware or know;

- (m) "business in the ordinary course" means an action taken by or on behalf of the Company that is:
  - (i) recurring in nature and is taken in the ordinary course of Company's normal day-to-day operations; and
  - (ii) taken in accordance with sound and prudent business practices;
- (n) "subsidiary" and "holding company" shall have the meanings assigned thereto by Section -2(87) and 2(46) of the Act, respectively;
- (o) expressions in these Articles that are appropriate to companies shall be construed, in relation to an undertaking that is not a company, as references to the corresponding Persons, officers, documents or organs, as the case may be, appropriate to undertakings of that nature.
- (p) "securities" has the meaning given to it in the Securities Contracts (Regulation) Act, 1956; and
- (q) no provisions of these Articles shall be interpreted in favour of, or against, any Party by reason of the extent to which such Party or its counsel participated in the drafting hereof or by reason of the extent to which any such provision is inconsistent with any prior draft hereof.

*Table "F" not to apply*

- 2. The regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.

### **SHARES**

*Share-Capital*

- 3. The authorised share capital of the Company shall be such amount and be divided into such shares as may be from time to time, be provided in article V of the Memorandum of Association with power to Board of Directors to reclassify and consolidate with power from time to time, to issue any shares of the original capital or any new capital with, subject to the rights of the Investors as provided under these Articles, to increase or reduce the capital for the time being and to divide the shares into several classes and to attach thereto such preferential, qualified or special rights, privileges or conditions and to vary, modify or abrogate any such rights or privileges or conditions in such manner as may for the time being be provided by the Regulations of the Company and to consolidate or sub divide and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division, the shares and issue shares of higher or lower denominations. If and whenever the capital of the Company is divided into shares of different classes, the tights of any such class may be varied, modified, affected, extended, abrogated or surrendered as provided by the said Act or by Articles of Association or by the terms of issue, but not further or otherwise. The minimum share capital of the company is

Rs.5,00,000/- (Rupees Five Hundred Thousand only).

- |                                      |    |  |
|--------------------------------------|----|--|
| <i>Redeemable Preference Shares</i>  | 4. | Subject to the rights of the Investors under these Articles, the Company shall have power to issue Preference Shares carrying right of redemption out of profits which would otherwise be available for dividend, or out of the proceeds of a fresh issue of shares made for the purpose of such redemption, or liable to be redeemed at the option of the Company and the Board may subject to the provisions of Section 55 of the Act or under any previous Act, exercise such power in such manner as it thinks fit.  |
| <i>Allotment of Shares</i>           | 5. | Subject to the provisions of these Articles, the shares shall be under the control of the Directors who may allot or otherwise dispose off the same to such terms and conditions, and at such time as the Directors think fit and with power to issue any shares as fully paid up in consideration of services rendered to the Company in its formation or otherwise, provided that where the Directors decide to increase the issued capital of the Company by the issue of further shares, the provisions of Section 62 of the Act will be complied with. Provided further that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting. |
| <i>Buy Back of shares</i>            | 5A | Notwithstanding what is stated wherever in these Articles, in the event it is permitted by the Law and subject to such conditions, approvals or consents as may be laid down for the purpose, the Company shall have the power to buy-back its own shares, whether or not there is any consequent reduction of Capital. If and to the extent permitted by Law, the Company shall also have the power to re-issue the shares so bought back.  |
| <i>Issue of Shares at a discount</i> | 6. | Subject to the provisions of the Act and further subject to the rights of the Investors under these Articles, it shall be lawful for the Company to issue at a discount, shares of a class already issued.   |
| <i>Commission for placing shares</i> | 7. | The Company may, subject to compliance with the provisions of Section 40 of the Act and further subject to any rights that the Investors may have in this regard, exercise the powers of paying commission on the issue of shares and debentures. Such commission shall not exceed the maximum permissible rate as prescribed in the Acts/Rules. The commission may be paid or satisfied in cash or shares, debentures or debenture stock of the Company.  |
| <i>Brokerage</i>                     | 8. | The Company may pay a reasonable sum of brokerage, subject to the ceiling prescribed under the Act.  |
| <i>Register of Members</i>           | 8A | <p>(i) The Company shall cause to be kept and maintained the following registers namely:</p> <ul style="list-style-type: none"><li>(a) Register of members indicating separately for each class of equity and preference shares held by each member residing in India or outside India;</li><li>(b) Register of debenture-holders; and</li><li>(c) Register of any other security holders;</li><li>(d) including an index in respect of each of the registers to be maintained in accordance with Section 88 of the Act.</li></ul> <p>(ii) The Company shall also comply with the provisions of Sections 92</p>  |

of the Act as to filing Annual Returns.

- (iii) The Company shall duly comply with the provisions of Section 94 of the Act in regard to keeping of the Registers, Indexes, copies of Annual Returns and giving inspection thereof and furnishing copies thereof.
- (iv) The shares in the capital shall be numbered progressively according to their several classes.
- (v) Subject to the provisions of the said Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any one of them to such persons on such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 54 of the Act) at a discount and at such times as they may from time to time think fit and proper and with the sanction of the Company in General Meeting to give to any person the option to call for or be allotted shares of any class of the Company either at par or at premium or subject aforesaid at a discount during such time and for such consideration and such option being exercisable at such times as the Directors think fit and may allot and issue shares in the capital of the Company in lieu of services rendered to the Company or in the conduct of its business; and any shares which may be so allotted may be issued as fully paid up shares and if so issued shall be deemed to be fully paid up shares.

*Trusts not recognised*

9. Save as herein otherwise provided and subject to Section 113 of the Act, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any trust, benami or equitable or other claim to or interest share in such shares on any fractional part of a share whether or not it shall have express or other notice thereof.

#### **CERTIFICATE**

*Certificate*

10. Subject to any statutory or other requirement having the force of law governing the issue and signatures to and sealing of certificate to shares and applicable to this Company for the time being in force the certificate of title to shares and the duplicate thereof when necessary shall be issued under the seal of the Company which shall be affixed in the presence of and signed by (1) two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and (2) the Secretary or some other person appointed by the Board for the purpose; a Director may sign a share certificate by affixing signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other materials used for the purpose.

*Member's right to certificate*

11. Every member shall be entitled without payment to the certificate for all the Shares of each class or denomination registered in his name, or if the Board, so approve (upon paying such fees as the Board may from time to time determine) to several certificates, each for one or of such Shares and the Company shall complete such certificate within two months after the

allotment or such period as may be determined at the time of the issue of such capital whichever is longer or within one month after registration of the transfer thereof as provided by Section 56 of the Act. Every certificate of shares shall have its distinctive number and be issued under the Seal of the Company and shall specify the number and denoting number of the shares in respect of which it is issued and the amount paid thereon and shall be in such form as the Board shall prescribe or approve provided that in respect of share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and the delivery of a certificate for a share or shares to one of several joint-holders shall be deemed to be sufficient delivery to all.

*As to issue of new certificates in place of one defaced, lost or destroyed*

12. If any certificate be worn out, defaced, mutilated, torn, old, decrepit destroyed or lost or if there be no further space on the back thereof for endorsement of transfer, then upon production thereof to the Board, they, may order the same to be cancelled, and may issue a new certificate in lieu thereof and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the Board and on such indemnity as the Board deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. A sum not exceeding Rs. 50/- shall be paid to the Company for every certificate issued under this clause, as the Board may fix from time to time, provided that no fee shall be charged for issue of new certificate in replacement of those which are old, worn, decrepit out or where the cages on the reverse for recording transfers have been fully utilised.

The Board may waive payment of any fee generally or in any particular case.

Every endorsement upon the certificate of any share in favour of any transferee thereof shall be signed by such person for the time being authorised by the Board in that behalf.

The Board shall comply with requirements prescribed by any Rules made pursuant to the said Act; relating to the issue and execution of share certificates.

- 1.
- 2.

#### **JOINT-HOLDERS OF SHARES**

*Fee on sub-division of shares, issue of new certificates etc.*

13. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefit of survivorship subject to provisions following and to the other provision of these Articles relating to joint holders :-

*Maximum number*

- (a) The Company shall not be bound to register more than four persons as the joint-holder of any share.

*Liability several as well as joint*

- (b) The joint holders of a share shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such shares.

*Survivors of joint holders only recognised*

- (c) On the death of any one of such joint-holders the survivor or survivors shall be the only person recognised by the Company as having any title to or interest in such share but the Board may require such evidence of death as it may deem fit.

<i>Delivery of certificates</i>		(d)	Only the person whose name stands first in the Register as one of the joint-holders of any share shall be entitled to delivery of the certificate relating to such share.
<i>Dematerialisation of Securities Beneficial Owner</i>	13A	(1)	For the purpose of this Article –  “ <b>Beneficial Owner</b> ” shall have the meaning assigned thereto in Section 2 (1) (a) of the Depositories Act, 1996.
<i>Depositories Act</i>			“ <b>Depositories Act</b> ” shall mean the Depositories Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.
<i>Depository</i>			“ <b>Depository</b> ” shall mean a Depository as defined in Section 2 (1) (e) of the Depositories Act, 1996.
<i>Member</i>			“ <b>Member</b> ” shall mean a duly registered holder, from time to time, of the security of the Company and includes every person whose name is entered as beneficial owner in the records of the depository.
<i>Security</i>			“ <b>Security</b> ” shall mean such security as may be specified by Security and Exchange Board of India (SEBI).
<i>Dematerialisation of securities</i>		(2)	Notwithstanding anything contrary contained in this Article, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form and further to dematerialise the securities held in depository pursuant to the Depositories Act, 1996.
<i>Option to hold securities in physical form or with depository</i>		(3)	Every person holding securities of the Company through allotment or otherwise shall have the option to receive and hold the same in the form of security certificates as may be permitted under law, or to receive and hold the same in the dematerialised form with a depository.
<i>Beneficial owner may opt out of a depository</i>		(4)	Every person holding securities of the Company with a depository, being the beneficial owner thereof, may at any time opt out of depository in the manner provided under the provision of the Depository Act and the Rules made there under, if any, and on fulfilment of the conditions prescribed by the Company, from time to time, the Company shall issue the relevant security certificate to the beneficial owner thereof.
<i>Securities in depository to be in fungible form</i>		(5)	All securities held by the depository shall be dematerialised and shall be in fungible form, nothing contained in Section 89 and 186 of the Companies Act, 2013 shall apply to the depository in respect of the securities held by and on behalf of the beneficial owners.
<i>Rights of the depositor and beneficial owners</i>		(6)	(a) Depository shall be the registered owner for the purpose of effecting the transfer of ownership of securities on behalf of the beneficial owners and shall not have any voting rights or any other rights in respect of the securities held by it.  (b) 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 the member of the Company. The beneficial owner of the 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.

*Transfer of securities*

(7) Transfer of securities held in a depository will be governed by the provision of the Depositories Act, 1996. Nothing contained in Section 56 of the Companies Act, 2013 or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of the depository.

*Register and index of beneficial owners*

(8) The Register and index of beneficial owners maintained by the depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and security holders for the purposes of these Articles.

#### 14. **STATUS OF THE INVESTORS**

The Parties do hereby each acknowledge and agree that the Investors are investing in the Company through subscription to the Subscription Shares in their capacity as financial investors and that the rights and benefits granted to the Investors herein have been provided to the Investors in their capacity as financial investors and for the protection of the Investors as minority shareholders in the Company. The Parties also hereby acknowledge and agree that the rights and benefits provided to the Investors under this Agreement are reasonable given the status of the Investors as financial investors in the Company and as minority shareholders in the Company. The Parties further acknowledge and agree that subject to the provisions of applicable law no Investor is and at no time shall be deemed to be a “person acting in concert” (as defined under Section 2.(1)(e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as may be amended from time to time) with the Promoters or any of them and that it is not the intention of the Parties that the Investors (or any of them) be deemed to be “persons acting in concert” with the Promoters by virtue of the rights and/or benefits provided to the Investors (or any of them) under the provisions of this Agreement. The Parties do hereby further acknowledge and agree that at no time shall the Investors (or any of them) be identified by the Company or any of the Promoters as being promoters of the Company in any filing made by the Company with any Governmental Authority unless otherwise required by Applicable Law. The rights and benefits provided to each the Investors under these Articles shall be read and interpreted in accordance with the forgoing.

#### 15. **INVESTMENT BY THE INVESTORS**

(1) Without prejudice to any other obligation that the Company and/or the Promoters may have under applicable Law or under contract, the Company and the Promoters shall fulfil in form and substance satisfactory to the Investor, the following undertakings:

(a) The Company shall within 30 (Thirty) days of the Closing Date, file with the Registrar of Companies having jurisdiction in the matter, prescribed form under the Act/Rules in connection with the issuance and allotment of the First Tranche Subscription Shares to the Investors;

(b) The Company shall within 30 (Thirty) days of the Closing Date, file Form FC - GPR (together with all enclosures thereto) with the RBI through the applicable Authorised Dealer in relation to the issuance of the applicable portion of the First Tranche Subscription Shares to Investor No. 2; and

- (c) The Company shall within 30 (thirty) days of the Closing Date, file prescribed form under the Act/Rules with the Registrar of Companies, in relation to the appointment of the Investor Director.
- (d) The Company shall within a period of 120 (One Hundred Twenty) days from the Closing Date, have obtained the requisite permission of appropriate Governmental Authority in relation to the various leases executed in favour of the Company with respect to which applications have been made as a Condition Precedent.
- (e) Minda Sai shall, within a period of 120 (One Hundred Twenty) days from the Closing Date, have obtained the requisite permission of appropriate Governmental Authority in relation to the various leases executed in favour of Minda Sai with respect to which an application was made as a Condition Precedent.
- (f) The Promoters shall, within a period of 120 (One Hundred Twenty) days from the Closing Date, have caused Minda Sai to enter into a conveyance deed with Ace Industries in relation to the property situated at S-2/9, Sector 1, Industrial Area, Pithampur, District Dhar, Madhya Pradesh, India.
- (g) The Company shall, within a period of 120 (One Hundred Twenty) days from the Closing Date, have obtained approval of NOIDA and SIDCUL for the transactions contemplated under the Investment Agreement, as required under the various lease agreements executed by the Company with NOIDA and SIDCUL respectively and for which applications have been made by the Company to the relevant Governmental Authority as a Condition Precedent.
- (h) The Company shall, within a period of 120 (One Hundred Twenty) days from the Closing Date, have obtained the approval of MIDC for sublease of property by the applicable lessors to the Company in relation to the applicable MIDC properties occupied by the Company on a sub-lease basis;
- (i) The Company shall, within a period of 120 (One Hundred Twenty) days from the Closing Date, have acquired permission from SIDCUL in relation to mortgaging property leased from SIDCUL in favour of lenders for borrowings made by the Company.
- (j) Minda SAI and Mayank Auto shall, within a period of 120 (One Hundred Twenty) days from the Closing Date, have obtained from NOIDA for the transaction contemplated under the Investment Agreement, as required under the various lease agreements executed by Minda Sai and Mayank Auto respectively with SIDCUL.
- (k) The Company shall, within a period of 120 (One Hundred Twenty) days from the Closing Date, have registered all unregistered conveyance deeds and lease deeds in relation to property owned/ leased by the Company including but not limited to the property located at plot No. 68 at Gurgaon

Echelon Institutional Sector 32, Haryana, India and Minda Sai and Mayank Auto shall have registered all unregistered conveyance deeds and lease deeds in relation to property owned/ leased by Minda Sai and Mayank Auto respectively.

- (l) The Company shall within a period of 45 (forty-five) days have obtained the final trading and listing approval from the Stock Excnahges, where the Company's Shares are listed for the trading and listing of the First Tranche Subscription Shares in accordance with the listing agreement.

**(2) Second Tranche Investment**

The obligation of the Investors to complete the subscription to the Second Tranche Subscription Shares is subject to and conditional upon the terms and conditions of these Articles, the Transaction Documents and the fulfillment of the conditions specified in Part B of Annexure A of the Investment Agreement, having been satisfied in form and substance satisfactory to the Investors or waived in writing by the Investors in their absolute discretion.

- (3) Second Closing shall take place in Delhi, India at the corporate office of the Company (or such other place as the Parties may mutually agree) within the maximum period permitted under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 after the Second Conditions Precedent have been fulfilled or waived (the "Second Closing Date"), or at such other time and place as the Parties may agree or as may be determined pursuant to Article 15(5), but in no event later than the Second Long Stop Date. The obligations of each of the Parties in this Article 15 are interdependent. Second Closing will not occur unless all of the obligations set out in Article 15(4) are complied with.

**(4) At Second Closing**

- (a) The Company shall deliver to the Investors:

- (a) a certified true copy of the Shareholders' resolution of the Company approving the allotment and issue of the Second Tranche Subscription Shares to the Investors;
- (b) certified true copies of the resolutions passed by the Board:
  - (i) approving the allotment and issue of the Second Tranche Subscription Shares to the Investors;
  - (ii) approving the entry into the register of members of the Company, the name of each Investor as the holder of the respective Equity Shares subscribed to by such Investor and the making of such other entries into other corporate records of the Company as may be necessary;

- (b) The Investors shall credit the Second Tranche Subscription Amount (or shall procure that the Second Tranche Subscription Amount is credited) to such bank account of the Company as detailed in the Investment Agreement.

