

**UNDER THE COMPANIES ACT, 1956
A COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
RAMKRISHNA FORGINGS LIMITED**

(Adopted by Special Resolution passed at the Extra –Ordinary General Meeting of the Members of the Company held on July, 20, 2013] in substitution and to the entire exclusion of the earlier Articles of Association which was adopted at the Extra-Ordinary General Meeting of the members of the Company held on 20th March,2013.)

1A. Save as reproduced herein the regulation contained in Table “A” in Schedule I to the Act shall not apply to the Company.

1B. These Articles shall be read and construed harmoniously so as not to restrict the rights of IFC (as defined herein) and the Investor (as defined herein) under these Articles such that each of IFC and the Investor can exercise their rights as enumerated under Articles 193 to 207 and Articles 209 to 226, respectively, to the fullest extent.

INTERPRETATION

2(1) In the interpretation of these Articles, unless repugnant to the subject or context:

‘The Company “ or This Company” means RAMKRISHNA FORGINGS LIMITED”

“The Act” means “ The Companies Act 1956” or any statutory modification or re-enactment therefore for the time being in force

“ Annual General Meeting “ means a general meeting of the members held in accordance with the provisions of Section 166 of the Act or any adjourned meeting thereof.

“ Auditors” means and include those persons appointed as such for the time being by the Company or its Board.

“Board” or “Board of Directors” means the Board of ‘Board of Directors for the time being of the Company.

“Board Meeting” means a meeting of the Directors or a committee thereof duly called and constituted , or as the case may be, the Directors assembled at the Meeting of the Board of Directors of the Company collectively.

“Capital “ means the share capital for the time being raised or authorized to be raised , for the purpose of the Company.

“Debentures” includes debenture stock.

“Dividend “ includes interim dividend.

“Extraordinary General Meeting” means an extraordinary general of the Members duly called and constituted and any adjourned General Meeting ‘meeting thereof.

“Member” means the duly registered holder from time to time of the shares of the Company and includes the subscribers of the Memorandum of Association of the Company.

‘Meeting “ or “General Meeting” means a meeting of members.

“Month” means a calendar month.

“Office “ means the registered office for the time being of the Company.

A resolution shall be an ordinary resolution when at a general meeting of which the notice required under the Act has been duly given , the votes cast (whether on a show of hands, or on a poll as the case may be) in favour of the resolution

(including the casting vote, if any, of the chairman) by members, who being entitled so to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the resolution by members so entitled and voting.

“Paid-up” includes credited as paid-up.

“Persons” includes corporations and firms as well as individuals.

“Postal Ballot” shall mean voting by post through ballot papers distributed amongst eligible voters and shall include voting by electronic mode.

“Register of Members” means the Register of Members to be kept pursuant to the Act,

“Registrar “ means the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated.

“Secretary “ means any individual possessing the qualification prescribed for the time being by or under the Act or any rules made thereunder and appointed to perform the duties, which may be performed by Secretary under the Act, and any other ministerial or administrative duties.

“Seal “ means the Common Seal for the time being of the Company .

“Share “ means share in the share capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.

“Small Shareholder” means a shareholder holding shares of the nominal value of twenty thousand rupees or less.

A resolution shall be a special resolution when:

(a) the intention to propose the resolution as a special resolution has been duly specified in the notice convening the general meeting or other intimation given to the members of the resolution .

(b) the notice required under the Act has been duly given of the general meeting; and

(c) the votes cast in favour of the resolution whether on a show of hands, or on a poll as the case may be by members, who being entitled so to do, vote in person, or where proxies are allowed, by proxy, are not less than three times the number of the votes, if any, cast against the resolution by members so entitled,

“Written” and “In Writing” include printing, lithography, computer modes and other modes of representing or reproducing words in a visible form.

“Year” means the calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(17) of the Act.

Words importing the singular number include , where the context admits or requires the plural number and vice versa.

Words importing the masculine gender also include the feminine gender.

(2) The marginal notes used in these Articles shall not affect the construction or meaning of the subject.

(3) Save as aforesaid , words or expressions , defined in the Act shall , if not inconsistent with the subject or context, bear the same meaning in these Articles.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

3. The Authorized Share Capital of the Company shall be the Capital as specified in Article V of the Memorandum of Association, with power to increase and reduce the Share Capital of the Company and to divide the shares in the Capital for the time being into several classes as permissible in law and to attach thereto respectively such preferential , differed,

qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for time being be provided in the Articles of association.

4. The Company in General Meeting may, from time to time, increase the Capital by the creation of new Shares. Such increase to be of such aggregate and to be divided into such shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine, and in particular, shares may be issued with a preferential or qualified right to dividends, or otherwise and in the distribution of assets of the Company and with a right of voting at general meetings of the Company in conformity with Section 87 of the Act, Whenever the Capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 97 of the Act.

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

6. Subject to the provisions of Section 80 of the Act and the rest of these Articles, the Company shall have the power to issue Preference Shares which at or at the option of the Company are liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.

7. On the issue of Redeemable Preference Shares under the provisions of Article 6 hereof, the following provisions shall take effect.

(a) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption.

(b) No such shares shall be redeemed unless they are fully paid.

(c) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of the profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account" a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, excepts as provided in section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid up share capital of the Company.

8. The Company may (subject to the Provisions of Section 78, 80, 100 to 105 both inclusive, of the Act and the rest of these Articles) from time to time by Special Resolution reduce its capital, any Capital Redemption Reserve Account or Share Premium Account in any manner for the time being authorized by law, and in particular, capital may be paid off on the footing that it may be called upon again or otherwise. This Article is not to derogate from any power the Company would have if they were omitted.

9. Subject to the provisions of Section 94 of the Act and the rest of these Articles, the Company in General Meeting may from time to time sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other or others. Subject as aforesaid, the Company in General Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

10. Whenever the Capital is divided into different classes of shares all or any of the rights and privileges attached to each class may, subject to the provisions of sections 106 and 107 of the Act, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any person purporting to contract on behalf of that case, provided such agreement is ratified in writing by holders of at least three-fourths of nominal value of the issued shares of the class or is confirmed by a Resolution passed at a separate General Meeting of the holders of shares of that class and supported by the Votes of the holders of at least three-fourth of those shares, and all the provisions hereinafter contained as to General Meetings shall mutatis mutandis apply to every such Meeting, but so that the quorum thereof shall be members present in person or by proxy and holding three-fourths of the nominal amount of the issued shares of the class.

This Article is not to derogate from any power the Company would have if it were omitted.

SHARES AND CERTIFICATES

11. The Company shall cause to be kept a Register and index of Members in accordance with Sections 150 and 151 of the Act. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members resident in that State or country.

12. The Shares in the Capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned, no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

13. (a) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of unissued share capital or out of increased share capital then such further shares shall be offered to the persons who on the date of the offer, are holders of the equity shares of the Company, in proportion as nearly as circumstances permit, to the capital paid-up on these shares on that date. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as they think most beneficial to the Company.

(b) Notwithstanding anything contained in the preceding sub-clause, the Company may

(i) by a special resolution; or

(ii) where no such special resolution is assed, if the votes cast (whether on a show of hands or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy exceed the votes if any, cast against the proposal by members so entitled to voting and the Central Government is satisfied on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company, offer further shares to any persons, and such person or persons may or may not include the persons who at the date of the offer, are the holders of the equity shares of the Company.

(c) Notwithstanding anything contained in sub-clause (a) above, but subject, however, to section 81(3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares, or to subscribe for shares in the Company.

Subject to the provisions of these Articles and of the Act, the Shares shall be under the control of the Directors, who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times as the Directors think fit and subject to the sanction of the Company in General Meeting with full power to give any person the option to call for or be allotted shares of an class of the Company either at par or at a discount and for such time and at such consideration as the Directors think fit. The Board of Directors shall cause to be made the return as to allotment provided for in Section 75 of the Act.

14. In addition to and without derogating from the powers for the purpose conferred on the Board under Articles 13 and 14, the Company in General Meeting may, subject to the provisions of Section 81 of the Act and these Articles, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or not) in such proportion and on such terms and condition –and either subject with the provisions of section 78 and 79 of the Act) at a premium or at a discount as such General Meeting shall determine and with full power to give any person (whether a member or not) the option being exercisable at such times and for such consideration as may be directed by such General Meeting of the Company and the General Meeting may make any other provisions whatsoever for the issue, allotment or disposal of any shares.

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

16. The money (if any) which the Board shall, on the allotment of any share being made by them require or direct to be

paid by way of deposit, call or otherwise in respect of any shares allotted by them shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

17. Every member, or his heirs, executors or administrators shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall from time to time in accordance with the Company's regulations require or fix for the payment thereof.

18. (a) Every member or allottee of shares shall be entitled, without payment, to receive one certificate specifying the name of the person in whose favour it is issued, the shares to which it is related and the amount paid-up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons or requisite value, save in cases of issues against letters of acceptance of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors with a duly registered power of attorney, and the Secretary or some other person appointed by the Board for the purpose; and two directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits it at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.

(b) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to the person first named which shall be sufficient delivery to all of them. For any further certificate the Board shall be entitled, but shall not be bound to prescribe a charge not exceeding Rupee One. The Company shall comply with the provisions of Section 113 of the Act.

(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical or electrical 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 material used for the purpose.

19 (a) No Certificate of a share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out or where the cages on the reverse for recording transfers have been fully utilized, unless the certificate in lieu of which it is issued is surrendered to the Company.

(b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is issued in lieu of share Certificate No... sub-divided /replaced/on consolidation of shares.

(c) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on such terms, if any, as to evidence an indemnity as to payment of out-of-pocket expenses incurred by the Company in investigating evidence as the Board may think fit.

(d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "duplicate issued in lieu of share certificate no ,,,". The word "Duplicate shall be stamped or punched in bold letters across the face of the share certificate.

(e) Where a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificate indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes be indicated in the Register of Members by suitable cross reference in the "Remarks" column.

(f) All bank forms to be issued for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine numbered and the forms and the blocks and engravings relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may appoint for the purpose, and the Secretary or the other person as aforesaid shall be responsible for rendering an account of these forms to the Board.

(g) The Managing Director of the Company for the time being or, if the Company has no managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and

documents relating to the issue of share certificates except the blank forms of share certificates referred to in sub-Article(f).

(h) All books referred to in sub-Article (g) shall be preserved in good order permanently.

20. If any share stands in the names of two or more persons , the person first named in the register shall, as regards receipt of dividends or bonus or service of notice and all or any other matter connected with the Company , except voting at meetings, be deemed the sole holder thereof, but the joint holders of as share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares for all incidents thereof according to the Company's regulations.

21.Except as ordered by a Court of competent jurisdiction , or as by law required, the Company shall not be bound to recognize any equitable , contingent , future or partial interest in any share, or (except provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof ; but the Board shall be at liberty at their sole discretion to register any share 'in joint 'names of any two or more persons or the survivor or survivors of them.

22.The Company shall have power, subject to and in accordance with all the applicable pro-visions of the Act and the rules made thereunder, to purchase any of its own fully paid shares or other specified securities whether or not they are redeemable and may make a payment out of its free reserves or securities premium account of the company or proceeds of any shares or other specified securities provided that no buy back of any kind of shares or other specified securities shall be made out of the proceeds of an earlier issue of the same kind of shares or same kind of other specified securities or from such other sources as may be permitted by Law on such terms, conditions and in such manner as may be prescribed by the Law from time to time in respect of such purchase.

UNDERWRITING AND BROKERAGE

23. Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in or debentures of the Company , but so that the commission shall not exceed in the case of shares, five per cent of the price at which the shares are issued, and in the case of debentures, two and a half per cent of the price at which the debentures are issued . Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

24. The Company may pay a reasonable sum for brokerage.

INTEREST OUT OF CAPITAL

25. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provision of any plant , which cannot be made profitable for a lengthy period , the Company may pay interest on so much of that share capital as is for the time being paid, for the period, at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building , or the provision of plant.

CALLS

26. The Board may , from time to time and subject to the terms on which any shares have been issued and subject to the conditions of allotment , by a resolution passed at a meeting of the Board (and not by circular resolution) make such call as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively , and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board . A call may be made payable by installments.

27. Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment , and the person or persons to whom such call shall be paid.

28. A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a

meeting of the Board.

29. A call may be revoked or postponed at the discretion of the Board.

30. The option of right to call of shares not be given to any person except with the sanction of the company in general meeting.

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

32. The Board may, from time to time at its 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 from residence at a distance or other cause, the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a member of grace and favour.

33. If any member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest of the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board, but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.

34. Any sum, which may by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable, on the date on which by the terms of issue the same becomes payable and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.

35. On the trial or hearing of any action or suit brought by the company against any member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member, in respect of whose shares, the money is sought to be recovered appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered, is alleged to have become due on the shares in respect of such money is sought to be recovered; that the resolution making the call is duly recorded in the Minute Book; and that notice of such call was duly given to the member or his representatives used in pursuance of these Articles and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made duly convened or constituted nor any other matters whatsoever, but the proof of the matter aforesaid shall be conclusive evidence of the debt.

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

37(a) The Board may, if it thinks fit, agree to and receive from any member willing to advance the same, all or any part of the accounts of his respective shares beyond the sums actually called up and upon the moneys so paid in advance or upon so much thereof, from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time an amount so advanced or may at any time repay the same upon giving to the member three months' notice in writing. Provided that moneys paid in advance of calls on any shares carry interest but shall not confer a right to dividend or to participate in profit.

(b) No member paying any such sum in advance shall be entitled to voting rights in respect of the moneys paid by him until the same would but for such payment become presently payable.

LIEN

38. The Company shall have a first and paramount lien upon all the shares (other than fully paid-up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of 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 shares shall be created except upon the footing, and upon the condition that Article 22 hereof is to have full effect. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration or a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

39. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their member to execute a transfer thereof on behalf of and in the name of such member. No sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such member or his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.