- (c) The Company shall duly register the Equity Shares subscribed to by each of the Investors, in the
  - (d) name of the respective Investors, in the Company's register of members and provide evidence thereof to the Investors.
- (5) If any Second Conditions Precedent set forth in Clause 3.6 and Part B of Annexure A to the Investment Agreement shall not have been fulfilled or waived by the Second Long Stop Date, the Investors may, at their option, without prejudice to their respective rights hereunder and under applicable Law:
- (a) defer Second Closing to a later date; or
  - (b) proceed to Second Closing so far as practicable.
- (6) In the event that the Second Conditions Precedent as mentioned above, not having been expressly waived by the Investors in writing, have not been fulfilled to the satisfaction of such Investors by the Second Long Stop Date, such Investors shall have the right to terminate the Investment Agreement by giving a notice to the Company and the Promoters to this effect; provided that notwithstanding any such termination, any obligations of the Company said to survive termination shall survive such termination.
- (7) **Post - Second Closing Activities**

Without prejudice to any other obligation that the Company and/or the Promoters may have under applicable Law or under contract, the Company and the Promoters shall fulfil in form and substance satisfactory to the Investor, the following undertakings:

- (a) The Company shall within 30 (Thirty) days of the Second Closing Date, file with the Registrar of Companies having jurisdiction in the matter, prescribed form under the Act/Rules in connection with the issuance and allotment of the Second Tranche Subscription Shares to the Investors; and
- (b) The Company shall within 30 (Thirty) days of the Closing Date, file Form FC - GPR (together with all enclosures thereto) with the RBI through the applicable Authorised Dealer in relation to the issuance of the applicable portion of the Second Tranche Subscription Shares to Investor No. 2.
- (c) The Company shall within a period of 45 (forty-five) days have obtained the final trading and listing approval from the Stock Exchanges, where the Company's Shares including preference shares are listed for the trading and listing of the Second Tranche Subscription Shares in accordance with the Listing Agreement.

16. **COMPANY AND PROMOTERS COVENANTS**

- (1) The Company shall obtain (and maintain during the term of the Investment Agreement) general business liability insurance of such types and on such terms and conditions and for such amounts as shall be reasonably acceptable to the Investors.

(2) **Completion of acquisition of business of Phase II Companies.**

The Company and each of the Promoters hereby irrevocably and unconditionally agrees, undertakes and covenants to the Investors that subject to the consent of the applicable joint venture partners or other Persons holding ownership interests in the entities in question, the Company will complete the acquisition to the satisfaction of the Investors of the business and operations of each of the Phase II Companies within a period of 24 (Twenty Four) months from the Closing Date either by way of an acquisition of the entire share capital of each Phase II Company that is held (whether directly or indirectly) by any member of the Promoter Group or by way of a merger of each Phase II Company into the Company pursuant to a scheme of amalgamation between the applicable Phase II Company, the Company and their respective shareholders and creditors under the provisions of Sections 230 to 232 of the Act. The Parties do hereby agree that the same valuation methodology and method being used for determining the valuation of each of the Phase II Companies shall be applied for the valuation of the Company as well.

- (3) **Control.** The Promoters shall, unless otherwise agreed to by the Investors, retain the management control of the Company and shall, at all such times, hold through themselves and the other Persons comprising the Promoter Group at least 51% (Fifty One percent) of the Equity Shares then issued and outstanding. Notwithstanding anything to the contrary contained in this Agreement, Mr. Ashok Minda shall at all times hold directly at least 15% of the Equity Share Capital of the Company.
- (4) **Divestment of Property.** The Promoters shall acquire or cause the acquisition of certain property located at D-6-11, Sector - 59, Noida, Uttar Pradesh, India from the Company at the fair market value of such property with the sale proceeds to the Company being at least Rs. 350,000,000/- (Rupees Three Hundred Fifty Million Only).
- (5) Within a maximum period of 6 (Six) months from the date on which the Company shall have identified to the Board in consultation with the Investors senior positions of the Company and the Phase I Companies which are required to be filled, the Company shall fill such senior positions.
- (6) Minda Spectrum Advisory Services Limited shall enter into an arrangement pursuant to which the Company shall have been assigned a right to use the Trademark to the extent permitted under applicable Law in a manner and on such terms and conditions as shall be acceptable to the Investors. For this purpose Minda Spectrum Advisory Services Limited and the Company shall enter into all such agreements or documents as shall be necessary or required for this purpose at the cost and expense of the Company. Further all future copyrights and/or trademarks related to the Business or the business and operations of any subsidiaries of the Company shall be duly registered accordance with the provisions of applicable Law in the name of the Company.
- (7) The Company shall ensure that all Intellectual Property Rights in any intellectual property created through any research of any employee of the Company or any employee of the Company's subsidiaries

or any other Person at the request of the Company, shall be the sole and exclusive property of the Company and the Company shall further ensure that all filings in relation to and for such Intellectual Property Rights shall be in the name of the Company.

- (8) Each of the Company, its subsidiaries, the Phase I Companies and the Phase II Companies shall appoint a Big Four Firm or such auditing firm as shall be acceptable to the Investors as auditor of such company at the next annual general meeting of such company held after the Second Closing Date. Where the Company shall not Control any joint venture of the Company or the Company is not a shareholder in any Phase I Company or Phase II Company, then notwithstanding the provisions of this Article 16, in the event that the Company is not able to give effect to the provisions of this Article 16 due to either the terms and conditions of such joint venture agreement entered into by the Company with the relevant joint venture partner or due to the Company not being a shareholder in such entity, then the same shall not be deemed to be breach of the provisions of this Article.
- (9) The Company shall constitute an employee benefit trust ("Trust") whose trustees shall include the Promoter No. 1. The Trust shall be constituted by the Company by June 30, 2011. The Company shall on or prior to June 30, 2011, issue to the Trust 267,092 (Two Hundred Sixty Seven Thousand and Ninety Two) Equity Shares. For this purpose the Company shall provide the Trust with a loan to be used by the Trust solely for the purposes of subscribing to the Equity Shares being issued to the Trust. The issuance of Equity Shares to the Trust pursuant to this Clause shall not dilute the Investors' percentage Equity Shareholding.

## 17. **ANTIDILUTION RIGHTS**

### (1) **RIGHT TO FURTHER SUBSCRIPTION**

- (a) The Parties agree that save and except where the Shares are proposed to be issued as part of a Further Public Offering ("FPO") or where any Shares are proposed to be issued as part of any ESOP provided however that the exception in relation to any ESOP shall not be available to any issue of shares to the Trust in accordance with the provisions of Article 16(9), in the event the Company is desirous of issuing any additional Shares ("Additional Shares"), upon finalization of the terms of such subscription, the Company shall offer the Additional Shares on the finalized terms and conditions to the Investors and each Investor shall have a right (but not the obligation) to subscribe upto such percentage of the Additional Shares (or part thereof) being offered by the Company as shall be equal to such Investor's Equity Shareholding on a fully diluted basis, but on the same terms and conditions as that had been finalized by the Company.
- (b) In the event that any Investor shall not choose to exercise its right under Article 17(1) above to purchase Additional Shares, the other Investors shall have the right to subscribe to the Additional Shares declined by the Investor in question.

(2) **Price Protection**

Notwithstanding anything contained in these Articles and without prejudice to the other provisions of these Articles, in the event that the Company shall issue any additional Equity Shares at a price per Equity Share which shall be less than the Investor Acquisition Cost or have or permit an FPO, at a price lower than the Investor Acquisition Cost, then unless otherwise agreed by the Investors, either the Company shall issue such number of Equity Shares to the Investors or the Promoters shall transfer such number of Equity Shares at either no additional consideration or at the lowest possible consideration permitted under applicable Law that shall be necessary to ensure that in a revised Investor Acquisition Cost per Investor that shall be equal or lower than the price at which the additional Shares are proposed to be issued.

**UTILISATION OF FUNDS**

18. The Subscription Amount shall only be utilized for the purpose of expanding the Business and operations of the Company through the expansion of existing manufacturing facilities as well as through the acquisition of businesses and manufacturing facilities or for such other purposes as the Parties may agree in writing and for no other purposes whatsoever. Notwithstanding the forgoing, the Company and the Promoters agree, undertake and confirm that the Subscription Amount (whether in whole or in part) shall not be used for the purposes of acquiring the business and operations of the Phase I Companies or the Phase II Companies.

**CALLS**

- |   |     |   |
|---|-----|---|
| <i>Calls</i>                              | 19. | The Directors may, from time to time, subject to the terms on which any share may have been issued, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereto made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by installments.  |
| <i>When call deemed to have been made</i> | 20. | A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.   |
| <i>Notice to call</i>                     | 21. | Fourteen day's notice at least of every call made payable otherwise than on allotment shall be given by the Company in the manner hereinafter provided for the giving of notices specifying the time and place of payment, and the person to whom such call shall be paid. Provided that before the time for payment of such call the Board may by notice given in the manner hereinafter provided revoke the same. The Board may, from time to time at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who, the Board may deem fairly entitled to such extension; but no member shall be entitled to any such extension, except as a matter of grace |
| <i>Amount payable</i>                     | 22. | If by the terms of issue of any share or otherwise, the whole or part of the amount of issue price thereof is made payable at any fixed time or by installments at fixed times, every such amount of issue price of instalment thereof shall be payable as if it were a call duly made by the Directors and of which due notice had been given and all the provisions herein contained in respect of call shall apply to such amount or issue price or  |

installments accordingly.

*Interest to be charged on nonpayment of call* 23. If the sum payable in respect of any call or installment be not paid on or before the day appointed for the payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installment shall be due, shall pay interest for the same at the rate of 12% (twelve percent) per annum, from the day appointed for the payment thereof to the actual payment or at such other rate as the Directors may determine but they shall have power to waive the payment thereof wholly or in part.

*Evidence in actions by Company against shareholders* 24. On the trial or hearing of any action or suit brought by the Company against any member or his representative to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is, or was, when the arose, on the Register of the Company as a holder, or one of the holders of the number of the Company as holder, or one of the holders of the number of shares in respect of which such claim is made, that the resolution making the call is duly recorded in the minute book and that the amount claimed is not entered as paid in the books of the Company, and shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the meeting at which any call was made nor that such meeting was duly convened or constituted, nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

*Payment of calls in advance* 25. The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the money due upon the shares held by him beyond the sums actually called for and upon the money so paid or satisfied in advance or so much thereof as from time to time exceeds the amount of calls then made upon the share in respect of which such advance has been made, the Company may pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, 6% (six percent) per annum as the member paying such sum as advance and the Board agree upon. Money so paid in excess of the amount of call shall not rank for dividends or confer a right to participate in profits. The Board may at any time repay the amount so advanced upon giving such member not less than 3 (three) months notice in writing.

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

Further, 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.

#### **FORFEITURE AND LIEN**

*Notice may be given at calls or instalment not paid* 26. If any member fails to pay any money due from him in respect of any call made or amount or instalment on or before the day appointed for payment of the same, or any such extension thereof as aforesaid or any interest due on such call or amount or instalment or any expenses that may have been incurred thereon, the Directors or any person authorised by them for the purpose may, at any time thereafter, during such time as such money remains unpaid, or a judgement or a decree in respect thereof remains unsatisfied in whole or in part, serve a notice in the manner hereinafter provided for the serving of notices on such member or any

of his legal representatives or any of the persons entitled to the share by transmission, requiring payment of the money payable in respect of such share, together with such interest and all expenses (legal or otherwise) incurred by the Company by reason of such non-payment.

- Form / Term of notice* 27. The notice shall name a day (not earlier than the expiration of fourteen days from the date of the notice) and a place or places on or before and at which the money due as aforesaid is to be paid. The notice may also state that in the event of the non-payment of such money at or before the time and the place appointed, the shares in respect of which the same owed will be liable to be forfeited.
- If notice not complied with shares may be forfeited* 28. If the requirement of any such notice as aforesaid be not complied with, any shares in respect which such notice has been given may, at any time thereafter before payment of all calls or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share not actually paid before the forfeiture. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgency 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 herein provided.
- Notice after forfeiture* 29. 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 or to any of his legal representatives, or to any of the persons entitled to the share by transmission and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
- Forfeited share to become property of the Company.* 30. Any share so forfeited shall be deemed to be the property of the Company, and the Directors may sell, re-allot or otherwise dispose of the same in such manner as they think fit.
- Power to annul forfeiture* 31. The Directors may, at any time before any share so forfeited shall not be sold, re-allotted or otherwise disposed off, annul the forfeiture thereof upon such conditions as they think fit.
- Arrears to be paid notwithstanding forfeiture* 32. Any member whose shares have been forfeited shall notwithstanding such forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest and the expenses, owing upon or in respect of such, shares at the time of all installments, interest and the forfeited together with interest thereupon, from the time of the forfeiture until payment at 12 % (twelve percent) per annum or such other rate as the Directors may determine and the Directors may enforce the payment thereof without any deduction of allowance for the value of shares at the time of forfeiture but shall not be under any obligation to do so.
- Effect of forfeiture* 33. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share, and all other rights incidental to the share except only such of those rights as by these Articles are expressly saved.
- Evidence of forfeiture* 34. A duly verified declaration in writing that the declarant is a Director of the Company and that certain shares in the Company have been duly

forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and the receipt of the Company for the consideration, if any given for the shares on the sale or disposition thereof, shall constitute a given title to such shares.

- Company's lien on shares* 35. The Company shall have a first and paramount lien upon all the shares (not fully paid up) registered in the name of each member (whether solely or jointly with others), and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares, and no equitable interest in any share shall be created except upon the footing and condition that Article 9 hereof is to have full effect. 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.
- Intention as to enforcing lien* 36. For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they think fit, but no sale shall be made until such period as aforesaid shall have elapsed and until notice in writing of the intention to sell shall have been served on such member, his committee, curator bonis or other person recognised by the Company as entitled to represent such member and default shall have been made by him or them in the payment of the sum payable as aforesaid for thirty days after such notice. The net proceeds of any such sale shall be applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable by such member, and the residue (if any) paid to such member, his executors, administrators, or other representatives or persons so recognised as aforesaid.
- Validity of Shares* 37. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers by these presents given, the Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold and after his name has been entered in the Register in respect of such shares his title to such shares shall not be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition, not impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
- Power to issue new certificate* 38. Where any shares under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered to the Company by the former holders of the said shares the Directors duly authorized by the Board may issue new certificate in lieu of certificate not so delivered up.
- Nomination* 39. Notwithstanding any thing contained in these Articles or any other law for the time being in force, a holder or the joint holders of shares or debentures, may nominate, in accordance with the provisions of Section 72, of the Companies Act, 2013, and in the manner prescribed there under, a person to whom all the rights in the shares and debentures of the Company shall vest in the event of death of such a holder(s) any nominations so made shall be dealt with the Company in accordance with the Provisions of Section 56 of the Companies Act, 2013.

#### **TRANSFER AND TRANSMISSION OF SHARES**

- Execution of transfer, etc.* 40. Subject to the provisions of the Act and the other provisions of these

Articles, no transfer of shares shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor or transferee has been delivered to Company together with the certificate or certificates of the shares, or if no such certificate is in existence along with the letter of allotment of shares. The instrument of transfer of any share shall be signed both by or on behalf of the transferor and by or on behalf of transferees and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof.

#### **Transfer by Investors**

41. Subject to the provisions of Articles [41] to [44], the Equity Shares held by the Investors shall be freely transferable subject to any lock – in restrictions that may be imposed under applicable Law.
42. Promoter Right of First Offer
  - (a) Each of the Investors (“Transferors”) shall be entitled to sell any Equity Shares held by each one of them to any Person at any time and upon such terms and conditions mentioned in this Article [42]. If any of the Transferors propose to sell any Security held by them to a third party prior to the occurrence of a Liquidity Event, the Promoters shall have a right of first offer (the “Right of First Offer”) with respect to such sale as provided in this Article [42].
  - (b) If the Transferors or any of them proposes to sell any Security held by them, such Transferor shall send a written notice (the “ROFO Transfer Notice”) to the Promoters, which notice shall state (i) the name of the Transferor; (ii) the number of Securities to be sold by each of the Transferor (the “ROFO Offered Securities”); (iii) the other material terms and conditions of the proposed sale (“ROFO Terms”); and (iv) a confirmation that the ROFO Offered Securities are free from any Encumbrances and that such Transferors is/are the beneficial and recorded owner of the ROFO Offered Securities.
  - (c) For a period of 30 (thirty) days after receipt of a ROFO Transfer Notice (the “ROFO Offer Period”), the Promoters shall have the right, exercisable through the delivery of a notice (“ROFO Notice”), to purchase the ROFO Offered Securities at a purchase price to be paid per ROFO Offered Security (“ROFO Offer Price”) as provided in the ROFO Notice. Where two or more Promoters wish to exercise such right, the concerned Promoters shall jointly issue a single ROFO Notice. The Transferors shall have 180 (one hundred and eighty) days to either accept or reject the ROFO Offer Price stated in the ROFO Notice.
  - (d) The Transferors shall have the option to offer the ROFO Offered Securities to a third party (“ROFO Transferee”) at a price which is not less than the ROFO Offer Price and the terms and conditions for the Transfer of the ROFO Offered Securities to the ROFO Transferee are same and not more favourable compared to the ROFO Terms provided in the ROFO Transfer Notice. The Transferor and the ROFO Transferee shall complete the Transfer of the ROFO Offered Securities within 180 (One Hundred Eighty) days from the date of the ROFO Notice. If the Transfer of the ROFO Offered Securities are not completed within the period of 180 (One Hundred Eighty) days provided above, the Transferor shall not Transfer the ROFO

Offered Securities to the ROFO Transferee and the entire process provided in Articles [42 (a) to (e)] shall be repeated.