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

FORFEITURE OF SHARE

41. If any member fails to pay any call or installment on or before the day appointed for the payment of the same the Board may at any time thereafter during such time as the call or installment remains unpaid, Serve notice on such member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non payment.

42. The notice shall name a day (not being less than Thirty days from the date of the notice) and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non payment at or before the time, and at the place. Appointed the shares in respect of which such call was made or installment is payable will be liable to be forfeited.

43. If the requisitions of any such notice as aforesaid be not complied with, any shares in respect of 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 Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

44. When any shares shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated, by any omission or neglect to give such notice or to make any such entry as aforesaid.

45. Any share so forfeited shall be deemed to be the property of the Company, and the Board may sell, re allot or otherwise dispose of the same in such manner as think fit.

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

47. A person whose share has been forfeited shall cease to be a member in respect of the forfeited share, but shall notwithstanding, remain liable to pay, and shall forthwith pay to be Company, all calls, or installment, interest and expenses, owing in respect of such share at the time of the forfeiture, together with interest thereon, from the time of forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment thereof, to any party thereof, without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not be under any obligation to do so.

48. The forfeiture of a share involve extinction, at the time of the forfeiture, of all interest and 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.

49. A duly verified declaration in writing that the declarant is a Director of the Company, and that certain shares into

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 such declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof shall constitute a good title to such shares; and the person to whom any such share is sold shall be registered as the member in respect of such share and shall not be bound to see to the application of the purchase money, nor shall his title to such share be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.

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

TRANSFER AND TRANSMISSION OF SHARES

51. The Company shall keep a book to be called the "Register of Transfers", and therein shall be fairly and directly entered particulars of every transfer or transmission of any share.

52. The Instrument of Transfer shall be in writing and all the provisions of Section 108 of the Act, shall be duly complied with in respect of all transfer of shares and the registration thereof.

53. Every such instrument of transfer shall be executed both by transferor and the transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The Board shall not issue or register a transfer of any share in favour of a minor (except in cases when they are fully paid up).

54. The Board shall have power on giving seven days' previous notice by advertisement in some newspaper circulating in the district in which the Office of the Company is situated to close the transfer books, the Register of Members or Register of Debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as it may deem expedient.

55. Subject to the provisions of Section 111 & 111A of the Act and these Articles, the Board of Directors may at its own absolute and uncontrolled discretion and without assigning any reason, decline to register or acknowledge any transfer of shares (notwithstanding the proposed transferee be already a Member), but in such case it shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons, indebted to the Company on any account whatsoever, except where the Company has lien on shares.

56. Every holder of shares in, or debentures of the Company, may at any time nominate, in the manner prescribed under the Act, a person to whom his shares in or debentures of the Company shall vest in the event of death of such holder. Where the shares in, or debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures of the Company, as the case may be, held by them shall-vest in the event of death of all joint holders. Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such shares in or debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in, or debentures of the Company, the nominee shall, on the death of the shareholders or holder of debentures of the Company or, as the case may be, on the death of all the joint holders become entitled to all the rights in the shares or debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under the provisions of the Act. Where the nominee is a minor, it shall be lawful for the holder of the shares or holder of debentures to make the nomination to appoint, in the prescribed manner under the provisions of the Act, any person to become entitled to the shares in or debentures of the Company, in the event of his death, during the minority.

57. Any person who becomes a nominee by virtue of the provision of the above Article, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either:

- a) to be registered himself as holder of the shares or debentures, as the case may be; or
- b) to make such transfer of the shares or debentures, as the case may be, as the deceased shareholder or debenture holder, as the case may be, could have made.

If the nominee, so becoming entitled, elects himself to be registered as holder of the Shares or Debentures, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased shareholder or debenture holder and the certificate(s) of Shares or Debentures, as the case may be, held by the deceased in the Company.

Subject to the provisions of Section 109B(3) of the Act and these Articles, the Board may register the relevant Shares or Debentures in the name of the nominee of the transferee as if the death of the registered holder of the shares or Debentures had not occurred and the notice or transfer were a transfer signed by that shareholder or debenture holder, as the case may be.

A nominee on becoming entitled to Shares or Debentures by reason of the death of the holder or joint holders shall be entitled to the same dividend and other advantages to which he would be entitled if he were the registered holder of the Share or Debenture, except that he shall not before being registered as holder of such Shares or Debentures, be entitled in respect of them to exercise any right conferred on a member or Debenture holder in relation to meetings of the Company.

The Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Shares or Debentures, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses, interest or other moneys payable or rights accrued or accruing in respect of the relevant Shares or Debentures, until the requirements of the notice have been complied with.

58. No share shall in any circumstances be transferred to any insolvent or persons of unsound mind.

59. Subject to the provisions of Articles 56 and 57, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member, or the marriage of a female member, or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Board of Directors (which it shall not be under any obligation to give) upon producing such evidence that he sustains the character in respects of which he proposes to act under this Article of his title, as the holder of the shares or elect to have some person nominated by him and approved by the Board of Directors, registered as such holder, provided nevertheless, that if such person shall elect to have his nominee registered he shall testify the election by executing to his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares. This Article is referred to in these Articles as the Transmission Article.

60. A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may give discharge for any dividends or other moneys payable in respect of the share.

61. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the shares and generally under and subject to such conditions and regulations as the Board of Directors shall from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors.

62. For the purpose of the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with (same as provided in Section 108 of the Act) a properly stamped and executed instrument of transfer.

63. There shall be paid to the Company, in respect of the transfer or transmission of any number of shares to the same party, such fee, if any as the Directors may require.

64. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the Prejudice of persons having or claiming any equitable right, title or

interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or deferred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Board of Directors shall so think fit.

DEMATERIALISATION OF SECURITIES

64A. The provisions of this Article shall apply, in relation to dematerialization of securities of the Company, notwithstanding anything to the contrary contained in any other Articles.

1. For the purpose of this Article :

‘Beneficial Owner’ means a person or persons whose name is recorded as such With a depository, ‘SEBI’ means the Securities & Exchange Board of India; established under Section 3 of the Securities & Exchange Board of India Act, 1992 and

‘Depository’ means a company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration to act as depository under Securities & Exchange Board of India Act, 1992; and wherein the securities of the Company are dealt with in accordance With the provisions of the Depositories Act, 1996.

3. Every holder of or subscriber to securities of the Company shall have the option to receive certificates for such securities or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any securities in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates for the Securities.

If person opts to hold his Securities with the depository, the Company shall intimate such depository the details of allotment of the Securities, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the Securities.

4. All securities held by depository shall be dematerialized and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a depository in respect of the securities held by on behalf of the beneficial owners.

5.(a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner of the purposes of effecting transfer of ownership of securities of the Company on behalf of the beneficial owner.

(b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(c) Every person holding securities of the Company and whose name is entered as the beneficial owner of securities in the record of the depository shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities which are held by a depository and shall be deemed to be a Member of the Company.

6. Notwithstanding anything contained in the Act or these Articles to the contrary, where securities of the Company are held in depository, the records of the beneficiary ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

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

8. Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

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

10. The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMEBRS

65. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 39 of the Act shall be sent by the Board to every Member at his request within fifteen days of the request on payment of Re. 1/- for each copy.

BORROWING POWERS

66. The Board may, from time to time, at its discretion subject to the provisions of Section 292 of the Act and 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 purpose of the Company; provided that the Board shall not without the sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, that is to say, reserves not, set aside for any specific purpose.

67. 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, debentures or debenture-stock, or any mortgage, or other security on the undertaking of the whole or any part of the property of the Company (both present and future including its uncalled capital for the time being).

68. Any debentures, debenture-stock, bonds other securities may be issued at a discount 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. Debentures, debenture-stock, bonds or other securities with a right of conversion into or allotment of shares shall be issued only with sanction of the Company in General Meeting.

69. Save as provided in Section 108 of the Act, no transfer of debentures 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 the debentures.

70. If the Board refuses to register the transfer of any debentures, the Company shall, within one month from the date on which the instrument of transfer was lodged with the company, send to the transferee and to the transferor the notice of such refusal.

71. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company, and shall cause the requirements of Sections 118 and 125 and 127 to 144, both inclusive of the Act in that behalf to be duly complied with, so far as they are ought to be complied with by the Board.

72. The Company shall, if at any time it issues debentures, keep Register and Index of Debenture holders in accordance with Section 152 of the Act. The Company shall have the power to keep in any State or Country outside India a Branch Register of Debenture-holders, resident in that State or Country.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

73. The Company in General Meeting may convert any paid-up shares into stock; and when any shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their regulations as, and subject to which the shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may at any time re-convert any stock into paid-up shares of any denomination.

74. The holders of stock shall, according to the amount of stock held by them have the same rights, privileges and advantages as regards dividends and voting at the meetings of the Company, and other matters as if they held the shares from which the stock arose; but no such privileges or advantages (except participation in the dividends and profits of the Company and in the assets of winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

MEETING OF MEMBERS

75. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than annual General Meeting shall be Extraordinary General Meetings. The first Annual General Meeting shall be held within eighteen months from the date of incorporation of

the company and the next Annual General Meeting shall be held within six months after the expiry of the financial year in which the first Annual General Meeting was held and thereafter an Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 166(1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for on a time during business hours, on a day that is not a public holiday, and shall be held in the registered office of the Company or at some other place within the city in which the registered office of the Company is situated as the Board may determine and the Notices tailing the Meeting shall specify it as the Annual General Meeting. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall be entitled to attend and to be heard at any General Meeting which he attends on any part of the business, concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report (if not already attached in the Audited statement of Accounts) the proxy Register with proxies and the Register of Directors' Share holdings of which latter Register shall remain open and accessible during the continuance of the meeting. The Board shall cause to be prepared the Annual List of Members, summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with Sections 159, 161 and 220 of the Act.

76. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid-up capital as at the date carries the right of voting in regard to the matter in respect of which the requisition has been made.

77. Any valid requisition so made by members must state the object or objects of the meeting proposed to be called and must be signed by the requisitionists and be deposited at the office provided that such requisition may consist of several documents in file form each signed by one or more requisitionists.

78. Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if they do not proceed within twenty-one days from the date of the requisition being deposited at the office to cause a meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists, or such of their number as represents either a majority in value of the paid-up share capital of the Company as is referred to in Section 169(4) of the Act, which ever is less, may themselves call the meeting, but in either case, any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

79. Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.

80. Twenty-one days' notice at least of every General Meeting, Annual or Extraordinary and by whosoever called, specifying the day, place and hour of meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of an Annual General Meeting with the consent in writing of all the members entitled to vote thereat and in the case of any other meeting, with the consent of members holding not less than 95 percent of such part of the paid up share capital of the Company as gives a right to vote at the meeting any be convened by a shorter notice. In the case of an Annual General Meeting, if any business other (i) the consideration of the Accounts, Balance Sheets and Reports of the Board of Directors and Auditors (ii) the declaration of dividend, (iii) the appointment of Directors in place of those retiring (iv) the appointment of and fixing of remuneration of the Auditors, is proposed to be transacted then in that event there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business including, in particular, the nature of concern or interest, if any, therein of every director, and the Manager (if any). Where any such item of special business relates to or affects any other Company, the extent of shareholding interest in other company of every Director and the Manager, if any, of the Company shall also be set out in the Statement if the extent of such share-holding interest is not less than 20 percent of the paid-up share capital of that other company Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

81. The accidental omission to give any such notice as aforesaid to any of the members, or the non receipt thereof, shall not invalidate the holding of the meeting or any resolution passed at any such meeting.

82. No General Meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.

83. Five members present in person shall be quorum for a General Meeting.

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

85. If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the meeting, if convened by or upon the requisition of members shall stand dissolved, but in any other case the meeting shall stand adjourned to the same day in the next week or, if that day is a public holiday, until the next succeeding day which is not a public holiday, at the same time and place, or to such other day and at such other time and place in the city or town in which the office of the Company is for the time being situate as the Board may determine and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be quorum and may transact the business for which the meeting was called.

86. The Chairman (if any) of the Board shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Board, or if at any meeting, or if he shall be unable or unwilling to take the Chair, then the directors present may choose one of their member to be the Chairman of the meeting. If no director be present or if all the directors present decline to take the chair, then the Members present shall elect one of their number to be Chairman.

87. No business shall be discussed at any General Meeting except the election of a Chairman, while the chair is vacant.

88. The Chairman with the consent of the members may adjourn any meeting from time to time and from place to place in the city in which it is held but, no business shall be transacted at any adjourned meeting from which the adjournment took place.

89. At any General Meeting a resolution put to vote at the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least five members having the right to vote on the resolution and present in person or by proxy, or by the Chairman of the Meeting or by any member or members holding not less than one-tenth of the total voting power in respect of the resolution or by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid-up on all the shares conferring that right, and unless a poll is demanded, a declaration by the Chairman that a resolution has on a show of hands, been carried unanimously, or by a particular majority, or lost, and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution.

90. In the case of an equality of votes, the Chairman shall, both on a show of hands and at a poll (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a member.

91. If a poll is demanded as aforesaid, the same shall, subject to Article 89 be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the city or town in which the Office of the Company is for the time being situate and either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

92. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinize the vote given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a member (not

being an officer or employee of the Company) present at the meeting provided such member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a Scrutinizer from office and fill vacancies in the office of Scrutinizer from such removal or from any other cause.

93. Any poll duly demanded on the election of Chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith.

94. The demand for a poll except on the questions of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

VOTE OF MEMBERS

95. No member shall be entitled to vote either personally or by proxy, at any General Meeting or Meeting of a class of shareholders, either upon a show of hands or upon a poll 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 of lien.

96. Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every member not disqualified by the last preceding Article shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting rights of every member present in person or by proxy shall be in proportion to his shares of the paid-up equity share capital of the Company. Provided, however, if any preference share-holder be present at any meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 87, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.

97. On a poll taken at meeting of the Company a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he used or may abstain from voting.