- (e) If the Transferors have accepted the ROFO Price within the said 180 (one hundred and eighty) days of receipt of the ROFO Notice, then within 30 (thirty) days of the date of the acceptance of the ROFO Notice, the Transferors and the concerned Promoters shall complete the Transfer of the ROFO Offered Securities to the applicable Promoters at the ROFO Offer Price and on the ROFO Terms. A ROFO Notice shall be irrevocable and shall constitute a binding agreement by the Promoters issuing such ROFO Notice to acquire the ROFO Offered Securities.
- (f) The closing of any sale of ROFO Offered Securities by the Transferors shall not be later than 30 (Thirty) days after receipt of the date of acceptance of the ROFO Notice, provided that if there is a regulatory approval required for the Transfer or the Promoters shall be required to make a public announcement and offer in accordance with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as may be amended from time to time to acquire the ROFO Offered Securities, then the above period shall be extended appropriately. Any transfer of Equity Shares shall be on a 'spot delivery' basis.
- (g) Any stamp duty or transfer taxes or fees payable on the sale of any ROFO Offered Securities to the applicable Promoters shall be borne and paid by the Promoters.
- (h) The Right of First Offer shall not be available to the Promoters in the event of any sale by the Investors (or any of them) upon the occurrence of any Default. The Right of First Offer shall also not be available to the Promoters in the event of any Transfer of Equity Shares by an Investor to its Affiliate.

#### 43. Transfer by Promoter Group

- (1) From the Closing Date until the occurrence of a Liquidity Event, each of the Promoters agrees and undertakes to the Investors that they shall ensure no member of the Promoter Group shall, without the prior written consent of the Investors, sell, gift or otherwise dispose of any Equity Shares or create or issue in favour of any third party whatsoever any options, warrants, derivative or other similar arrangements over or with respect to the Equity Shares. Notwithstanding the forgoing, the Parties do hereby agree each member of the Promoter Group shall be entitled in any one Financial Year (including the Financial Year in which Closing shall have taken place) to pledge, hypothecate, sell or otherwise Transfer upto 0.25% (Zero Decimal Point Two Five percent) of the aggregate Equity Shares held by such member of the Promoter Group. Any such Transfer by any such member of the Promoter Group shall not be subject to Investor Right of First Refusal or the Investor Tag Right.
- (2) Subject to the conditions of Article 43(1) and Article 43(3), in the event that any member of the Promoter Group is desirous of Transferring any of the Equity Shares held by it to a third party, such member of the Promoter Group shall provide to the Investors

an Investor Pre-emptive Right in the manner described in detail in Article [45] of these Articles prior to disposal of the Equity Shares in question.

- (3) Subject to the provisions of Article 43(1) and Article 43(2) above, in the event any member of the Promoter Group proposes to Transfer all or a portion of its Equity Shareholding to any Person, then the Promoters shall have the obligation, if the Investors, in their sole discretion, so requires, to require the proposed transferee of the Equity Shares to purchase from the Investors proportionate number of Equity Shares on the same terms as those offered to the divesting member of the Promoter Group in the manner more particularly set out in Article [45] below. Provided that if as a consequence of the aforesaid Transfer, the aggregate shareholding of the Promoter Group in the Company is not likely to be over 50% (Fifty Percent) of the Equity Share capital (on a fully diluted basis), then in such an event the Promoters shall ensure that the Investors would have a right to participate in such sale not only to a proportionate number of Equity Shares as stated above, but to the complete extent of any Equity Shares held by the Investors.

#### 44. Other Terms and Conditions Relating to Transfer

- (1) Transfer Procedure. No transfer may be made by the Promoter Group pursuant to Article [41] to Article [44] unless (i) the transferee has executed a Deed of Adherence (ii) the transfer complies in all respects with the other applicable provisions of these Articles and (iii) the transfer complies in all respects with applicable Laws.
- (2) Permitted Transfers. Each Promoter shall be entitled to Transfer any Equity Shares held by it to any Person who shall be an Affiliate of such Promoter with the prior written intimation to the Investors.
- (3) Avoidance of Restrictions. The Parties agree that the transfer restrictions in these Articles would apply to the Parties directly and indirectly and shall not be capable of being avoided by carrying out any indirect actions, such as the transfer of a holding company or other entity that can itself be sold in order to dispose of an interest in Equity Shares free of such restrictions.

#### 45. Investor Pre-emptive Right

- (1) Subject to the provisions of Article 43 above, any member of the Promoter Group ("Transferor") shall, before selling, transferring or otherwise disposing of any of its Shares to a bona fide independent third party purchaser ("Transferee"), first give notice ("Sale Notice") to the Investors specifying the identity of the Transferee (and the proposed beneficial owner of the Equity Shares, if different), the number and class of Shares the Transferor proposes to dispose of ("Sale Shares") and the proposed price of the sale of such Shares ("Sale Price"). Each Investor shall have the right (but not the obligation) ("Investor Pre-emptive Right") within 30 (Thirty) calendar days of receiving the Sale Notice to serve on the Transferor a Pre-emption Notice, being a notice requiring the Transferor to transfer to the Purchaser, or to any person nominated by the Purchaser, some or all of the Sale Shares at the Sale Price.
- (2) Each Investor shall have a period of 30 (Thirty) calendar days from

the date of receipt of the Sale Notice to decide whether to exercise its Investor Pre-emptive Right and purchase the Sale Shares. If any Investor does not within the said 30 (thirty) calendar day period inform the Transferor that it wishes to exercise the Investor Pre-emptive Right, such Investor shall be deemed to have declined to exercise the Investor Pre-emptive Right.

- (3) Upon the expiry of the 30 (Thirty) calendar day period referred to in Article 45 (2), the Transferor shall calculate the aggregate number of Shares which are the subject of the Pre-emption Notices received by the Transferor (the "Pre-emption Shares") from Investors who have exercised their Investor Pre-emptive Right under this Article 45 (each such Investor being a "Responding Investor(s)") and the Shares to be sold shall be determined as follows:
  - (a) if the number of Pre-emption Shares shall be equal to or greater than the number of Sale Shares, all of the Sale Shares shall be so sold to the Responding Investors;
  - (b) if the number of Pre-emption Shares shall be less than the number of Sale Shares, the Pre-emption Shares shall be sold at the Sale Price by the Transferor to the Responding Investors and the Transferor shall be entitled to sell to the Transferee the balance of the Sale Shares at the Sale Price;
  - (c) if no Pre-emption Notices have been served within the time allowed, the Transferor shall be entitled to sell and transfer the Sales Shares to the Transferee at the Sale Price;
  - (d) if there are two or more Responding Investors, then each Responding Investor shall be entitled to receive the number of Pre-emption Shares detailed in the Pre-emption Notice furnished by such Responding Investor provided that if the aggregate number of Pre-emption Shares as set forth in the Pre-emption Notices sent by all Responding Shareholders shall exceed the Sale Shares then each Responding Investor shall only be entitled to purchase such amount of Sale Shares as shall be in proportion to the number of Pre-emption Shares offered to be purchased by such Responding Investor as compared to the aggregate number of Pre-emption Shares offered to be purchased by all Responding Investors.
- (4) Any such sale and purchase as aforesaid shall take place within 60 (Sixty) calendar days of the agreement or determination of the Sale Price and, as soon as practicable after such agreement or determination, the Transferor and the Responding Investors shall enter into bona fide negotiations to agree the terms (other than price), if any, on which, and subject to, the sale and purchase is to be made.
- (5) Any Equity Shares sold pursuant to the provisions of this Article 45 shall be sold on a "spot delivery" basis.
- (6) If, as a result of the operation of the provisions of this Article 45, the Transferee withdraws its offer to purchase Sale Shares or the application of this Article results in the Transferor being unable to dispose of all of its Sale Shares, the provisions of this Article 45 shall apply to any subsequent proposed transfer of Shares by the

Transferor.

- (7) In the event the Transferor is, in accordance with the foregoing, required to sell Equity Shares to a Responding Investor, the Transferor shall sign all documents and do all such things as may be reasonably necessary to constitute the applicable Responding Investor as the registered and beneficial owner of the Shares due to be transferred to it.

46. Tag Along Right

- (1) Subject to the compliance of the obligations of the Transferor under the provisions of Article 45 hereinabove, in the event that any Transferor is desirous of selling Equity Shares held by it in the Company, to the extent consented to by the Investors in accordance with the provisions of Article 43(1) hereinabove, and an Investor instead of indicating that it is desirous of exercising its Investor Pre-emptive Right in accordance with the provisions of Article 45, indicates that it is desirous of tagging along in the sale proposed by the Transferor and shall accordingly be entitled to exercise the Tag Along Right described below.
- (2) Each Investor shall have the right (the "Tag-Along Right") but not the obligation to require the Transferor to cause the Transferee in a Transfer of Equity Shares to purchase from such Investor, for the same consideration per Equity Share and upon the same terms and conditions as are to be paid and given to the Transferor (except that the concerned Investor will not be required to make any representations or warranties except in relation to title and in relation to Encumbrances on the Equity Shares proposed to be sold by them or otherwise be liable for any indemnification (except in respect of their own breach), such number of Equity Shares as would bear the same proportion to the Sale Shares as the total number of Equity Shares held by the concerned Investor at such time bears to the total number of Equity Shares held by the Transferor at such time, in each case computed on a fully-diluted basis; provided that if the Transferor propose to make a Transfer of Equity Shares to a Transferee such that pursuant to such Transfer the aggregate Equity Shareholding of the Promoter Group is likely not to be above 50% (Fifty Percent) of the paid-up Equity Share capital of the Company, each Investor shall be entitled to sell to the Transferee up to all of the number of Equity Shares held by such Investor at such time.
- (3) Within 30 (thirty) Business Days following the receipt of the Sale Notice referred to in Article 45(1) above, in the event an Investor elect(s) to exercise its Tag-Along Right, it shall deliver a written notice of such election to the Transferor ("Tag Acceptance Notice") and the number of Equity Shares calculated in accordance with Article 46(2) above, that such Investor propose(s) to Transfer to such Transferee (the "Tag-Along Securities"). Such notice shall be irrevocable and shall constitute a binding agreement by the concerned Investor to sell such Equity Shares on the terms and conditions set forth in the Tag Acceptance Notice.
- (4) Where an Investor has properly elected to exercise its Tag-Along Right by delivering a Tag Acceptance Notice and the proposed Transferee fails to purchase Equity Shares from the concerned

Investor, the Transferor shall not make the proposed Transfer, and if purported to be made, such Transfer shall be void and the Company shall not register any such Transfer of Equity Shares.

- (5) The closing of any purchase of Equity Shares by the Transferee from an Investor shall take place simultaneous with the closing of the purchase of Equity Shares by the Transferee from the Transferor or at such other time and place as such Investor may agree in writing. At such closing, the concerned Investor shall deliver certificates representing the Tag-Along Securities, accompanied by duly executed instruments of transfer or duly executed transfer instructions to the relevant depository participant. Such Tag-Along Securities shall be free and clear of any Encumbrance (other than Encumbrances arising hereunder), and the concerned Investor shall so represent and warrant and shall further represent and warrant that it is the beneficial and record owner of such Tag-Along Securities. The concerned Investor shall not be required to make any other representations or warranties. Any Transferee purchasing the Tag-Along Securities shall deliver at such closing (or on such later date or dates as may be provided in the Tag-Along Notice with respect to payment of consideration by the proposed Transferee) payment in full of the Tag-Along Price in accordance with the terms set forth in the Tag-Along Notice, an executed Deed of Adherence and any requisite transfer taxes, stamp duty or fees payable on the transfer. At such closing, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale of the Equity Shares to the Transferee.

- Application for transfer* 47. Application for the registration of the transfer of a share may be made either by the transferor or the transferee provided that, where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee in the manners prescribed by the Act, and, subject to the provisions of Articles (8, 49 and 50) hereof, the Company shall unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee. Where the transferor is a Party, it is hereby agreed by the Parties that such transferor shall only transfer the shares in question in accordance with the provisions of these Articles.
- Notice of transfer to registered holder* 48. Before registering any transfer tendered for registration the Company may, if it so thinks fit, give notice by letter posted in the ordinary course to the registered holder that such transfer deed has been lodged and that, unless objection is taken, the transfer will be registered and if such registered holder fails to lodge an objection in writing at the office of the Company within seven days from the posting of such notice to him he shall be deemed to have admitted the validity of the said transfer.
- Register of transfer* 49. The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer of any share.
- In what case to decline to register transfer of share* 50. Subject to the provisions of sections 58 & 59 of the Act, the Board, without assigning any reason for such refusal, may within one month from the date on which the instrument of transfer was delivered to the Company, refuse to register any transfer of a share upon which the Company has a lien and, in the case of a share not fully paid up, may refuse to register a

transfer to a transferee of whom the Board does not approve.

Provided that the registration of a transfer of share shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

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| <i>No transfer to minor etc.</i>                                 | 51. | (1) No transfer shall be made to a minor or a person of unsound mind.   |
| <i>No fee for registration for transfer etc.</i>                 | (2) | No fee shall be charged for registration of transfer, grant of probate, grant of letter of administration, certificate to death or marriage, Power of Attorney or similar other instruments.  |
| <i>When instrument of transfer to be retained</i>                | 52. | All instruments of transfer duly approved shall be retained by the Company and in case of refusal, instrument of transfer shall be returned to the person who lodges the transfer deeds.  |
| <i>Notice of refusal to register transfer</i>                    | 53. | If the Director refuse to register the transfer of any shares, the Company shall, within one month from the date on which the instrument of transfer was lodged with the Company or intimation given, send to the transferor and the transferee or the person giving intimation of such transfer notice of such refusal.  |
| <i>Power to close transfer books and register</i>                | 54. | On giving seven days' notice by advertisement in a newspaper circulating in the District in which the Office of the Company is situated the Register of Members may be closed during such time as the Directors think fit not exceeding in the whole forty five days in each year but not exceeding thirty days at a time.  |
| <i>Transmission of registered shares</i>                         | 55. | The executors or administrators or the holder of a succession certificate in respect of shares of a deceased member (not being one of several joint-holders) shall be the only person whom the Company shall recognise as having any title to the shares registered in the name of such member and, in case of the death of any one or more of the joint-holders of any registered shares the survivors shall be only persons recognised by the Company as having any title to or interest in such share but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. Before recognising any legal representative or heir or a person otherwise claiming title to the shares the Company may require him to obtain a grant of probate or letters of administration or succession certificate, or other legal representation, as the case may be from a competent Court, provided nevertheless that in any case where the Board in its absolute discretion think fit it shall be lawful for the Board to dispense with production of probate or letters of administration or a succession certificate or such other legal representation upon such terms as to indemnity or otherwise as the Board may consider desirable. |
| <i>As to transfer of shares of deceased or insolvent members</i> | 56. | Any person becoming entitled to or to transfer shares in consequence of the death or insolvency of any member, upon producing such evidence that he sustains the character in respect of which proposes to act under this article, or of his title as the Directors think sufficient, may with the consent of the Directors (which they shall not be under any obligation to give), be registered as a member in respect of such shares or may, subject to the regulations as to transfer hereinbefore contained transfer such shares. This article is hereinafter referred to as "The Transmission Article. Subject to any other provisions of these Articles if the person so becoming entitled to shares under this or the last proceeding Article shall elect to be registered as a member in respect of the share himself he shall   |
- Transmission Articles*
- Notice of election to be registered*

<i>Provisions of articles relating to transfer applicable</i>		delivered or send to the company a notice in writing signed by him stating that he so elect. If he shall elect to transfer to some other person he shall execute an instrument of transfer in accordance with the provisions of these articles relating to transfer of shares. All the limitations, restrictions and provisions of these Articles relating to the rights to transfer and the registration of transfers of shares shall be applicable to any such notice of transfer as aforesaid.
<i>Rights of executors and trustees</i>	57.	Subject to any other provisions of these Articles if the Directors in their sole discretion are satisfied in regard thereof, a person becoming entitled to a share in consequences of the death or insolvency of a member may receive and give a discharge for any dividends or other moneys payable in respect of the share.
<i>Instrument of transfer shall be in writing</i>	58.	The instrument of transfer shall be in writing and all the provisions of Section 56 of the Companies Act, 2013 and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.
<b>SHARE WARRANTS</b>		
<i>Power to issue share Warrants</i>	59.	Subject to the provisions of the Act, any directions which may be given by the Company in General Meeting and subject to the rights of the Investors under these Articles, the Board may issue share-warrants in such manner and on such terms and conditions as the Board may deem fit.
<b>STOCKS</b>		
<i>Power to convert its shares into stock</i>	60.	The Company may exercise the power of conversion of its shares into stock and in that case regulations 37 to Table "F" in Schedule 1 to the Act shall apply.
<b>ALTERATION OF CAPITAL</b>		
	61.	Subject to Investor Consent, the Company may by ordinary resolution from time to time alter the condition of the Memorandum of Association as follows :-
		(a) Increase the Share Capital by such amount to be divided into shares of such amount as may be specified in the resolution.
		(b) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
		(c) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount if any unpaid on each reduced share shall be the same as it was in the share from which the reduced share is derived, and
		(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 and diminish the amount of its share capital by the amount of the share so cancelled.
		(e) to convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denominations;
	62.	Subject to the provisions of Section 66 , of the Act, the Board may accept from any member the surrender of all or any of his shares on such terms

and conditions as shall be agreed.