98. A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy may vote whether on a show of hands or on a poll, by his committee or other legal guardian; and any such committee or guardian may, on poll vote by proxy, if any member be a minor, the vote in respect of his share or shares shall be by his guardian, or any of his guardians, if more than one, to be selected in case of dispute by the Chairman of the meeting.

99. If there be joint holders of any shares, any one of such person may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled thereto by the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint-holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these Articles to be deemed joint holders thereof.

100. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act, and such representative shall be entitled to exercise the same rights and powers (including the rights to vote by proxy) on behalf of the body corporate which he represents as the body could exercise if it were an individual member.

101. Any person entitled under Article 60, to transfer any share may vote at any General Meeting in respect thereof in the same manner, as if he were the registered holder of such shares, provided that forty eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

102. Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation, or be signed by an officer or any attorney duly authorised by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meeting.

103. An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or. It may appoint for the purpose of every meeting of the Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

104. A member present by proxy shall be entitled to vote only on a poll.

105. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office not later than forty eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

106. Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX of the Act.

107. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting.

108. No objection shall be made to the validity of any vote, except at any meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

108.A. Notwithstanding anything contained in the foregoing, the Company shall transact such business, as may be specified by the Central Government from time to time, through the means of postal ballot. In case of resolutions to be passed by postal ballot, no meeting need to be held at a specified time and space requiring physical presence of members to form a quorum. Where a resolution will be passed by postal ballot the company shall, in addition to the requirements of giving requisite clear days' notice, send to all the members the following:

i) Draft resolution and relevant explanatory statement clearly explaining the reasons therefor.

ii) Postal ballot for giving assent or dissent, in writing by members; and

iii) Postage prepaid envelope (by Registered Post) for communicating assents or dissents on the postal ballot to the company with a request to the members to send their communications within 30 days from the date of dispatch of Notice.

The Company shall also follow such procedure, for conducting vote by postal ballot and for ascertaining the assent or dissent, as may be prescribed by the Act and the relevant Rules made thereunder.

109. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking or a poll shall be the sole judge of the validity of every vote tendered at such poll.

110.(1) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.

(2) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of such meeting in such books shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or liability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.

(3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(4) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

- (5) All appointments of Officers made at any meeting aforesaid shall be included in the minutes of the meetings.
- (6) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the 'Chairman of the meeting:-
- (a) is or could reasonably be regarded, as, defamatory of any person or
 - (b) is irrelevant or immaterial to the proceedings, or
 - (c) is detrimental to the interest of the Company.

The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.

(7) Any such minutes shall be evidence of the proceedings recorded therein.

(8) The book containing the minutes of proceedings of General Meetings shall be kept at the office of the Company and shall be open during business hours for such periods not being less in the aggregate than two hours in each day as the Directors determine, to the inspection of any member without charge.

DIRECTORS

111.1. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors (excluding Debenture and alternate Directors, (if any) shall not be less than three nor more than twelve.

2. The first Directors of the Company were the following

- i) Mr. Mahabir Prasad Jalan
- ii) Mr. Girdhari Lal Agarwalla

112. If at any time the Company obtains any loan or any assistance in connection there with by way of guarantee or otherwise from any person, firm, body corporate, local authority or public body (hereinafter called "the institution") or if at any time the Company issues any shares, debentures and enters into any contract or agreement with the institution, whereby the institution subscribes for or underwrites the issue of the Company's shares or debentures or provides any assistance to the Company in any manner and it is a term of the relative loan, assistance, contract or agreement that the institution shall have the right to appoint one or more directors to the Board of the Company, then subject to the provisions of Section 225 of the Act and subject to the terms and conditions of such loan, assistance, contract or arrangement, the institution shall be entitled to appoint one or more director or Directors, as the case may be, to the Board of the Company and to remove from office any director so appointed and to appoint another in his place or in the place of Director so appointed who resigns or otherwise vacates his office. Any such appointment or removal shall be made in writing and shall be served at the office of the Company. The director or directors so appointed shall neither be required to hold any qualification share nor be liable to retire by rotation and shall continue in the office for so long as the relative loan, assistance, contract or arrangement, as the case may be subsists.

113. If it is provided by the Trust Deed, securing or otherwise in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debenture, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as Debenture Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be allowed to hold any qualification share.

113.A. If the Company at any time have a minimum paid up capital of Rupees Five Crore or such sum as may be prescribed and at least one thousand or more small shareholders, then the company may, suo motu or upon requisition of not less than one tenth of the total number of small shareholders, proceed to appoint a nominee from amongst small shareholders as a Director of the Company. The small 'shareholder's director shall before his appoint, file his consent, to act as a Director, in writing to the Company and the tenure of such appointment shall be three years at a time without retirement by rotation, but shall be eligible for reappointment for another tenure. He shall, however, not be appointed as Managing Director or Whole Time Director under any circumstances and shall be subject to same disqualifications and shall vacate his office on the same grounds as are applicable to other Directors, in pursuance of these Articles. The company shall follow such Rules as may be prescribed by the Central Govt. in this behalf.

No small shareholders' director appointed in accordance with the provisions of this Article shall hold office at the same time as "small shareholders' director" in more than two companies.

114. The Board may appoint an Alternate Director to act for a Director (hereinafter called "the Original Director") during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original director in whose place he has been appointed and shall vacate the office of the Original Director when he returns to that State. If the terms of office of the Original Director are determined before he so returns to that state, any provisions in the Act or in these Articles for the automatic reappointment of any retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

115. Subject to the provisions of Sections 260 and 264 of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be an Additional Director, but so that the total number of Directors shall not at any time exceed the maximum 12 fixed under the Article 111. Any such Additional Director shall hold office only up to the date of the next Annual General Meeting.

116. Until otherwise determined by the Company in General Meeting, a Director shall not be required to hold any shares in the capital of the Company as his qualification.

117. Without prejudice to the restrictions imposed by Section 226 of the Act, a Director who is required to hold qualification shares may act as a Director before acquiring such shares but shall, if he is not already qualified, obtain his qualification, and every Director other than a Director appointed by the Central or a State Government shall file with the Company a declaration specifying the qualification shares held by him within two months from his appointment as a director.

118. Subject to the provisions of Section 262, 264 and 284(6) of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy Any person so appointed shall hold office only up to the date to which the Director in whose place he is appointed would have held office if it had not been vacated by him.

119.

(1) Subject to the provisions of the Act, a Managing Director, or Managing Directors or Director who is/are in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

(2) Subject to the provisions of the Act, a Director who is neither in the wholetime employment; nor a Managing Director, may be paid remuneration either.

(i) by way of monthly, quarterly or annual payment with the approval of the Central Government,

or

(ii) by way of commission if the Company by a special resolution authorised such payment.

(3) The fees payable to a Director (including a Managing or whole-time Director, if any), for attending a Meeting of the Board or Committee thereof may be in accordance with and subject to the provisions of Section 309 of the Act or such other sum as the Company in General Meeting may from time-to time determine.

120. The Board may allow any pay to any director who is not a bonafide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified; and if any Director be called upon to go or resided out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any traveling or other expenses incurred in connection with business of the Company.