### **MODIFICATION OF RIGHTS**

- Power to modify rights* 63. If any time the share capital is divided into different classes of shares the rights attached to any class of shares (unless otherwise provided by the terms of issue of the share of that class) may whether or not the Company is being wound up, subject to the provisions of Section 48 of the Act, be varied with consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a Special Resolution passed at a Separate Meeting of the holders of the shares of that class provided that at all times Investor Consent shall have been obtained for such variation. To every such Separate Meeting the provisions of the Articles relating to general meeting shall apply, but so that the necessary quorum shall be two persons atleast holding or representing by proxy one-tenth of the issued share of the class provided however that if at any adjourned meeting of such holders a quorum as above defined is not present those members who are present shall be a quorum and that any holder of shares of the class present in person or proxy may demand a poll and, on a poll, shall have one vote for each shares of the class of which he is the holder. The Company shall comply with the provisions of Section 117 of the Act as to forwarding a copy of any such agreement or resolution to the Registrar. It is however agreed by the Equity Shareholders of the Company that Investor Consent would be required for any amendment or variation of any class of shares and that in the event Investor Consent shall not have been provided for any variation of any class of shares, the other shareholders present and voting at any meeting where the Investor Consent shall have been withheld, shall also vote against the variation in question.

### **BORROWING POWERS**

- Power to borrow* 64. The Board may, from time to time, at its discretion; subject to the provisions of Section 179, 180 and 181 of the Act and the other provisions of these Articles, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purposes of the Company.
- Condition on which money may be borrowed* 65. Subject to the other provisions of these Articles, the Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and in particular, by the issue of bonds, perpetual or redeemable debenture or debenture-stock, or any mortgage, or other security on the undertaking of the whole or of the property of the Company (both present and future), including its uncalled capital for the time being, provided that debentures with the rights to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting, Investor Consent and further subject to the applicable provisions of the Act.
- Issue at discount etc. or within special privileges* 66. Subject to the other provisions of these Articles, any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges, as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise. Debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

The Company shall have power to issue Securities at a premium and shall

duly comply with the provision of Sections 52 of the said Act.

- Instrument of transfer*
67. Save as provided in Section 56 of the Act, no transfer of debenture shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of debentures.
68. If the Board refuses to register the transfer of any debentures the Company shall, within two months from the date on which the instrument of transfer was lodged with the Company, sent to the transferee and to the transferor notice of the refusal.

#### **RESERVES**

- Reserves*
69. Subject to the provisions of the Act and the provisions of these Articles, the Board shall in accordance with provisions of the Act, before recommending any dividend set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company as the Board may from time to time think fit). The Board may also carry forward any profit which it may think prudent not to divide without setting them aside as a reserve.

- Capitalisation*
70. Subject to the other provisions of these Articles, any General Meeting may resolve that the whole or any part of the undivided profits of the Company (which expression shall include any premiums received on the issue of shares and any profits or other sums which have been set aside as a reserve or reserves have been carried forward without being divided) be capitalised and distributed amongst such of the members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised amount be applied on behalf of such members in paying up in full any unissued shares of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the said capitalised amount. Provided that any sum standing to the credit of a share premium account or a capital redemption reserve account may, for the purposes of this Article only be applied in the paying up of unissued shares to be issued to member of the company as fully paid bonus shares.

For the purposes above set out the Company may, subject to the provisions contained in section 63, apply: (i) its free reserves, (ii) the Securities Premium Account subject to the provisions of Section 52(2) of the said Act; (iii) the Capital Redemption Reserve Fund subject to the provisions of Section 55(4) of the said Act; and (iv) such other reserves or account as may be applied for issue of bonus shares.

The Board shall have the right to fix a date for the purpose of determining the Members who are entitled to the payment of the dividend, or shares pursuant to the capitalisation of reserves, and for any other action of the Company that requires determination of the details of Members.

- Fractional certificates*
71. For the purpose of giving effect to any resolution under two last preceding

Articles the Directors may settle any difficulty which may arise in regard to the distribution as they think expedient and in particular may issue fractional certificate, and may determine that cash payments in order to adjust the rights of all parties and may vest such cash in trustees upon such trusts for the persons entitled to the dividend or capitalised funds as may seem expedient to the Directors. Where requisite, a proper contract shall be filed in accordance with Section 39 of the Act and the Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalise fund and such appointment shall be effective.

## GENERAL MEETINGS

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| <i>Annual General Meeting</i>  | 72. | The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other Meeting in that year. All General Meetings other than Annual General Meeting shall be called Extraordinary General Meeting. If for any reason beyond the control of the Board, the General Meeting (including an Annual General Meeting) cannot be held on the appointed day, the Board shall have power to postpone the General Meeting of which a notice should be given to the Members through advertisement in at least two newspapers or e-mail, of which one should be in the language of the region in which the Registered Office of the Company is situated or through mail or any other way as per Act/ Rules Every Members of the Company shall be entitled to attend either in person or by Proxy and the Auditors of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditors.   |
| <i>Extra ordinary General Meeting</i>                                    |     | Procedures relating to meetings of the Shareholders shall be regulated by these Articles and by the provisions of the Act. Unless a shorter period of notice in respect of any particular general meeting is unanimously agreed to by all the Parties to the Investment Agreement (provided that each Party is a Shareholder), not less than clear 21 (twenty-one) days' notice in writing or through electronic mode specifying the no. of meeting, date, place, time and hour and business to be transacted thereat shall be given to all Shareholders. No business shall be transacted at any general meeting of the Company unless the requisite quorum of Shareholders as specified in Article [74] below is present throughout the meeting.<br><br>The Directors may, whenever they think fit, call an extra ordinary general meeting provided however if at any time there are not in India Directors capable of acting who are sufficient in number to form a quorum any Directors present in India may call an extra ordinary general meeting in the same manner as nearly as possible as that in which such a meeting may be called by the Board. |
| <i>Calling of Extra ordinary General Meeting on requisition</i>          | 73. | The Board of Directors of the Company shall on the requisition of such member or members of the company as is specified in subsection (4) of Section 100 of the Act forthwith proceed to call an extra ordinary general meeting the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all the other provisions of section 100 of the Act and of any statutory modification thereof for the time being shall apply.   |
| <i>Quorum</i><br><br><i>When if quorum be not present, meeting to be</i> | 74. | The quorum for any meetings of Shareholders shall be at such number of Shareholders as shall be stipulated for this purpose under the Act and these Articles provided however where at any meeting of the Shareholders any matter which shall be a Minority Protection Item is to be discussed,   |

*dissolved and when adjourned*

then at least 1 (one) authorised representative of any of the Investors present throughout the meeting and such number of other Shareholders as is required to form a quorum under the Act (and these Articles) present at such meeting shall be sufficient for the purposes of forming quorum. Provided that if after one adjourned meeting which have been duly convened by providing proper notice to the Shareholders of the time and venue of such adjourned meetings (which adjourned meetings shall be held at a minimum gap of 10 (ten) days from the date of the original meeting), no representative of the Investors is present, the Company shall be entitled to proceed with all specific items included in the agenda for the original meeting including any matter which is a Minority Protection Item. Provided that if the Investors have in writing provided to the Company its decision not to support any Minority Protection Item in accordance with the provisions of Articles 178 and 179, such item would not be taken up even at such subsequent adjourned meeting.

*Chairman*

75. The Chairman of the Board shall preside as Chairman of all general meetings of the Company. The Chairman of the Board shall be appointed by the Promoters and shall have a casting vote in the event of any deadlock at any vote taken at any Board meeting on any matter or item which shall not be a Minority Protection Item. In the absence of the Chairman, the Board may elect any other director to act as the Chairman of the Board meetings as well as the general meetings of the Company.

*Sufficiency of ordinary resolutions*

76. Subject to the provisions of these Articles and any additional requirements imposed by applicable Law or under these Articles, each ordinary resolution of the Shareholders shall be adopted by a simple majority vote of the Shareholders personally present (or represented by proxy or representative appointed pursuant to applicable Law) and voting. Where the Act requires a special resolution to be passed in respect of any matter, a special resolution will be passed.

*When if quorum be not present, meeting to be dissolved and when adjourned*

77. If within half an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened upon a requisition of share holders shall be dissolved but in any other case it shall stand adjourned to the same day in the next week at same time and place, unless the same shall be public holiday when the meeting shall stand adjourned to the next day not being a public holiday at the same time and place and if at such adjourned meeting a quorum be not present within half an hour from the time appointed for the meeting, those members who are present and not being less than two persons shall be a quorum and may transact the business for which the meeting was called.

*Power to adjourn General Meeting*

78. The Chairman of a General Meeting may adjourn the same 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. If shall not be necessary to give notice to the members of such adjournment or of the time, date and place appointed for the holding of the adjourned meeting.

*Business may proceed not with standing demand of poll*

79. If a poll be demanded, the demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

*Inspection of Minute Books of General Meeting*

79A The books containing the minutes of the proceedings of General Meetings of the Company shall -

(a) be kept at the registered office of the Company; and

- (b) be open during business hours to the inspection of any member without charge subject to such reasonable restrictions as the Company may impose so however that not less than two hours in each day are allowed for inspection.
- (2) Any member shall be entitled to be furnished within seven working days after he has made request in that behalf to the Company with a copy of any Minutes referred to in sub-clause (1) on payment of Rs.10/- for every page or part thereof required to be photocopied and that the Company shall comply with provisions of Section 119 of the Act.

*Other registers*

79B The provisions contained in Article 82 shall mutatis mutandis apply to other registers maintained under the provisions of the said Act, that can be inspected by an eligible person.

*Publication of reports of proceedings of General Meeting*

79C No document purporting to be a report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

**VOTES OF MEMBERS**

*Votes of members*

- 80.
- (1) On a show of hands every member present in person and being a holder of Equity Shares shall have one vote and every person present either as a proxy on behalf of a holder of Equity Shares or as a duly authorised representative of a body corporate being a holder of Equity Shares (including voting by electronic means), if he is not entitled to vote in his own rights, shall have one vote.
  - (2) On a poll the voting rights of a holder of Equity Shares shall be as specified in Section 47 of the Act.
  - (3) Subject to these Articles \ and Section 110 of the Companies Act, 2013 and Companies (Management and Administration ) Rules, , the following business may be passed through postal ballot:
    - (a) Alteration of the objects clause of the memorandum and in the case of the company in existence immediately before the commencement of the Act, alteration of the main objects of the memorandum;
    - (b) alteration of articles of association in relation to insertion or removal of provisions which, under sub-section (68) of section 2, are required to be included in the articles of a company in order to constitute it a private company;
    - (c) change in place of registered office outside the local limits of any city, town or village as specified in sub-section (5) of section 12;
    - (d) change in objects for which a company has raised money from public through prospectus and still has any unutilized amount out of the money so raised under sub-section (8) of section 13;
    - (e) issue of shares with differential rights as to voting or dividend or otherwise under sub-clause (ii) of clause (a) of section 43;

- (f) variation in the rights attached to a class of shares or debentures or other securities as specified under section 48;
  - (g) buy-back of shares by a company under sub-section (1) of section 68;
  - (h) election of a director under section 151 of the Act;
  - (i) sale of the whole or substantially the whole of an undertaking of a company as specified under sub-clause (a) of sub-section (1) of section 180;
  - (j) giving loans or extending guarantee or providing security in excess of the limit specified under sub-section (3) of section 186.
- (4) Where a company is required or decides to pass any resolution by way of postal ballot, it shall send a notice to all the shareholders, along with a draft resolution explaining the reasons therefore and requesting them to send their assent or dissent in writing on a postal ballot because postal ballot means voting by post or through electronic means within a period of thirty days from the date of dispatch of the notice.
- (5) The notice shall be sent either (a) by Registered Post or speed post, or (b) through electronic means like registered e-mail id or (c) through courier service for facilitating the communication of the assent or dissent of the shareholder to the resolution within the said period of thirty days.
- (6) An advertisement shall be published at least once in a vernacular newspaper in the principal vernacular language of the district in which the registered office of the company is situated, and having a wide circulation in that district, and at least once in English language in an English newspaper having a wide circulation in that district, about having dispatched the ballot papers and specifying therein, inter alia, the following matters, namely:-
- (a) a statement to the effect that the business is to be transacted by postal ballot which includes voting by electronic means;
  - (b) the date of completion of dispatch of notices;
  - (c) the date of commencement of voting;
  - (d) the date of end of voting;
  - (e) the statement that any postal ballot received from the member beyond the said date will not be valid and voting whether by post or by electronic means shall not be allowed beyond the said date;
  - (f) a statement to the effect that members, who have not received postal ballot forms may apply to the company and obtain a duplicate thereof; and
  - (g) contact details of the person responsible to address the grievances connected with the voting by postal ballot including voting by electronic means.

- (7) The voting rights of the holders of the Preference Shares including the Redeemable Cumulative Preference Share Shall be in accordance with the provisions of section 47 of the Act.
- (8) No company or body corporate shall vote by proxy so long as a resolution of its Board of Directors under Section 113 of the Act is in force and the representative named in such resolution is present at the General Meeting at which the vote by proxy is tendered.

*Votes in respect of deceased, in solvent and insane members*

- 81. A person becoming entitled to a share shall not before being registered as a member in respect of the share entitled to exercise in respect thereof any right conferred by membership in relation to meetings of the Company.

If any member be a lunatic or idiot, he may vote whether on a show of hands or at a poll by his committee, or other legal curator and such last mentioned persons may give their votes by proxy provided that twenty four hours atleast before the time of holding the meeting or adjourned meeting, as the case may be, at which any such person proposes to vote he shall satisfy the Board of his rights under this Article unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

*Joint holders*

- 82. Where there are joint holders of any share any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting either personally or by proxy then that one of the said persons so present whose name stands prior in order on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executor or administrators of deceased member in whose name any share stands shall for the purpose of this Article be deemed joint-holders thereof

*Instrument appointing proxy too in writing*

- 83. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his Attorney duly authorised in writing or if such appointer is a corporation under its common seal or the hand of its Attorney.

*Instrument appointing proxy to be deposited at the office*

- 84. No instrument of proxy shall be treated as valid and no person shall be allowed to vote or act as proxy at any meeting under an instrument of proxy, unless such instrument of proxy and power-of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall have been deposited at the Registered Office of the Company at least forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the persons named in such instrument proposes to vote. An instrument appointing a proxy or an attorney permanently or for a certain period once registered with the Company need not be again registered before each successive meeting and shall be in force until the same shall be revoked. Notwithstanding that a power-of-attorney or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the member or to attorney at least seven days before the date of a meeting require him to produce the original power-of attorney or authority and unless the same is thereupon deposited with the Company the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit.

*When vote by proxy valid though authority revoked*

- 85. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument of transfer of the share in

respect of which the vote is given. Provided no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received at the office or by the Chairman of the Meeting before the vote is given. Provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.

In case of e-voting, a Member shall be deemed to have exercised his voting rights by himself, even if any other person had voted using the login credentials of that Member or any other method as may be prescribed under the Act.

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| <i>Form of instrument appointing proxy</i> | 86. | The instrument appointing a proxy whether for a specified meeting or otherwise shall be in the form prescribed under the Act or Rules made thereunder.  |
| <i>Validity of vote</i>                    | 87. | No objection shall be taken to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote not disallowed at such meeting or poll and whether given personally or by proxy or otherwise shall be deemed valid for all purposes.  |
| <i>Restrictions on voting</i>              | 88. | No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of 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 exercised any right or lien.   |
| <i>Exercise of Shareholder Rights</i>      | 89. | All Shareholders shall take such actions as may be necessary (including exercising their votes at General Meetings, meetings of the Board or any committees thereof), to give effect to the provisions of these Articles. All Shareholders shall exercise their rights as a shareholder of the Company in such manner as could reasonably be expected to prevent, and shall not exercise those rights in any manner which could reasonably be expected to result in:<br><br>(1) a breach by the Company of any of its obligations under the Investment Agreement or any restrictions imposed upon it under these Articles (whether or not enforceable against the Company itself); or<br><br>(2) the affairs of the Company being carried on in a manner inconsistent with the terms of these Articles. |

#### **DIRECTORS GENERAL PROVISIONS**

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| <i>Number of Directors</i>                  | 90. | The number of Directors shall not be less than three and not more than fifteen. The Company shall have the power to increase the number of Directors beyond 15 after passing a Special Resolution. |
| <i>First Directors</i>                      | 91. | The first Directors of the Company shall be:–<br><br>1. MR. DEVKI NANDAN GARG<br><br>2. MR. KISHORI LAL SHARMA<br><br>3. MR. RAM NIWAS TANWAR  |
| <i>Power of Directors to add its number</i> | 92. | The Directors shall have power at any time and from time to time to appoint any person as a Director as an addition to the Directors but so that   |

the total number of Directors shall not at any time exceed the maximum number fixed by the Articles, any director so appointed shall hold office only until the next Annual General Meeting of the Company and shall be eligible for re-election.

*Share qualification of  
Directors  
Investor Director*

93. A Director shall not be required to hold any share qualification.
94. (1) (a) So long as the Investors hold any Equity Shares, the Investors shall be entitled to collectively nominate 1 (One) Investor Director to the Board. In the event that the percentage of the aggregate Investors' Shareholding shall increase during the term of the Investment Agreement as compared to the other Shareholders, the Investors shall be entitled to appoint such additional number of Investor Directors as shall reflect the increased Shareholding of the Investors. The Investor shall be entitled to appoint (and remove) from time to time alternate directors for any Investor Director. Such alternate directors shall be entitled to attend and vote at meetings of the Board and to be counted in determining whether a quorum is present solely in the absence of the Investor Director.
- (b) The Investors shall be entitled to nominate 1 (One) Investor Director to the board of directors of each of the Company's subsidiaries. This right shall however not be applicable where either the subsidiary in question shall not have a board of directors as its governing or managing body or where the subsidiary in question shall contribute less than 10% (ten percent) of the turnover of the Ashok Minda group. This right shall also not be available in question in relation to the Phase II Companies.
- (c) All expenses (including travel expenses) permitted under Applicable Law relating to the Investor Directors' functions as Directors shall be borne by the Company (or the subsidiaries as the case may be).
- (d) The Promoters shall, if required, vote and each Director of the Company shall exercise their powers, to facilitate the appointment / nomination / re-appointment / fresh appointment of the Investor Directors.
- (e) No Person other than the Investors shall be permitted to remove or replace at any time and for any reason (or no reason) the Investor Directors who has been elected to the Board or the board of directors of any subsidiary. Provided that upon such removal of any Investor Director by the Investors, the Investors shall be entitled to collectively nominate another Director (or director to the board of directors of the subsidiary in question) to replace such Director and such nominated Director shall replace the Investor Director so removed. Upon notice by the Investors to the Board of a new Investor Director, the Board (or where applicable the board of directors of the subsidiary in question) shall appoint such new Investor Director to fill the vacancy at its next meeting and prior to taking any other action including, without limitation, actions taken by written consent.
- (f) Notwithstanding that any Investor Director may be an

independent director (as such expression is defined in any listing agreement which may be entered into at any time between the Company and any stock exchange on which the Equity Shares are listed), the Investor Director shall not be construed or counted by the Company as an independent director for the purpose of determining the number of independent directors which the Company is required to have on its Board by any listing agreement, subject to applicable Law at such time of determination.

- (g) In addition to any right to appoint an Investor Director, the Investors may, at any time collectively appoint any Person as an observer (the "Observer") to the Board or to the board of any company to which the Investors would have the right to appoint an Investor Director. Such Observer shall have the right to attend any and all meetings of the Board, in addition such Observer shall have the right to attend all committees of the Board where any Minority Protection Items are to be discussed or delegated by such committees, but shall not have a right to participate in and/or exercise any rights (including any voting rights) at any meeting of the Board and/or committees of the Board. Each Observer shall be entitled to receive all notices and agenda for (along with complete sets of any documents referred to in any agenda) and to attend all meetings of the Board and all committees of the Board where any Minority Protection Items are to be discussed or delegated.
  - (h) Each Investor Director shall be entitled to receive all notices and agenda of (along with complete sets of any documents referred to in any agenda) and to attend all meetings of the Board (or where applicable the board of directors of the subsidiary to which such Investor Director has been appointed to) as well as all meetings of shareholders of the Company (or where applicable any meeting of the shareholders of any subsidiary on whose board of directors the Investor Director has been appointed to).
  - (i) The Investor Director shall be entitled to be a member of the audit committee as well as of the remuneration committee constituted by the Board. It is clarified that the Investor Director shall also be entitled to be a member of any committee to which any Minority Protection Item has been delegated. The remuneration committee shall be responsible for determining the remuneration payable to Key Management Personnel and any revisions thereto.
- (2) It is hereby agreed that the Investors' right to collectively nominate or remove any Director to the Board (and each of the Company's subsidiaries) shall be exercised by all of the Investors voting as a class on Persons to be nominated or removed as a Director and the decision reached in this regard shall be conveyed by the Investors to the Company and the Promoters.
  - (3) The Company shall obtain (and maintain during the term of the IA) Director's and Officer's liability insurance for an amount and on terms as shall be reasonably acceptable to the Investors.

- (4) The Company shall indemnify, defend and hold harmless the Investor Director (an "Indemnitee") who is a party to any pending or completed legal proceeding, by reason of the fact that he or she is or was a director of the Company or any subsidiary of the Company, or for any action or inaction by the Investor Director undertaken at the written request of, or with, the written consent of the Company (or any subsidiary of the Company) and/or the Promoter, to the fullest extent permitted by Law against all expenses and costs actually and reasonably incurred by him or her in connection with such legal proceeding if he or she acted in good faith and in the best interests of the Company (or the subsidiary of the Company as the case may be) in accordance with his or her fiduciary duty to the Company. Provided, if indemnification is requested, and it is adjudicated that, in connection with the subject of such legal proceedings out of which the claim for indemnification has arisen, the Investor Director acted with or committed gross negligence, willful misconduct or fraud, or contrary to his or her fiduciary duties to the Company (or the subsidiary of the Company as the case may be), the Investor Director shall not be entitled to payment of expenses and liabilities hereunder. Indemnitees are expressly meant to be third-party beneficiaries of Article 94(3).
- (5) Subject only to the provisions of the Act and these Articles, the Board shall have ultimate responsibility for management and control of the Company and in this regard all decisions of the Company shall be taken by the Board.

*Remuneration of Directors*

95. Subject to the provisions of these Articles, each Director shall be entitled to be paid out of the funds of the Company by way of remuneration for his services not exceeding the sum as may be prescribed under the provisions of Companies Act 2013 or any modification of re-enactment thereof and the rules made thereunder (Act/Rules) for every meeting of the Board of Directors attended by him. Subject to the provisions of the Act/Rules and these Articles, the Directors shall also be entitled to receive in each year a Commission @1% (One Per Cent) of the net profits of the Company, such commission to be calculated on the net profits of the Company to be computed in accordance with the provisions of the Companies Act, 2013 and such commission shall be divided among the Directors in such proportion and manner as may be determined by them. The Director may allow and pay to any Director who for the time being is resident out of the place for the purpose of attending such meeting of the Directors may be held and who shall come to that place for the purpose of attending such meeting such sum as the Directors may consider fair and reasonable for his expenses in connection with his attending at the meeting in addition to his remuneration as above specified. If any Director, being willing, is appointed to an executive office provides services or makes any special exertions for any of the purposes of the Company then subject to Section 197 and 188 of the Act and the provisions of these Articles, the Board may remunerate such Director either by a fixed sum or by a percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled to.
96. The continuing Directors may act notwithstanding any vacancy in their body but so that if the number falls below the minimum number above fixed, the Directors shall not except for the purpose of filling vacancies or of summoning a General Meeting act so long as the number is below the minimum.

97. Subject to the provisions of section 184, and 188 of the Act, no Director (including Managing Director) shall be disqualified by reason of his office as such, from holding office under the Company or from contracting with the Company either as vendor, purchaser lender, agent., broker, lessor or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with a relative of such Directors or the Managing Director or with any firm in which any Director or a relative shall be a partner or with any other partner or with a private company in which such Director is a member or director interested be avoided, nor shall any Director or otherwise so contracting or being such member or so interested be liable to account to the Company for any project realised by such contract or arrangement by reason only such Director holding that office or of the fiduciary relation thereby established.

#### **APPOINTMENT OF DIRECTORS**

98. The Company in General Meeting, may subject to the provisions of these Articles and the Act, at any time elect any person to be a Director and may from time to time increase or reduce the number of directors and may also determine in what rotation such increased or reduced number is to go out of office.
- Board may fill up casual vacancies* 99. Subject to the other provisions of these Articles, if any Director appointed by the Company in general meeting vacates office of a Director before his term of office will expire in the normal course the resulting casual vacancy may be filled up by the Board at a meeting of the Board, but any person so appointed shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred. Provided that the Board may not fill such a vacancy by appointing thereto any person who has been removed from the office of Director under Section 169 of the Act.
- Nominee Directors* 100. The Company shall subject to the provisions of the Act, be entitled to agree with any person, firm or corporation that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the Company may deem fit. The Corporation, firm or person shall be entitled from time to time to remove any such Director or Directors and appoint another or others in his or their places. He shall be entitled to the same right and privileges and be subject to the same obligation as any other Director of the Company.
- Directors may appoint additional Directors* 101. The Directors shall have power at any time and from time to time, to 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. Each such Additional Director shall hold office only up to the date of the next following Annual General Meeting, or the last date on which the annual general meeting should have been held, whichever is earlier, but shall be eligible for appointment by the Company at that meeting as a Director.
- Alternate Directors* 102. Subject to the provisions of section 161 of the Act and the other provisions of these Articles, the Board may appoint any person to act as an alternate director for a director during the later's absence for a period of not less than three months from the India and such appointment shall have effect and such appointee, whilst he holds office as an alternate director; shall be entitled to notice of meetings of the Board and to attend and vote thereat accordingly, but he shall ipso facto vacate office if and/when the absent director returns to India.

If the term of office of the Original Director is determined before he so returns to India as aforesaid any provision for the automatic reappointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.

An Alternate Director may be removed by the Board of Directors which may appoint another Alternate Director in his place.

No person shall be appointed as an alternate director for an Independent Director unless he is qualified to be appointed as an Independent Director.

*Directors may act notwithstanding vacancy*

103 The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below three, the continuing Directors may act for the purpose of increasing the number of Directors to the said number, or of summoning a General Meeting of the Company, but for no other Purpose.

#### **ROTATION OF DIRECTORS**

*Rotation of Directors*

- 104.
- (1) Not less than two-thirds of the total number of Directors shall be persons whose period of office is liable to determination by retirement of Directors by rotation. Provided however the Investor Director shall not be liable to retire by rotation.
  - (2) At each Annual General Meeting of the Company one third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office.
  - (3) 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 to retire shall in default of and subject to any agreement among themselves be determined by lot.
  - (4) If at any Annual General Meeting all the Directors appointed under Article 100 and 123 hereby are not exempt from retirement by rotation under Section 152 of the Act then to the extent permitted by the said Section the exemption shall extend to the Director or Directors appointed under Article 100. Subject to the foregoing provisions as between Directors appointed under any of the Articles referred to above, the Director or Directors who shall not be liable to retire by rotation shall be determined by and in accordance with their respective seniorities as may be determined by the Board.
  - (5)
    - (i) At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.
    - (ii) 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.
    - (iii) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be

deemed to have been re-appointed at the adjourned meeting unless :-

- (a) at the meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;
- (b) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;
- (c) he is not qualified or is disqualified for appointment;
- (d) a resolution, whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of the said Act; or
- (e) Section 162 is applicable to the case.

*Retiring Director eligible for re-election*

105. A retiring Director shall be eligible for re-election and shall act as a Director throughout the meeting at which he retires.
106. Subject to any resolution for reducing the number of Directors, if at any meeting at which an election of Directors ought to take place, the places of the retiring Directors not filled up, the meeting shall stand adjourned till the next succeeding day which is not a national holiday at the same time and place and if at the adjourned meeting, the places of the retiring Directors are not filled up, the retiring Directors or such of them as have not had their places filled up shall (if will to continue in office) be deemed to have been re-elected at the adjourned meeting.

#### **PROCEEDINGS OF DIRECTORS**

*Meeting of Directors and Quorum*

*Meeting through video Conferencing*

*Procedure of meeting adjourned for want of Quorum*

*Power of Quorum*

107. (1) All meetings of the Board (as well as committees of the Board) shall require the quorum required pursuant to the Act and these Articles. Provided however that in the event that the agenda for any Board Meeting (or any meeting of any committee of the Board) shall include any item which shall be a Minority Protection Item, then in such an event that the quorum for such meeting shall require the presence of the Investor Director provided that in the event Investor Consent shall have been provided prior to the Board meeting then the presence of the Investor Director would not be required for quorum. The said quorum would also be required at adjourned meetings at which any Minority Protection Item is to be discussed. Provided that if after one adjourned meeting which has been duly convened by providing proper notice to the Investor Director of the time and venue of such adjourned meeting (which adjourned meeting shall be held at a minimum gap of 10 (Ten) days from the date of the original meeting), the Investor Director is not present, the Company shall be entitled to proceed with all specific items included in the agenda or the original meeting. Provided that if the Investors have in writing provided to the Company its decision not to support any Minority Protection Item in accordance with the provisions of Articles 178 and 179, such item would not be taken up even at such subsequent adjourned meeting.
- (2) A minimum number of four meetings of the Directors shall have been held in every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive

meetings of the Board. The Directors may meet together for the conduct of business, adjourn and otherwise regulate their meeting and proceedings, as they think fit, and may determine the quorum necessary for the transaction of business.

- (3) The Board of Directors shall be entitled to hold its meeting through video conferencing or other permitted means, and in conducting the Board meetings through such video conferencing or other permitted means the procedures and the precautions as laid down in the relevant Rules shall be adhered to. With regard to every meeting conducted through video conferencing or other permitted means, the scheduled venue of the meetings shall be deemed to be in India, for the purpose of specifying the place of the said meeting and for all recordings of the proceedings at the meeting.
- (4) Subject to provisions of Section 173 (3) of the Act, notice of not less than seven days of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the company and shall be sent by hand delivery or by post or through electronic means.
- (5) The meeting of the Board may be called at a shorter notice to transact urgent business subject to the condition that at least one Independent Director of the Company shall be present at the meeting. In the event, any Independent Director is not present at the meeting called at shorter notice, the decision taken at such meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one Independent Director.
- (6) The quorum for a meeting of the Board shall be one-third of its total strength (any fraction contained in that one third being rounded off as one), or two directors whichever is higher and the directors participating by video conferencing or by other permitted means shall also counted for the purposes of this Article.

Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested, being not less than two, shall be the quorum during such time.

**Explanation:**

The expressions “interested Director” shall have the meanings given in Section 184(2) of the said Act and the expression “total strength” shall have the meaning as given in Section 174 of the Act.

- (7) If a meeting of the Board could not be held for want of a quorum then the meeting shall automatically stand adjourned to the same day in the next week, at the same time and place, or if that day is a National Holiday, till the next succeeding day which is not a National Holiday at the same time and place.
- (8) The provisions of Article 170 shall not be deemed to have been contravened merely by reason of the fact that a meeting of the Board which has been called in compliance with the terms of that Article could not be held for want of a quorum.
- (9) A meeting of the Directors for the time being at which a quorum is

present shall be competent to exercise all or any of the authorities, powers and directions by law or under the Articles and regulations for the time being vested in or exercisable by the Directors generally.

- Summoning a meeting of Directors* 108. The Secretary may at any time, and upon request of any two Directors shall summon a meeting of the Directors.
- Voting at Meeting* 109. Subject to the provisions of Section 203 of the Companies Act, 2013 and subject to the provisions of Articles 178 and 179, questions arising at any meeting shall be decided by a majority of votes however following management decision are to be taken by unanimous decision of Board.
- (i) Concluding of employment contracts of one level below the Board rank personnel unless provided for in the staffing schedule depending on the manufacturing programme to be furnished by the management prior to the beginning of each fiscal year and approved by the Board of Directors.
  - (ii) Granting or revocation of General Power of Attorney to represent the Company.
  - (iii) Concluding or terminating of license agreements for patents, trade marks or similar rights.
  - (iv) Undertaking any objects mentioned in the memorandum of the Company under the heading "Other Objects" or substantial expansion of existing business.
  - (v) Entering into and/or terminating of technical collaboration/know how contracts and licensing agreements other than that contemplated by joint venture agreement.
  - (vi) Concluding of contracts concerning insurance to cover product liability and recall defective products.
  - (vii) Concluding of contracts with affiliated Companies i.e. such other companies where 26% or more of the shares in the company and such other companies are, at any time during the year held by the same persons including bodies corporate.
  - (viii) To make loans & other long term credit liabilities with a duration of more than three months and beyond Rs. 25 lacs (Rupees Twenty Five Lacs) or provide guarantees or sureties to third parties beyond Rs. 25 Lakhs (Rupees Twenty Five Lacs).
  - (ix) To make capital expenditure proposal exceeding an amount of Rs. 25 Lacs over and above the Capital Budget.
  - (x) Annual Budgets, business plans and any substantial modification or deviation therefrom.
  - (xi) The appointment of any Additional Director or filling any casual vacancy in the Board within the permissible limits except the appointment of Directors on behalf of parties to the joint venture agreement.
  - (xii) Any further issue of share capital by way of Equity Shares.
  - (xiii) Recommending the amount of dividends, transfer of profit to reserve before recommending dividend and issue of further bonus shares to

the shareholders.