121. The continuing Directors may act notwithstanding any vacancy in their body but if, and so long as their number is reduced below the minimum number fixed by the Article 111 hereof, the continuing Directors not being less than three, may act for the purpose of increasing the number of directors to that number or for summoning a General Meeting but for no other purpose.

- 122.(1) The office of a Director shall ipso facto be vacated if :-
- (a) he fails to obtain within the time specified in sub-section (1) of Section 270 of the Act, or at any time thereafter ceases to hold, the share qualification, if any necessary for his appointment;
 - or
 - (b) he is found to be of unsound mind by a Court of competent jurisdiction; or
 - (c) he applies to be adjudicated an insolvent;
 - (d) or he is adjudged insolvent; or
 - (e) he is convicted by a Court in India of any offence and is sentenced in respect thereof to imprisonment for not less than six months; or
 - (f) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call; or
 - (g) he absents from three consecutive meetings of the Board or from all meetings of the Board for a continuous period of three months, whichever is the longer, without obtaining leave of absence from the Board; or
 - (h) he or any firm of which he is a partner or any private company of which he is a director, accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act; or
 - (i) he acts in contravention of Section 299 of the Act; or
 - (j) he has been removed from office in pursuance of Section 202 of the Act; or
 - (k) by notice in writing to the Company that he resigns his office; or
 - (l) any office or place of profit under the Company or under any subsidiary of the Company is held in contravention of Section 314 of the Act and by operation of that Section he is deemed to vacate the office.
- (2) Notwithstanding any matter or thing in sub-clauses (d), 9e) and (j) of clause (1), the disqualification referred to in those sub-clauses shall not take effect.
- (a) for thirty days from the date of adjudication sentence or order; or
 - (b) where an appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence, or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or
 - (c) where within the seven days aforesaid any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, of allowed, would result in the removal of the disqualification until such further appeal or petition is disposed of.

123.

(1) A Director or his relative, a firm in which such Director or relative is partner, or any other partner in such firm or a private company of which the Director is a member or a private company of which the Company is a member or director, may enter into any contract with Company for the sale, purchase or supply of any goods, materials, or services or for underwriting the subscription of any shares in, or debentures of the Company, provided that the sanction of the Board is obtained before or within three months of the date on which the contract is entered into in accordance with Section 297 of the Act.

- (2) No sanction shall, however, be necessary for
- (a) any purchase of goods and materials from the Company, or the sale of the goods or materials to the Company, by any such director, relative, firms partner or private company as aforesaid for cash at prevailing market prices; or
 - (b) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other side for sale, purchase or supply of any goods, materials and services in which either the Company or the director, relative, firm, partner or private company, as the case may be, regularly trades or does business, where the value of the goods and materials or the, cost of such services does not exceed Rs. 5,000/- (Rupees Five Thousand only) in the aggregate in any year comprised in the period of the contract or contracts.

Proved that in the circumstances of urgent necessity, a Director, relative, firm, partner or private company as aforesaid may 'without obtaining the consent of the Board enter into any such contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or the cost of such services exceeds Rs. 5,000/- (Rupees Five Thousand only) in the aggregate in any year comprised in the period of the contract and the consent of the Board shall be obtained to such contract or contracts at a meeting within three months of the date on which the contract was entered into.

124. A director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or proposed contract or arrangement entered into or to be entered into by or on behalf of the company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299(2) of the Act; provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the Directors of the Company either himself or along with his relatives holds or hold two per cent of the paid-up share capital in any such other company.

125. A General Notice given to the Board by the Directors, to the effect that he is a director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired of such general notice and no renewal thereof, shall be of effect unless it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

126. No director shall as Director take any part in the discussion of or vote on any contract or arrangement entered into by or on behalf of the Company, if he is in any way whether directly or indirectly concerned or interested in such contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided however, that nothing herein contained shall apply to :

(a) any contract of indemnity against any loss which the Directors or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company.

(b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely:

(i) in his being :

(a) a director in such company, and

(b) the holder of not more than shares of such number or value therein as is requisite to qualify him for appoint as a Director thereof, he having been nominated as such Director by the Company;

or

(ii) in his being a member holding not more than 2% of its paid-up share capital.

127. The Company shall keep a Register in accordance with Section 301(1) and shall within the time specified in section 301(2) enter therein such of the particulars as may be relevant having regard to the application thereto of Section 297 or Section 299 of the Act as the case may be. The Register aforesaid shall also specify, in relation to each Director of the Company the names of the bodies corporate and firms of which notice has been given by him under Article 125. The Register shall be kept at the office of the company and shall be open to inspection at such office, and extracts may be taken therefrom and copies thereof in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provision of Section 163 of the Act shall apply accordingly.

128. A Director may be or become a director of any company promoted by the Company or in which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as director or shareholder of such company except in so far as Section 209(6) or Section 314 of the Act may be applicable.

129. At every Annual General Meeting of the Company, one-third if 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, the number nearest to one-third shall retire from office.

130. Subject to Section 256(2) of the Act, the Directors to retire by rotation under Article 129 at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but as between persons who became directors on the same day, those who are to retire, shall, in default of, and subject to any agreement among themselves, be determined by lot.

131. A retiring Director shall be eligible for re-election.

132. Subject to Sections 258 and 259 of the Act, the Company at the General Meeting at which a Director retires in manner aforesaid may fill up the vacated office” by electing a person thereto.

133. (a) If the place of the retiring Director is not so filled up and the meeting has not expressly, resolved not to fill the vacancy, the meeting shall stand adjourned until the same day in the next week, at the same time and place.

(b) 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 so deemed to have been reappointed at the adjourned meeting, unless :

(i) at that meeting or at the previous meeting the resolution for the appointment of such Director has been put to the meeting and lost;

(ii) the retiring Director has, by a notice in writing addressed to the Company or its Board expressed his unwillingness to be so reappointed;

(iii) he is not qualified or is disqualified for appointment;

(iv) a resolution whether special or ordinary, is required for the appointment or reappointment by virtue of any provisions of the Act; or

(v) the provision to sub-section (2) of Section 263 of the Act is applicable to the case.

134. Subject to Section 259 of the Act and these Articles, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of directors, and may after their qualifications the Company (subject to the provisions of Section 284 of the Act) remove any Director before the expiration of his period of office and appoint another qualified person in his stead. The person so appointed shall hold Office during such time as the director in whose place he is appointed would have held the same if he had not been removed.

135.

(1) No person not being a retiring Director, shall be eligible for appointment to the office of director at any General Meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office.

(2) Every person (other than a director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 257 or the Act signifying his candidature for the office of Director) proposed as a candidate for the office of a Director, shall sign and file with the Company, the consent in writing to act as a Director, if appointed.

(3) A person other than a Director reappointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 262 of the Act, appointed as a Director or reappointed as an Additional or Alternate Director, immediately on the expiry of his term of office, shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

136. (a) The Company shall keep at its office a Register containing the particulars of its Directors, Managers, Secretaries and other persons mentioned in Section 303 of the Act and shall otherwise comply with the provisions of the said Section in all respects.