- (xiv) Inter Corporate Investment.
- (xv) Granting of loans with a duration of more than 3 months and beyond Rs. 25 Lacs accumulated.
- (xvi) Concluding of Sales contracts for export from India in all cases where Foreign Collaborator has developed the product.
- (xvii) Providing of Sales Price Policy for products for which foreign collaborator has provided the know-how to the Company and such products are in production at foreign collaborator. However while deciding the price policy due consideration shall be given to the economic viability & competitiveness of the product in India and the profitability of the Company.

Where any Investor Consent has not been provided for any Minority Protection Item at any meeting of the board of directors of the Company, all the other directors of such board of directors shall deemed to have not provided their consent.

<i>Chairman of Meeting</i>	110.	The Chairman of the Board shall preside at all general meetings of the members of the Company. In the event the chairman is absent or fails to serve as presiding officer at any such general meeting, any one of the other Directors present at such meeting may be elected to be the chairman of such meeting.
<i>Act of meeting</i>	111.	A meeting of Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles of the Company and the Act for the time being vested in or exercisable by the Directors generally.
<i>To appoint Committee and to delegate power and to revoke it</i>	112.	The Directors may, subject to compliance of the provisions of the Act and these Articles, from time to time delegate any of their powers to Committees consisting of such member or members of their body as they think fit, and may from time to time revoke such delegation. Any Committee so formed shall in the exercise of the powers so delegated confirm to any regulations that may from time to time be imposed on it by the Directors. The meeting and proceedings of any such Committee, if 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 these Articles.
<i>Validity of acts</i>	113.	All acts done at any meeting of Directors or of a Committee of the Directors or by any person acting as a Director shall be valid notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors, Committee or person acting as aforesaid or that they or any of them were is disqualified.
<i>Resolution by circulation</i>	114.	A written resolution circulated to all the Directors or members of committees of the Board and signed by a majority of them as approved, shall (subject to compliance with the relevant requirements of the Act or applicable Law) be as valid and effective as a resolution duly passed at a meeting of the Board or committee of the Board, as the case may be, called and held in accordance with these Articles (provided that it has been circulated in draft form, together with the relevant papers, if any to all the Directors).

Notwithstanding anything to the contrary contained in these Articles, any resolution passed by circulation in relation to matters defined as being part of the Minority Protection Items, the resolution would be required to be signed by majority of the Directors including the Investor Director, as approved.

*Information Rights*

115. (1) The Company shall provide to each of the Directors, with respect to itself and its subsidiaries and joint ventures, the following information:
- (a) Annual financial statements (including a balance sheet, income statement and cash flow statements) duly audited by the statutory auditors, within 90 (Ninety) calendar days of the end of a Financial Year;
  - (b) Unaudited consolidated monthly financial statements within 15 (Fifteen) calendar days of the end of each calendar month but in any case no later than 30 (Thirty) days from the end of each calendar month;
  - (c) prior to the commencement of each financial year of an entity, an annual budget for such financial year including operating and capital budgets finalised as per the then current Business Plan and such other reasonable information requested by any Director;
  - (d) details of all board of directors, committee, and shareholders meeting minutes as soon as practicable and in any event within 15 (fifteen) days after such event;

All financial statements provided pursuant to this Clause shall include a balance sheet, income statement and a statement of cash flows prepared in accordance with GAAP or International Financial Reporting Standards (as applicable to India).

- (2) The Company shall also provide the following documents and information to the Board:

Breach and Litigation Notice. The Company shall, immediately upon becoming aware of any such information, give the Board all material information in relation to:

- (a) any breach by the Company of any Law, which violation in any respect may have or had a Material Adverse Change on the Company;
- (b) any known litigation, or claim which may have or had a Material Adverse Change on the Company;
- (c) any material dispute or notice of any material dispute with a major customer or supplier of the Company.

**POWERS OF DIRECTORS**

*General powers of the Company vested in the Directors*

116. Subject to the provisions of the Act, the control of the Company shall be vested in the Directors who shall be entitled to exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not hereby or by law expressly required or directed to

be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of any law and of these presents from time to time made by the Company in General Meeting; provided that no regulation so made shall invalidate any prior act or the Directors which would have been valid if such regulation had not been made.

- Power to delegate* 117. Without prejudice to the general powers conferred by the preceding article the Directors may from time to time and at any time subject to the restrictions contained in the Act and these Articles, delegate to Managers, Chief Executive Officers Secretaries, Chief Finance Officers, other Officers, assistants and other employees or other persons (including any firm or body corporate) any of the powers authorised and discretions for the time being vested in the Directors.
- Power to authorise sub-delegation* 118. Subject to the provisions of these Articles the Directors may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.
- Signing of documents* 119. (i) Save as otherwise provided in this Act / Rules or any amendment in this Act / Rules,—
- (a) a document or proceeding requiring authentication by a company; or
  - (b) contracts made by or on behalf of a company, may be signed by any key managerial personnel or an officer of the company duly authorised by the Board in this behalf.
- (1) A bill of exchange, hundi or promissory note shall be deemed to have been made, accepted, drawn or endorsed on behalf of a company if made, accepted, drawn, or endorsed in the name of, or on behalf of or on account of, the company by any person acting under its authority, express or implied.
- (2) A company may, by writing under its common seal, authorise any person, either generally or in respect of any specified matters, as its attorney to execute other deeds on its behalf in any place either in or outside India.
- (3) A deed signed by such an attorney on behalf of the company and under his seal shall bind the company and have the effect as if it were made under its common seal.
- Management abroad* 120. Subject to the other provisions of these Articles, the Directors may make such arrangement as may be thought fit for the management of the Company's affairs abroad, and may for this purpose (without prejudice to the generality of their powers) appoint local bodies, and agents and fix their remuneration, and delegate to them such powers as may be deemed requisite or expedient. The foreign seal shall be affixed by the authority and in the presence of and instruments sealed therein shall be signed by such persons as the Directors shall from time to time by writing under the common seal appoint. The Company may also exercise the powers of keeping Foreign Registers. Such regulations not being in consistent with the provisions of Section 88 and 94 of the Act, the Board may from time to time make such provisions as it may think fit relating thereto and may comply with the requirements of any local law.
- Key Managerial Personnel* 121. (i) Subject to the provisions of these Articles, a manager or secretary may be appointed by the Directors on such terms, at such

remuneration and upon such conditions as they may think fit, and any Manager, Whole Time Director, Chief Executive Officer, Chief Finance Officer or Secretary so appointed may be removed by the Directors.

- (ii) Subject to the provisions of the Act, (a) A Key Managerial Personnel may be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit and the Key Managerial Personnel so appointed may be removed by means of a resolution in the Board Meeting. (b) A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer

*Act of Director, Manager or Secretary* 122. A provision of the Act or these regulations required or authorising a thing to be done by a director, manager or secretary shall not be satisfied by its being done by the same person acting both as director and as, or in place of the manager or secretary.

#### **MANAGING DIRECTORS**

*Power to appoint Managing Director* 123. Subject to the provisions of Section 196, 197, and 203 of the Act, the Directors may from time to time appoint one or more of their body to be Managing Director, Joint Managing Director or Managing Directors, Whole-time Director, Manager or Chief Executive Officer of the Company either for a fixed term or without any limitation as to the period for which he or they is or are to hold such office but in any case not exceeding five years at a time and may from time to time remove or dismiss him or them from office and appoint another or others in his or their place or places.

*To what provisions he shall be subjected* 124. Subject to the provisions of Section 184 of the Act and Article 104(4) hereof, a Managing Director or Joint Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, but (subject to the provisions of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.

*Remuneration of Managing Director* 125. The remuneration of a Managing Director and Joint Managing Director shall from time to time be fixed by the Directors and may be by way of salary or commission or participating in profits or by way or all of those modes or in other forms shall be subject to the limitations prescribed in Section 197 of the Act.

*Power of Managing Director* 126. Subject to the provisions of the Act, in particular to the prohibitions and restrictions contained in Section 179 thereof and further subject to the provisions of these Articles, the Board may, from time to time, entrust to and confer upon a Managing Director for the time being such of the powers exercisable under these presents by the Board as it may think fit, and may confer such powers for such time, and be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as it thinks fit, and the Board may confer such powers, either collaterally with, or to the exclusion of, and in substitution for any of the powers of the Board in that behalf and may, from time to time, revoke, withdraw, alter or vary all or any of such powers.

#### **COMMENCEMENT OF BUSINESS**

*Compliance before* 127. The Company shall not at any time commence any business out of other

*commencement of new business* objects of its Memorandum of Association unless the provisions of the Act have been duly complied with by it.

*Custody of seal* 128. The Directors shall provide for the safe custody of the Seal and the Seal shall never be used except by the authority of the Director or a Committee of the Directors previously given and one Director at least shall sign every instrument to which the seal is affixed. Provided nevertheless that any instrument bearing the Seal of the Company any issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Directors to issue the same.

#### **DIVIDEND**

*How profits shall be divisible* 129. Subject to the rights of members entitled to shares (if any) with preferential or special rights attached to them and further subject to the provisions of these Articles, the profits of the Company from time to time determined to be distributed as dividend in respect of any year or other period shall be applied for payment of dividend on the shares in proportion to the amount of capital paid up on the Shares provided that unless the Board otherwise determines all dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid up on the shares during any portion or portions of the period in respect of which dividend is paid. Provided always that subject as aforesaid any capital paid up on a share during the period in respect of which a dividend is declared shall (unless the Board otherwise determines or the terms of issue otherwise provide, as the case may be), only entitle the holder of such share to an apportioned amount of such dividend as from the date of payment but so that where capital is paid up in advance of calls such capital shall not confer a right to participate in profits.

*Declaration of dividends* 130. Subject to the provisions of these Articles, the Company in General Meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may subject to the provisions of Section 127 of the Act fix the time for payment.

*Restrictions on amount of dividends* 131. No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting and subject to obtaining Investor Consent for the same, may declare a smaller dividend.

*Dividends out of profits only* 132. No dividend shall be payable except out of the profits of the Company of the year or any other undistributed profits and no dividend shall carry interest as against the Company.

*What to be deemed net profit* 133. The declaration of the Directors as to the amount of the net profits in the audited annual accounts of the Company for any year shall be conclusive.

*Interim dividends* 134. Subject to the other provisions of these Articles, the Directors may from time to time pay to the members such interim dividends as in their judgement the position of the Company justifies.

*Debts may be deducted* 135. The Director may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists subject to Section 123 of the Act.

*Dividend and call together* 136. Any General Meeting declaring a dividend may 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 member, be set off against the call.

137. A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer.
- Retention in certain cases* 138. The Directors may retain the dividends payable upon shares in respect of which any person is under Article 40 to Article 44, entitled to become a member or which any person under Article 40 to Article 44 is entitled to transfer until such person shall duly become a member in respect thereof or shall transfer the same.
- Dividend to joint holders* 139. Any one of the several persons who are registered as a joint-holders of any share may give effectual receipts of all dividends and payments on account of dividends in respect of such shares.
- Payment by post* 140. Unless otherwise directed, any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, or in the case of joint-holders to the registered address of that one whose name stands first on the Register in respect of the joint holding or to such person and such address and the member or person entitled or such joint holders as the case may be, may direct and every cheque or warrant so sent shall be made payable at par to the person or to the order of the person to whom it is sent or to the order of such other person as the member or person entitled or such joint- holders, as the case may be, may direct.
- When payment a good discharge* 141. The payment of every cheque or warrant sent under the provisions of the last preceding Article shall, if such cheque or warrant purports to be duly endorsed, be a good discharge to the Company in respect thereof, provided nevertheless that the Company shall not be responsible for the loss of any cheque, dividend, warrant or postal money order which shall be sent by post to any member or by his order to any other person in respect of any dividend.
142. Any dividend remaining unpaid or unclaimed after having been declared shall be dealt in accordance with Section 123 of the Companies Act, 2013.
143. No unclaimed dividend shall be forfeited by the Board and the Company shall comply with the provisions of Section 123 of the Companies Act in respect of such dividend.

#### **BOOKS AND DOCUMENTS**

- Where to be kept* 144. The Books of Account shall be kept at the registered office or at such other place as the Directors think fit and shall be open to inspection by the Directors during Business Hours.
- Inspection by members* 145. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts or books or documents of the Company or any of them shall be open for inspection to members not being Directors and no member (not being a Director) shall have any right of inspecting any books of account or documents of the Company except as conferred by law or authorised by the Directors or by the Company in General Meeting.
- Balance Sheet and Profit and Loss Statement* 146. Balance Sheet & Profit and Loss Statement will be audited once in a year by a qualified auditor for correctness as per provisions of the Act and these Articles.

## INSPECTION OF ACCOUNTS

- Inspection of Accounts*
147. (i) The board shall cause proper books of account to be maintained under Section 128 of the Act, satisfactory financial accounting procedures, accounts and general and tax records in accordance with generally accepted accounting principles, standards and practices as required by applicable Law.
- (ii) The Board shall also from time to time determine after receipt of reasonable notice from any Shareholder, procure that those accounting and tax records which are generally maintained by the Company are made available for inspection by such Shareholder or its respective authorised representatives during normal Business Hours as may be mutually agreed by the Company and such Shareholder.
- (iii) No member (not being a director) shall have any right of inspecting any account of or document of the Company except as conferred by the act and the other laws authorised by the Board or by the Company in general meetings.
- (iv) Where the Company shall not Control any joint venture of the Company, then notwithstanding the provisions of this Article 147, in the event that the Company is not able to give effect to the provisions of this Article 147 due to either the terms and conditions of such joint venture agreement entered into by the Company with the relevant joint venture partner or due to any objections raised by the joint venture partner in question, then the same shall not be deemed to be breach of the provisions of this Article 147. It is however clarified that where the Company is able to give partial effect to the provisions of this Article 147, the Company shall undertake the necessary actions.
148. Subject to the provisions of these Articles, the Directors may fill up any casual vacancy in the office of the auditors.
149. The remuneration of the auditors shall be fixed by the company in general meeting except that remuneration of the first or any auditors appointed by the Directors may be fixed by the Directors and the same be governed under the Act

## NOTICES

- How notices served on members*
150. i. The Company shall comply with the provisions of Sections 20, 101 and 115 of the Act as to the serving of notices.
- ii. It shall be imperative on every member or notify to the Company for registration his place of address in India and if he has no registered address within India to supply to the Company an address within India for giving of notices to him. A member may notify his email address if any, to which the notices and other documents of the company shall be served on him by electronic mode. The Company's obligation shall be satisfied when it transmits the email and the company shall not be responsible for failure in transmission beyond its control.
- iii. Subject to Section 20 of the said Act, a document may be served by the Company on any member thereof by sending it to him by post or by registered post or by speed post or by courier or by delivering

at his address (within India) supplied by him to the company for the service of notices to him.

The term courier means person or agency who or which delivers the document and provides proof of its delivery.

- Transferee etc., bound by prior notices*
151. Every person who, by operation of law, or by transfer or by other means whatsoever, shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered on the register shall be duly given to the person from whom he derives his title to such share.
- Notice valid though member deceased*
152. Any notice or document delivered or sent by post or by registered post or by speed post or by courier or by delivering at his address (within India) including any electronic mode to or left at the registered address of any member in pursuance of these presents shall notwithstanding such member be then deceased and whether or not the Company has notice of his demise, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other person by such member, until some other person be registered in his stead as the holder or joint-holders thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators, and all persons, if any, jointly interested with him or her in any such share.
- How notice to be signed*
153. Any notice given by the Company shall be signed (digitally or electronically) by a Director or by the Secretary or some other officer appointed by the Directors and the signature thereto may be written, facsimile, printed, lithographed, photostat.

#### **RECONSTRUCTION**

- Reconstruction*
154. Subject to the provisions of these Articles, on any sale of the undertaking of the Company, the Directors or the Liquidators on a winding up may, if authorised by a special resolution, accept fully paid or partly paid up shares; debentures or securities of any other company whether incorporated in India or not other than existing or to be formed for the purchase in whole or in part of the property of the Company, and the Directors (if the profits of the Company permit), or the Liquidators (in a winding-up) may distribute such shares or securities or any other property of the Company amongst the members without realisation or vest the same in trustees for them and any special resolution may provide for the distribution or appropriations of the cash, shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the members or contributories of the Company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorised, and waive all rights in relation thereto save only in case the Company is proposed to be or is in the course of being wound up, such statutory rights, if any, under the provisions of the Act as are incapable of being varied or excluded by these presents.

#### **NON COMPETE**

155. (1) During the subsistence of the Investment Agreement, the Promoters covenant with the Investor that so long as the Investor hold any Equity Shares of the Company, the Promoter Group shall not,

directly or indirectly, or jointly or severally:

- (a) own, invest, control, acquire, operate, manage, participate or engage in any business or do or facilitate or assist in doing any act which is likely to directly or indirectly compete with the Business whether on its own account or as a consultant to or as a partner, agent, employee, shareholder or director of any other Person and / or prejudice the interest of the Company;
  - (b) solicit or entice in relation to a business, which is in competition with the Company Business, any customer of the Company or its subsidiaries or the Phase I Companies or the Phase II Companies; and
  - (c) knowingly entice or offer employment to or employ or offer or conclude any contract for services with any employee earning a salary of Rs. 100,000/- (Rupees One Hundred Thousand Only) or more (on a cost to company basis) of the Company and/or its Affiliates such that the employee terminates his services with the Company and/or such Affiliate.
- (2) Nothing contained in Article 155(1) shall in any manner prohibit or restrict a Promoter from investing in any Person who shall carry on, whether in whole or in part, any business which shall be similar to or compete with the Business if such investment is made by way of a portfolio investment and does not constitute more than 1% (one percent) of the equity capital of such Person. Nothing contained in Article 155(1) shall in any manner prohibit or restrict a Promoter from owning, investing, controlling, acquiring, operating, managing, participating or engaging in any business opportunity likely to directly or indirectly compete with the Business but with respect to which the Promoter in question shall first have submitted to the Board such business opportunity and for which the Investor Director shall have not given consent.
- (3) Nothing contained in Article 155(1) shall in any manner prohibit or restrict Promoter No. 1 from acting as a non-executive director on the board of directors of Minda Industries Limited. Promoter No. 1 shall be also entitled to act as a non-executive director for any company or other entity but subject to the prior written consent of the Investors in this regard, which consent shall not be unreasonably withheld.
- (4) The Promoters shall ensure that each member of the Promoter Group shall only undertake any new business which is similar to or in competition with the Business through the Company.
- (5) Each of the Promoters acknowledges that the restrictions on competitive activity set forth in these Articles are mainly to secure to the Investors the benefits of the Investment Agreement and to protect the value of the Company after the subscription by the Investors of the Subscription Shares, including the goodwill of the Business and the potential for expansion of the Business.
- (6) Each of the Promoters acknowledges the breadth of the geographic scope of the Investment Agreement, but deems the investment by the Investors under the terms of the Investment Agreement to be adequate consideration for the right to engage in a competitive

business that it is foregoing under the Investment Agreement.

- (7) Each of the Promoters agrees that the covenants contained in this Article are no more extensive than are reasonable to protect the Investors as subscribers of shares and to protect the business of the Company
- (8) Each of the Promoters agrees that the covenants contained in this Article are no more extensive than are reasonable to protect the Investors as subscribers of shares and to protect the business of the Company
- (9) Each of the Promoters agrees that failure to comply with this Article 155 will reduce the value of the Subscription Shares. Each of the Promoters acknowledges that monetary damages alone would not be a adequate compensation for the breach of this Article 155 and the Company and/or the Investors may seek an injunction from a court of competent jurisdiction.
- (10) It is hereby agreed by the Parties that prior to the acquisition by the Company of the business and operations of the Phase I Companies and the Phase II Companies in accordance with the provisions of the Investment Agreement, the carrying on by each of the Phase I Companies and the Phase II Companies of their respective business and operations shall not be deemed to be a breach of the provisions of this Article 155.

#### **SECRECY**

*No shareholder to enter the premises of the company without permissions*

156. No member or other person (not being a Director) shall be entitled to enter upon the property of the company or to inspect or examine the Company's premises or properties of the Company without the permission of the Directors, or subject to Article 141 to require discovery or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the members of the Company to communicate.

#### **CONFIDENTIALITY**

157. None of the Parties shall during the continuance of the Investment Agreement or after its termination disclose to any Person (save to the extent to which it is obliged to make disclosure as a result of applicable Law) any of the transactions or arrangements contemplated by the Investment Agreement, provided that the foregoing shall not prohibit disclosure by any Party to its employees, and Affiliates to the extent necessary for the purpose of the Investment Agreement or to its professional advisors (including but not limited to any financial or legal consultants, experts, merchant bankers or investment bankers and other advisors). The foregoing shall also not prohibit disclosure by a Shareholder of information concerning the Company (but, for the avoidance of doubt, not including information concerning another Shareholder) to any Persons who have invested in or who propose to invest in such Shareholder or any Persons to whom such Shareholder may be proposing to sell any securities, in each case subject to appropriate confidentiality undertakings.
158. All information, whether written or oral, relating to the Company, any of the

Parties or their Affiliates, or their respective businesses or operations, or the Investment Agreement and the terms thereof (collectively, "Confidential Information"), disclosed by any Party to any other Party (or its Affiliates, directors, officers, employees or representatives) shall be kept strictly secret and confidential and shall not be disclosed to any Person except to the extent that any such disclosure is necessary in connection with the performance of the Investment Agreement or required under the provisions of applicable Law. Each of the Parties further agree that they shall not use, nor permit their respective Affiliates to use, any Confidential Information for any purpose whatsoever except in the manner expressly provided or contemplated in these Articles. Each Party shall take adequate security and precautionary measures to effect compliance with this Article 158 by their respective directors, officers, employees, agents and Affiliates who are given access to Confidential Information.

159. Any information provided by a Party shall not be deemed to be Confidential Information to the extent that:
- (a) such information becomes generally available in the public domain other than as a result of unauthorized disclosure by the receiving Party or by Persons to whom the receiving Party has made the information available;
  - (b) such information has been released without restriction by the disclosing Party to another Person; or such information can be shown by written documentation to have been received by the receiving Party on a non-confidential basis, prior to receipt from the disclosing Party, from a third Person lawfully possessing and lawfully entitled to disclose such information.
160. In the event that any Party or any of its Affiliates, directors, officers, employees or agents are requested or required (by court or administrative order, or by deposition, interrogatories, requests from information or documents in legal proceedings or under the provisions of applicable Law) to disclose any Confidential Information, such Party will provide the other Parties with prompt written notice of any such request or requirement so that the other applicable Party may, if required, seek a protective order or other appropriate remedy to prohibit or limit such disclosure. If, in the absence of a protective order, any such Party or any of its Affiliates, directors, officers, employees or agents are nonetheless, in the written opinion of legal counsel, legally compelled to disclose Confidential Information, such Party, Affiliate, director, officer, employee or agent may, without liability hereunder, disclose such portion of the Confidential Information which counsel advises is legally required to be disclosed. Such Party shall advise the other Parties of the Confidential Information disclosed and the Person to whom it is disclosed, and upon request of such Parties, shall provide the other Parties with a copy of the legal opinion regarding the disclosure of such Confidential Information.
161. Notwithstanding any provision to the contrary contained in these Articles 148 to 152, any of the Investors shall be entitled to disclose the existence of the investment in the Company made by such Investor in any public advertisements placed by such Investor or for informative and for marketing purposes by such Investor.

#### **INVESTORS LIQUIDATION PREFERENCE**

162. Liquidation Preference

Upon the occurrence of a Deemed Liquidation Event, each of the Investors shall be entitled to receive, prior to any distribution to the members of the Promoter Group, the higher of the following from the assets of the Company available for distribution:

- (a) an amount that is equal to the Subscription Amount paid by such Investor; or
- (b) such amount that such Investor shall be proportionately entitled to as an Equity Shareholder of the Company, on a fully diluted basis, (after adjusting for any recapitalization of the Company)

163. Deemed Liquidation Event

For the purposes of Article 163 “Deemed Liquidation Event”, with respect to the Company, shall mean any of the following:

- (a) any liquidation, dissolution or winding up of the Company, either voluntary or involuntary;
- (b) any compromise or arrangement by the Company with the creditors / debtors of the Company save and except where such compromise or arrangement shall be made pursuant to and in accordance with Sections 391 – 394 of the Companies Act, 1956 or Sections – 230-236 of the Companies Act, 2013;
- (c) a receiver is appointed by any Government Authority for the administration of the business and affairs of the Company.

164. In the event of any Strategic Sale, each of the Investors shall be entitled to receive, prior to any distribution to the members of the Promoter Group, the higher of the following from the assets of the Company available for distribution:

- (a) Such amount as shall be equal to 2 (Two) times the Subscription Amount paid by such Investor;
- (b) such amount that such Investor shall be proportionately entitled to as an Equity Shareholder of the Company, on a fully diluted basis, (after adjusting for any recapitalization of the Company)

165. Strategic Sale

For the purposes of Article 165, “Strategic Sale” shall mean:

- (a) any transactions or series of transactions pursuant to which the Promoters cease to hold in the aggregate more than 50% (Fifty Percent) of the Equity Share capital of the Company on a fully diluted basis; or
- (b) any merger, amalgamation, change of control, consolidation or other similar transactions or series of transactions in relation to the Company pursuant to which the Company’s current Shareholders do not retain a majority of the voting power of the Company (or the resultant entity); or
- (c) any transaction or series of transactions pursuant to which there shall be any sale, lease, license or Transfer of all or substantially all of the Company’s assets;

- (d) any transaction which shall have the effect of the transactions detailed in (a), (b) or (c) above.

#### **WINDING UP**

- Winding up* 166. Subject to the provisions of these Articles, if the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that as nearly as may be the losses shall be born by the members in proportion to the capital paid up or which ought to have been paid-up at the commencement of the winding-up on the shares held by them respectively. And if in a winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding-up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding-up paid up or which ought to have been paid up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.
- Distribution of assets in specie* 167. In the event of Company being wound up, whether voluntarily or otherwise, the liquidators may with the sanction of a Special Resolution divide among the contributories, in specie or in kind any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators, with like sanction, shall think fit.

#### **INDEMNITY**

- Indemnity* 168. Subject to the provisions of Section 197 of the Act, every Director, Manager, Secretary and other officer as defined by Section 2(59) of the said Act, or employee of the Company shall be indemnified against and it shall be the duty of the Directors to pay out of the funds of the Company all costs, losses and expenses (including travelling expenses) which any such Directors, Manager or Secretary or other officer or employee may incur or become liable to by reason of any contract entered into or any way in the discharge of his or their duties and in particular, and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him or by them as such Director, Manager, Secretary, other Officer as defined by Section 2(59) of the said Act, or employee in defending any proceeding whether civil or criminal in which judgement is given in his or their favour or he or they is or are acquitted, or in connection with any application under Section 463 of the Act in which relief is granted by the Court or Tribunal and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the members over all other claims.
- Individual responsibility of Directors* 169. Subject to the provisions of the act and so far as such provisions permit, no Director, Auditor or other Officer of the Company shall be liable for acts, receipts, neglects or defaults of any other Director or Officer, or for joining in any receipt or act for conformity, or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property required by order of the Director for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss occasioned by any error of judgement, omission, default, or oversight on his part, or for any loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto,

unless the same happens through his own dishonesty.

170. The Company and the Promoters shall jointly and severally indemnify each of the Investors, the Investor Director(s) and / or each officer, director, employee, agent, associates, Affiliate of each Investor and hold them harmless and keep them at all times fully indemnified and held harmless from and against all actions, proceedings, claims, liabilities (including any statutory liability), losses, expenses, penalties, demands and costs (including without limitation, reimbursement of any loss suffered by any Investor and / or its officers, directors, employees agent, associates or affiliates and their legal costs), awards, damages, losses and / or expenses arising directly or indirectly as a result of any breach of or non performance by the Company or the Promoters of any of their undertakings, warranties or obligations under the Investment Agreement or arising out of legal claims made by third parties relating to the ownership of the Subscription Shares by the Investors.
171. Without prejudice to the generality of Article 169 above, the Company and the Promoters shall jointly and severally indemnify and hold harmless each of the Investor and their respective officers, directors, employees and agents and the Investor Director(s) from and against any and all actions, suits, demands, claims, proceedings, costs, damages, judgments, amounts paid in settlement and expenses (including without limitation attorneys' fees and disbursements at actuals) relating to or arising out of:
- (a) any inaccuracy in or breach of the Warranties;
  - (b) Any claim, penalty or liability that may be made or imposed by any Governmental Authority with regard to any Tax required to be paid by the Company and for which the Company has failed to make payment of the requisite amounts within the stipulated time frame;
  - (c) Any claim, penalty or liability that may be made or imposed by any Governmental Authority (whether such Governmental Authority is located within India or overseas) in relation to or on account of any indirect Tax exposures of the Company or the Phase I Companies or the Phase II Companies including any liability arising from central sales tax obligations of Minda Autocare;
  - (d) Any claim, penalty or liability that may be made or imposed by any Governmental Authority (whether such Governmental Authority is located within India or overseas) on account of additional Real Estate Transfer Tax (RETT) payable due to re-allocation of purchase price allocation for Minda Schenk;
  - (e) Any claim, penalty or liability that may be made or imposed by any Governmental Authority on account of any additional value added tax (VAT) due and payable by Minda KTSN on certain supplier claim(s) waived by Sasse & Junghanns GmbH in the year 2004;
  - (f) Any reversal and/or refund of any subsidy provided by any Governmental Authority by any Governmental Authority (whether such Governmental Authority is located within India or overseas) to either the Company or any Phase I Company or any Phase II Company due to non-compliance of the terms and conditions on which such subsidy was provided or otherwise made available;
  - (g) Any claim, penalty or liability that may be made or imposed by any Governmental Authority (whether such Governmental Authority

is located within India or overseas) due to any change in the depreciation policies of Minda Schenk;

- (h) Any claim, penalty or liability that may be made or imposed by any Governmental Authority (whether such Governmental Authority is located within India or overseas) on account of any Tax that may be levied on the waiver of the loan by Minda KTSN's former partner namely Zarnak Beteiligungs GmbH & Co KG;
- (i) Any claim, penalty or liability that may be made or imposed by any Governmental Authority (whether such Governmental Authority is located within India or overseas) or any other Person on account of the severance payments due to closure by Minda Schenk of the plant located in Bretten, Germany;
- (j) Any claim, penalty or other liability that may be made or imposed by any Governmental Authority (whether such Governmental Authority is located within India or overseas) or any other Person on account of any bonus payments which are required under applicable Law to be paid by either the Company or the Phase I Companies or the Phase II Companies but which payments have not been made on the applicable due dates;
- (k) Any claim, penalty or other liability that may be made or imposed by any Governmental Authority (whether such Governmental Authority is located within India or overseas) on account of un-accrued bonus payments that are required to be accrued under applicable Law by either Minda Schenk, Minda KTSN or their respective subsidiaries;
- (l) Any additional Tax liability that may be payable by the Company or the Phase I Companies or the Phase II Companies in excess of the amounts disclosed to the Investors and arising out of completion of the Tax assessment of such entities for the period prior to Closing as mentioned in the Investment Agreement;
- (m) Any claim, penalty or other liability in relation to Tax that may be made or imposed on Minda KTSN in excess of the amounts disclosed to the Investors;
- (n) Any claim, penalty or other liability in relation to any stamp duty (or other similar Tax) that may be made or imposed by any Governmental Authority on any agreements, deeds, documents or other writings entered into by the Company or any of the Phase I Companies or any of the Phase II Companies;
- (o) Any claim, penalty or other liability that may be made or imposed by any Governmental Authority in relation to any obligations of Minda Sai under the provisions of the Factories Act, 1948 (as maybe amended from time to time);
- (p) Any claim, penalty or other liability that may be made or imposed by any Governmental Authority (whether such Governmental Authority is located within India or overseas) against the Tax recorded as being payable in the books of account of Minda KTSN towards capital gains tax prior to the acquisition of Minda KTSN by the Company;
- (q) Any claim, penalty or other liability that may be made or imposed by any Governmental Authority in relation to contracts entered into by

the Company for the purchase of components, grease and tools for no consideration from Mindarika Private Limited;

- (r) Any claim, penalty or other liability that may be made or imposed by any Governmental Authority in relation to the Company's obligations under either the listing agreement entered into with the Stock Exchanges;
- (s) Any claim, penalty or other liability that may be made or imposed by any Governmental Authority in relation to the manner of maintenance of the registers of the Company which registers are required to be maintained under the provisions of the Act;
- (t) Any claim, penalty or other liability that may be made or imposed by any Governmental Authority (whether such Governmental Authority is located within India or overseas) in relation to the level of compliance by the Company or any Phase I Company with applicable environmental Laws;
- (u) Any loss, damage, penalty or other liability arising out of any agreements entered into by Minda Auto with the Assam State Electricity Board pursuant to the award made by the Assam State Electricity Board vide its award letter dated January 28, 2009.