(b) The Company shall in respect of each of its Directors also keep at its office a Register, as required by Section 307 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.

137. (a) Every Director (including a person deemed to be a Director by virtue of the Explanation to sub-section (1) of Section 303 of the Act, Managing Director, Manager, or Secretary of the Company, shall within twenty days of his appointment to any of the offices in any other body corporate, disclose to the Company the particulars to his office in the other body which are required to be specified under sub-section (1) of Section 303 of the Act.

(b) Every Director and every person deemed to be a Director of the Company by virtue of sub-section (10) of Section 307 of the Act, shall give notice to the Company with the provision of that section.

MANAGING DIRECTOR

138. Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint from time to time any of its member or members as Managing Director or Managing Directors of the Company for fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit and subject to the provisions of Article 140, the Board may by resolution vest in such Managing Director or Managing Directors such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine. The remuneration of a Managing Director may be by way (monthly payment, fee for each meeting or participation in profits, or by any or all these modes, or any other mode not expressly prohibited by the Act.

139. The Managing Director or Managing Directors shall not exercise the powers to :

- (a) make calls on share holders in respect of money unpaid on the shares in the Company.
- (b) issue debentures; and except to the extent mentioned in the resolution passed at the Board meeting under Section 292 of the Act, shall also not exercise the powers to;
- (c) borrow moneys, otherwise than on debentures;
- (d) invest the funds of the Company, and
- (e) make loans.

140. The Company shall not appoint or employ, or continue the appointment or employment of a person as its Managing or whole-time Director who

- (a) is any discharged insolvent, or has at any time been adjudged as insolvent;
- (b) suspends, or has at any time suspended payment to his creditors, or makes, or has at any time made a composition with them; or
- (c) is, or has, at any time been convicted by a Court of an offence involving moral turpitude.

141. A Managing Director shall not while he continues to hold that office be subject to the retirement by rotation, in accordance with Article 129. If he ceases to hold the office of Director, he shall ipso facto and immediately cease to be a Managing Director.

PROCEEDINGS OF THE BOARD OF DIRECTORS

142. The Directors may meet together as a Board for the dispatch of business from time to time, and shall so meet atleast once in every three months and atleast four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.

143. Notice of every meeting of the Board shall be given in writing to every Director for the time being in India, and at his usual address in India; to every other Director.

144. The Secretary shall, as and when directed by the Directors to do so convene a meeting of the Board by giving a notice in writing to every other Director.

145. The Board shall appoint a Chairman of its meetings and determine the period for which he is to hold office. If no Chairman is appointed, or if at any meeting of the Board the Chairman is not present within five minutes after the time appointed, for holding the same, the Directors present shall choose some one of their members to be the Chairman of such meeting.

146. The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of the Section 287 of the Act. If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board it shall be adjourned until such date time as the Chairman of the Board shall appoint.

147. A meeting of the Board of which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board.

148. Subject to the provisions of Sections 316, 372A(4) and 386 of the Act and these Articles, questions arising at any meeting shall be decided by a majority of equality of votes, the Chairman shall have a second or casting vote.

149. The Board may subject to the provisions of the Act, from time to time and at any time delegate any of its powers to a committee consisting of such Director or Directors as it thinks fit, and may from time to time revoke such delegation. Any committee so formed shall, in the exercise of the powers so delegated, confirm any regulation that may from time to time be imposed upon it by the Board.

150. The meetings and the proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto, and are not superseded by any regulations made by the Board under the Article 149.

151. Save in those case where a resolution is required by Sections 262, 292, 297, 316 and 386 of the Act, to be passed at a meeting of the Board, and subject to these Articles, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee of the Board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee of the Board, as the case may be, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors, or members of the Committee, at their usual address in India, and has been approved by such of them as are then in India, or by a majority of them as are entitled to vote on the resolution.

152. All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

153. (1) The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in the books kept for that purpose with their pages consecutively numbered.

(2) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

(3) In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by a pasting or otherwise.

(4) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

(5) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings.

(6) The minutes shall also contain.

(a) the names of the Directors present at the meeting; and

(b) in the case of each resolution passed at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.

(7) Nothing contained in sub-clause (1) to (6) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting:

(a) is, or could reasonably be regarded as defamatory of any person.

(b) is irrelevant or immaterial to the proceedings; or

(c) is detrimental to the interest of the Company.

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.

(8) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

154. The Board may exercise all such powers of the Company and do all such acts, and things as are not, by the Act, or any other Act, or by the Memorandum, or by the Articles of the Company, required to be exercised by the Company in General Meeting subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by

the Company in General Meeting but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company in General Meeting:

(a) sell, lease or otherwise dispose of the whole, or substantially the whole of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole of any such undertaking.

(b) remit, or give time for the repayment of any debt due by a Director.

(c) invest, otherwise than in trust securities, the amount of compensation received by the Company in respect of the Compulsory acquisition of any such undertaking as is referred to in clause (a), or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time.

(d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate or the paid up capital of the Company and its free reserves - that is to say, reserve not set apart for any specific propose. Provided further that the powers specified in Section 292 of the Act shall, subject to these Articles, be exercised only at meetings of the Board, unless the same be delegated to the extent there in stated; or

(e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed twenty-five thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during the three financial years immediately preceding, whichever is greater.

155. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers; that is to say, power.

(1) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.

(2) To pay any charge to the capital account of the Company and Commission or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act.

(3) Subject to Sections 292 and 297 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;

(4) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in shares, bonds, debentures, mortgages, or other securities of the Company, and such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon all or any part of the property of the Company and its uncalled capital or not so charged;

(5) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the firm being or in such manner as they may think fit;

(6) To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;

(7) To appoint any person to accept and hold in trust for the Company and property belonging to the Company, in which it is interested, or for any other purposes; and execute such deeds and do all such things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;

(8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claim or demands by or against the Company and to refer any differences to arbitration, and observe and, perform any awards made thereon;

(9) To act on behalf of the Company in all matters relating to bankrupts and insolvents;

(10) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.

(11) Subject to the provisions of Sections 292 and 295 of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being shares of this Company),

or without security and in such manner as they think fit, and from time to time to vary the size of such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name;

(12) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability' whether as principal or surety, for the benefit of the Company, such mortgages of the Company's (present or future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.

(13) To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts and documents and to give the necessary authority for such purpose;

(14) To distribute by way of bonus amongst the staff of the Company, share or shares in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;

(15) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions; funds or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit; and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise;

(16) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund, or to an Insurance Fund, or as a Reserve Fund, or Sinking fund, or any Special Fund to meet contingencies or to repay Debentures or Debenture stock, or for special dividends or for equalized dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purpose (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 292 of the Act, to invest the several sums so set aside or so much thereof as required to be invested upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of any apply and expand all or any part thereof for the benefit of the Company, in such manner and for such purpose as the Board in their absolute discretion think conducive to the interest of the Company, notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and

to divide the Reserve Fund into such special Funds as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund to another Reserve Fund or division, of a Reserve Fund and with full power to employ the assets constituting all or any of the above Funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of Debentures or debenture-stock, and without being bound to keep the same, separate from the other assets and without being bound to pay interest on the same with power, however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.