#### **EXIT**

- 172. Without prejudice to the Minority Protection Items, the Company and the Promoters shall make a FPO and cause the Company's Equity Shares to be listed on the Bombay Stock Exchange Limited ("BSE") and/or the National Stock Exchange of India Limited ("NSE") and/or any other recognised stock exchange as mutually agreed between the Parties (the "Stock Exchanges") at any time within a period of 2 (Two) years from the Second Closing Date. The Investors shall each have the right but not the obligation to sell the Equity Shares held by it or any part thereof in such a Further Public Offering. In the case of such Further Public Offering, the Company shall only issue such number of Equity Shares as shall be necessary to meet the minimum percentage of Equity Shares mandated to be offered to the public under the provisions of applicable Law and the Promoter Group shall not sell any Equity Shares in such Further Public Offering unless consented to by the Investors. In the event that as a result of such Further Public Offering it is likely that the Promoter Group shall cease to hold in the aggregate at least 51% (Fifty One Percent) of the Equity Share capital, the Parties agree that immediately prior to the Further Public Offering, the Promoter Group shall be entitled to subscribe to such number of Equity Shares on a preferential allotment basis as shall be necessary or required to ensure that the Promoter Group shall hold in the aggregate at least 51% (Fifty One Percent) of the Equity Share capital post the Further Public Offering. The Equity Shares to be subscribed to by the Promoter Group pursuant to this Clause shall be subscribed to by the Promoter Group at a price per Equity Share as shall be equal to the price per Equity Share for the Further Public Offering. In the event that such preferential allotment shall not be permitted by applicable Law, the Parties shall mutually agree to a workable alternate method to meet the objective that the Promoter Group shall hold at least 51% (Fifty One percent) of Equity Share capital subsequent to the Further Public Offering.
- 173. The Company shall, with the prior consent of the Investors (which consent shall not be unreasonably withheld), retain leading reputed investment

banks and underwriters to advise on the Company's options with respect to the Further Public Offering. The Company and the Promoters shall take all such steps, and extend all such co-operation to each other and the lead managers, underwriters and others as may be required for the purpose of expeditiously making and completing the Further Public Offering including (i) preparing and signing the relevant offer documents; (ii) conducting road shows with adequate participation of senior management; (iii) entering into appropriate and necessary agreements; (iv) providing all necessary information and documents necessary to prepare the offer documents; (v) filing with appropriate regulatory authorities; and (vi) obtaining any necessary regulatory or other approvals in relation to the FPO.

174. The price at which the FPO is proposed to be made should be finalized in consultation with the merchant bankers to the issue and should be acceptable to the Investors, the consent of the Investors not to be unreasonably withheld. In the event the price is not acceptable to the Investors, then in such an event the Company may delay the FPO by a period of a further 12 (Twelve) months from the expiry of such 2 (Two) year period. After such expiry if the price is still not acceptable to the Investors, then in such an event the Company may further delay the FPO by a further period of 12 (Twelve) months after the expiry of such 3 (Three) year period. In the event the FPO price is still not acceptable on the expiry of such additional period, the event of default under the provisions of Article [180] would get triggered.
175. All expenses in relation to the FPO and consequent listing, including the statutory filing and registration fees and fees for the advisors and managers to the FPO shall be borne by the Company.
176. The Company and the Promoters agree that under no circumstances shall any Investor and/or its Affiliates be referred to or otherwise considered as a 'promoter' of the Company in connection with a public offering of the Equity Shares of the Company or any documents filed in connection therewith. In the event of a FPO, the Company and the Promoters agree to do all that is necessary to ensure that the Equity Shares held by each Investor are not subject to any lock-in requirements as a 'promoter'.
177. For the avoidance of doubt, it is hereby clarified that each Investor is a financial investor in and not a promoter of the Company. The Promoters and the Investors agree to comply with all applicable requirements under the statutory provisions applicable to the FPO in respect of any Equity Shares held by them.

178. **MINORITY PROTECTION ITEMS**

No action or decision relating to any of the Minority Protection Items whether at:

- (a) any meeting of Board of Directors of either the Company or any subsidiary or any Phase I Company or any Phase II Company (including any meetings of any committee of the Board of Directors (or equivalent body) of any of the abovementioned entities); or
- (b) any meeting of the shareholders of either the Company or any subsidiary or any Phase I Company or any Phase II Company;

shall be taken by the relevant entity, unless the Investor Consent has been obtained in writing and / or by the positive vote of at least one of the Investor Directors / the Investors at any meeting of the

board of directors of the concerned entity / any general meeting of the members of the concerned entity (as may be applicable) where the Investor Director / the Investors are present. Where the Investor Consent is required under this Article 178, such Investor Consent (except where such Investor is required to be given at a meeting of the board of directors of the concerned entity or a committee thereof) be given only in writing. Where the Investor Consent is required to be given at a meeting of the board of directors of the concerned entity or a committee thereof, the participation of at least one of the Investor Directors and such director providing an affirmative consent at such meeting will be required. Notwithstanding the forgoing, in the event that prior to any meeting of the board of directors of a concerned entity (or any committee thereof), the Investors shall have provided the Investor Consent in writing to any Minority Protection Item on the agenda for such meeting, then the Investor Director shall not be required to separately provide Investor Consent for such Minority Protection Item and the presence of the Investor Director would be required for the purposes of determining quorum for such meeting of the board of directors of the concerned entity or committee of the board of directors of the concerned entity.

Where the Company shall not Control any joint venture of the Company, then notwithstanding the provisions of this Article 178, in the event that the Company is not able to give effect to the provisions of this Article 178 due to either the terms and conditions of such joint venture agreement entered into by the Company with the relevant joint venture partner, then the same shall not be deemed to be breach of the provisions of this Article. The Company and the directors appointed by the Company to the board of directors of the joint venture company in question shall however exercise their rights in the joint venture company in the manner specified by the Investors. It is however clarified that where the Company is able to give partial effect to the provisions of this Article 178, the Company shall undertake the necessary actions.

Where the Company is not a shareholder in any Phase II Company but the Promoters (or any of them) shall directly or indirectly have any shareholding in the Phase II Company in question, the applicable Promoters shall exercise their rights in such Phase II Company in the manner specified by the Investors in relation to any Minority Protection Item.

Where any Investor Consent has not been provided for any Minority Protection Item at any meeting of the board of directors of the Company, all the other directors of such board of directors shall deemed to have not provided their consent.

179. (1) For the purposes of this Article 179, "Restricted Entity" shall mean either:
- (a) the Company;
  - (b) any subsidiary of the Company;
  - (c) any Phase I Company prior to the business and operations of such Phase I Company in accordance with the provisions of this Agreement; or

- (d) any Phase II Company prior to the business and operations of such Phase II Company in accordance with the provisions of this Agreement;

Where the Company shall not Control any joint venture of the Company, then notwithstanding the provisions of this Article, in the event that the Company is not able to give effect to the provisions of this Article due to either the terms and conditions of such joint venture agreement entered into by the Company with the relevant joint venture partner or due to any objections raised by the joint venture partner in question, then the same shall not be deemed to be breach of the provisions of this Article. It is however clarified that where the Company is able to give partial effect to the provisions of this Article, the Company shall undertake the necessary actions.

Where the Company is not a shareholder in any Phase II Company but the Promoters (or any of them) shall directly or indirectly have any shareholding in the Phase II Company in question, the applicable Promoters shall exercise their rights in such Phase II Company in the manner specified by the Investors in relation to any Minority Protection Item to the extent practically possible.

- (2) No Restricted Entity shall, save and except with Investor Consent provided in the manner as more particularly set out in Article 178 above, take any decisions in matters relating to any of the following items (each such item being a "Minority Protection Item"):
  - (i) any amendment of a Restricted Entity's Memorandum of Association or Articles of Association or other constituent documents;
  - (ii) any action that authorizes, creates or issues shares of a Restricted Entity including: (a) any rights issue of any class or series of shares; (b) the valuation in respect of all fresh issues, buy back of shares or share splits; (c), the issuance of convertible instruments of any type; (d) any issuance of bonus shares or securities; (e) any debt restructuring of a Restricted Entity involving any conversion of debt into equity of such Restricted Entity; any other transaction or action that shall have the effect of modifying the capital structure of a Restricted Entity;
  - (iii) any action that reclassifies any outstanding shares or securities of a Restricted Entity into shares having any preference or priority as to dividends or assets;
  - (iv) any change in a Restricted Entity's auditor or any change in the financial or accounting year of the Restricted Entity or any change in the accounting policy or accounting principles generally followed by such Restricted Entity, save and except as required by Applicable Law;
  - (v) After September 30, 2011 any proposal to increase in the debt to equity ratio of a Restricted Entity in excess of 1:1;
  - (vi) any green field or substantial expansion of manufacturing facilities, merger, acquisition or consolidation by a Restricted

Entity or any transaction which shall have the effect of the forgoing;

- (vii) any liquidation, disposal, transfer, sale or license of all or substantially all a Restricted Entity's assets or any transaction or transactions which shall have the effect of the forgoing;
- (viii) Any declaration, setting aside or payment of any dividend or other distribution, whether in cash, stock, property or otherwise, with respect to any capital stock of a Restricted Entity;
- (ix) Incurrence of any Indebtedness by a Restricted Entity exceeding by more than 15% (Fifteen) percent) beyond what is provided in the approved business plan for such Restricted Entity for the financial year in question or exceeding by more than 15% (Fifteen) percent) beyond what is provided in the approved business plan for such Restricted Entity in the aggregate for all transactions in such financial year;
- (x) the creation of any Encumbrance of any kind by a Restricted Entity on any of its assets other than as per business in the ordinary course of such Restricted Entity;
- (xi) the guaranteeing by a Restricted Entity of any debt or obligation of any Affiliate of such Restricted Entity or the providing of any indemnities by a Restricted Entity for the obligations of any Affiliate of such Restricted Entity;
- (xii) the lease by a Restricted Entity of any immoveable property or any other form of acquisition of any right of use of any immoveable property, other than leases (a) towards houses for employees; (b) towards leases for cars for employees; and (c) all other leases where the aggregate annual outgo beyond what is stated in the business plan of such entity for each such lease does not exceed Rs. 12,00,000/- per annum and the aggregate annual outgo beyond what is stated in the business plan of such entity for all such leases for all Restricted Entities put together shall not exceed Rs. 1,00,00,000/- per annum;
- (xiii) the strategic purchase by a Restricted Entity of equity securities in any company with a purchase value greater than Rs. 1,000,000/-. It is clarified that no purchase of securities, either private or publicly traded, for speculative or non-strategic investment purposes shall be made by a Restricted Entity other than high grade money market securities;
- (xiv) appointment and removal of any Key Management Personnel of a Restricted Entity;
- (xv) the extension by any Restricted Entity of any loan to any party other than a Related Party beyond Rs. 10,000,000/- per loan or in the aggregate at any point of time except loans to full time employees as per the policy of the Restricted Entity;
- (xvi) the entering into of any related party transaction by a Restricted Entity except (a) for such transactions which have been disclosed to and approved by the Investors; (b) any

transactions inter se between Phase I entities; (c) inter se transactions amongst Phase I and Phase II entities (after the Phase II entities have been consolidated with the Company in accordance with the provisions of this Agreement) and (d) any transactions vis a vis all Restricted Entities where the combined value of all such transactions put together does not exceed Rs. 50,00,000/- per year;

- (xvii) the creation of new subsidiaries by a Restricted Entity or the entering into any joint venture with any third party by a Restricted Entity;
- (xviii) the registration/ approval of transfer of shares of a Restricted Entity other than in accordance with the terms of this Agreement and the articles of association (or equivalent document) of such Restricted Entity and creation of or taking on record any charge or Encumbrance on the shares of such Restricted Entity where such charge or Encumbrance is being created by the Company or the Promoters or their respective Affiliates;
- (xix) all actions and decisions pertaining to the public offering of a Restricted Entity's shares or other securities including without limitation the appointment of investment banking firm in relation thereto; and
- (xx) the entering into any agreement, arrangement or transaction by a Restricted Entity not as per business in the ordinary course as conducted by such Restricted Entity.

#### **DEFAULT AND CONSEQUENCES OF DEFAULT**

180. In the event that either:

- (a) the Company cannot complete the acquisition of the business and operations of the Phase I Companies prior to the Second Closing Date; or
- (b) subject to the consent of the applicable joint venture partners or other Persons holding ownership interests in the entities in question having being obtained, the Company cannot complete the acquisition of the business and operations of the Phase II Companies in the manner contemplated under Article 16 (2) within a maximum period of 32 (Thirty Two) months from the Closing Date or such other period as shall have been mutually agreed by the Parties for this purpose; or
- (c) the Company fails to list the Equity Shares on a Stock Exchange pursuant to a Further Public Offering within a maximum period of 36 (Thirty Six) months from the Closing Date or within 48 months (as in the circumstances set out in Article 174 above); then the same shall be deemed to be a default by the Company and the Promoters ("Default") of their obligations under the Investment Agreement unless the Investors shall have stipulated otherwise.

181. Upon the occurrence of any Default, then the Investors shall have the rights provided to the Investors under the provisions of Clauses 17.2 to 17.8 of the Investment Agreement which clauses are deemed to be incorporated into these Articles as if the same had been reproduced

herein. The Parties shall be bound by the provisions of Clauses 17.2 to 17.8 of the Investment Agreement as if the same had been reproduced herein.

#### **MISCELLANEOUS**

182. Assignment:
- (a) Assignment by the Promoters: The Promoters shall not be entitled to assign rights and/or obligations under The Investment Agreement to any Person without the prior written consent of the Investors. Provided that the Promoter shall be entitled to transfer any Equity Shares held by it to any Person who shall be an Affiliate of the Promoter with the prior written consent of the Investors which consent shall not be unreasonably withheld.
  - (b) Assignment by the Investors: Each of the Investors shall be entitled to assign their respective rights under the Investment Agreement only with a transfer of shares. Provided that there shall be no part assignment of rights and the complete rights of the Investors must be assigned to a proposed transferee. It is clarified that there shall at a point of time be only one Person who holds and exercises all the rights under this Agreement.
  - (c) Assignment by the Company: The Company shall not be entitled to assign their respective rights and/or obligations under the Investment Agreement to any Person.
183. Amendments and Waivers – These Articles may be modified, amended or supplemented only by mutual written agreement of the Parties. A waiver of any right under these Articles may be only in writing. Any such waiver shall not affect in any way the validity of these Articles or the right to enforce such obligation, agreement or covenant at any other time. All rights and remedies existing under these Articles except as otherwise provided herein are cumulative to, and not exclusive of any rights or remedies otherwise available.
184. Severability - If any provision of these Articles is invalid or unenforceable or prohibited by the law of the country where it is to be performed, these Articles shall be considered divisible as to such provision which shall be inoperative and shall not be part of the consideration moving from any of the Parties hereto to the other and the remainder of these Articles shall be valid and binding.
185. Cumulative - The rights and remedies provided in these Articles are cumulative and not exclusive of any other rights or remedies provided by law or equity.
186. Change of Law - In case of any change in Law for the time being in force including but not limited to change or re-enactment of the Act which results in any part of these Articles being unenforceable, the Parties shall discuss in good faith how best to amend this Agreement so as to make its terms consistent with the provisions of such change in the Law.
187. Press Releases - In the event the Company and/or the Promoters are required to make any press release or media announcements relating to the transaction, the draft of the same shall be first provided to the Investors for their views and approval.

## **GOVERNING LAW AND DISPUTE RESOLUTION**

188. These Articles and the transactions contemplated hereunder shall be governed by the laws of India.
189. All disputes and differences that may arise between the Parties to the Investment Agreement with regard to any obligations of the parties to these Articles or with regard to the interpretation of these Articles, shall be referred to a panel of three arbitrators one to be appointed by the Investors jointly, the second to be appointed by the Company and the Promoters jointly and the third to be appointed by the two arbitrators so appointed. The arbitration shall be laws of India and shall be conducted under the provisions of the Arbitration and Conciliation Act, 1996. The place of arbitration shall be Delhi, India and the arbitration shall be conducted in English.
190. Subject to Article 189 above, the Parties agree to be subject to the exclusive jurisdiction of the courts in Delhi, India, including for the purpose of appointment of arbitrators pursuant to Section 11 of the Arbitration and Conciliation Act, 1996
191. Any award rendered upon such arbitration shall be final and conclusive and binding on the Parties.
192. The Parties further agree that the arbitrators shall also have the power to decide on the costs and reasonable expenses (including reasonable fees of the counsel) incurred in the arbitration and award interest upto the date of the payment of the award.
193. Costs of arbitration shall be borne by each of the Parties equally, unless otherwise awarded by the arbitrator(s).
194. The provisions of Articles 187 to 193 shall survive the termination of the Investment Agreement.

We, the several persons whose names and address are subscribed hereto are desirous of being formed into a company in pursuance of this Article of Association and we respectively agree to take the number of shares in the capital of the company set opposite our respective names :-

Names, Addresses, description and occupation of subscribers	Signature of Subscribers	Name, Addresses, description and occupation of witnesses
1. DEVKI NANDAN GARG S/o Late Shri Amar Singh Devki Nandan B-79, C. C. Colony, Delhi - 110 007 (Business)	Sd/- Devki Nandan Garg	I witness the signatures of all the subscribers. Sd/- (VIJAY KUMAR JAIN), B. Com. F.C.A., S/o Shri K. L. Jain, 5581, Lahori Gate, Delhi - 110 006 Chartered Accountant
2. KISHORI LAL SHARMA S/o Shri Lal Chand Sharma BU-96, Vishakha Enclave, Pitam Pura, Delhi - 110 034 (Service)	Sd/- Kishori Lal Sharma	
3. RAM NIWAS TANWAR S/o Shri Sarjeet Singh C-6/34, Lawrence Road, Delhi - 110 035 (Service)	Sd/- Ram Niwas Tanwar	
<p style="text-align: right;">Total</p>		

Place : Delhi Dated : 2nd day of February, 1985.