(17) Subject to the provisions of the Act to appoint and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisor, clerks, agents and servants of permanent, temporary or special services as they may for time to time think fit, and to determine their powers and duties and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. Also from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India, or elsewhere in such manner as they think fit; and the provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.

(18) To comply with the requirements of any local law which in their opinion it shall, in the interest of the Company, be necessary of expedient or comply with;

(19) From time to time and at any time to establish any Local Board for managing any the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to the members of such Local Boards and to fix their remuneration;

(20) Subject to Section 292 & 293 of the Act from time to time and at any time, delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow or moneys, and to authorise the Members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such

appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.

(21) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these presents and excluding the powers to make calls and excluding also, except in their limits authorised by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of any company, or the shareholders, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly by the Board and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;

(22) Subject to Sections 294, 294A, 297 and 300 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such contracts and to execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient;

(23) subject to the provisions of Companies Act, 1956 the Board may pay such remuneration to Chairman / Vice Chairman of the Board upon such conditions as they may think fit.

THE SECRETARY

156. The Directors may from time to time appoint and at their discretion, remove the Secretary provided that where the Board comprises only three Directors, neither of them shall be the Secretary. The Secretary appointed by the directors pursuant to this Article shall be a whole-time Secretary. The Directors may also at any time appoint some person, who need not be Secretary to keep the registers required to be kept by the Company.

THE SEAL

157. (a) The Board shall provide a Common Seal for the purposes of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.

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

158. Every Deed or other instrument to which the seal of the Company is required to be affixed, shall unless the same is executed by a duly constituted attorney, be signed by two Directors or one Director and Secretary or some other person appointed by the Board for the purpose, provided that in respect of the Share Certificate, the Seal shall be affixed in accordance with the Article 19(a).

DIVIDENDS

159. The profits of the Company, subject to any special rights relating thereto created or authorized to be created by these Articles and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively.

160. The Company in General Meeting may declare dividends to be paid to members according to their respective rights, but no dividend shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

161. No dividend shall be declared or paid otherwise than out of the profits of the financial year arrived at after providing for depreciation in accordance, with the provisions of Section 205 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both, provided that;

(a) if the Company has incurred any loss in any previous financial year or years, the amount of the loss or any amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the company for the year for which the dividend is proposed to be declared or paid or

against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of sub-section (2) of Section 205 of the Act, or against both.

162. The Board may, from time to time, pay to the Members such interim dividend as in their judgment, the position of the Company justifies.

163. Where capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.

164. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.

165. The Board may retain the dividends payable upon shares in respect of which any person is under the Article 60 entitled to become a member or which any person under that Article is entitled to transfer; until such a person shall become a member, in respect of such shares or duly transfer; until such a person shall become a member, in respect of such shares or duly transfer the same.

166. Anyone of several person who are registered as joint-holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.

167. No member shall be entitled to receive payments of any interest or dividend in respect of his share or shares, while any money be due or owing from him to the Company in respect of such share or shares or otherwise howsoever, either alone or jointly with any other person or persons and the Board may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.

168. A transfer of share shall not pass the right to any dividend declared thereon before the registration of the transfer.

169. Unless otherwise directed, any dividend may be paid by cheque or warrant or by a pay-slip or receipt having the force of a cheque or warrant sent through the post to the registered address of the member or person entitled or in case of joint-holders to that one of them first named in the Register in respect of the joint-holdings. Every such cheque or Warrant shall be made payable to the order of the person to whom it lost in transmission, or for any dividend lost to the member of person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any pay-slip or receipt or the fraudulent recovery of the dividend by any other means.

170. No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the company shall comply with the provision of Sections 205A and 205C of the Act in respect of all unclaimed or unpaid dividends.

171. Any General Meeting declaring a dividend may, on the recommendation of the Directors, make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend and the dividend may, if so arranged between the Company and the member, be set off against the calls.

CAPITALISATION OF RESERVES

172. Any General Meeting may resolve that any moneys, investments, or other assets forming part of undivided profits of the Company standing to the credit of the Reserves, or any Capital Redemption Reserve Fund, in the hands of the Company and available for dividend or representing premiums received on the issue of shares and standing to the credit of the Share Premium Account 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 fund be applied on behalf of such members in paying up in full for any unissued shares, debentures, or debenture-stock 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

sum. Provided that any sum standing to the credit of a Share Premium Account or a Capital Redemption Reserve Fund may, for the purposes of this Article, only be applied in the paying up of un issued shares to be issued to members of the Company as fully paid bonus shares.

173. A General Meeting may resolve that any surplus money arising from the realisation of any capital asset of the Company or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income tax, be distributed among the members on the footing that they receive the same as capital.

174. For the purpose of giving effect to any resolution under the two last preceding articles hereof the Board may settle any difficulty which may arise in regard the distribution as it thinks expedient and in particular may issue fractional certificates, and may fix the value of distribution of any specific assets, and may determine that cash payment shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest such cash or specific assets in trustees upon such trusts for the persons entitled to the Board. Where requisite, a proper contract shall be filed in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the person entitled to the dividend or capital fund, and such appointment shall be effective.

ACCOUNTS

175. (1) The company shall keep at the office or at such other place in India as the Board thinks fit, proper Books of Account in accordance with Section 209 of the Act, with respect to

(a) all the sums of moneys received and expended by the Company and the matters in respect of which the receipts and expenditure take place.

(b) all sales and purchases of goods by the Company.

(c) the Assets and liabilities of the Company.

(2) Where the Board decides to keep all or any of the Books of Account at any place other than the office of the Company the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.

(3) The Company shall preserve in good order the Books of Account relating to the period of not less than eight years preceding the current year together with the vouchers relevant to any entry in such Books of Account.

(4) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to date at intervals of not more than three months are sent by the branch office to the Company at its offices at other place in India, at which the Company's Books of Account are kept as aforesaid.

(5) The Books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be and explain its transaction. The Books of Account and other books and papers shall be open to inspection by any Directors during business hours.

176. The Board shall from time to time determine whether and to what extent and at what times and place and under what conditions are regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors, and no person (not being a member) shall have any right of inspecting any account or books or document of the Company except as conferred by law or authorised by the Board.

177. The Directors shall from time to time, in accordance with Sections 201, 211, 212, 215, 216 and 217 of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheets, Profit and Loss Account and Reports as are required by these Sections.

178. A copy of every such Profit and Loss Account and Balance Sheet (including the Auditor's Report and every other document required by law to be annexed or attached to the Balance Sheet), shall at least twenty-one days before the meeting at which the same are to be laid before the members, be sent to the members of the Company, to holders of debentures issued by the Company (not being debentures which ex facie are payable to the bearer thereof); to trustees for the holders of such debentures and to all persons entitled to receive notice of General Meeting of the Company.

AUDIT

179. Auditors shall be appointed and their rights and duties regulated in accordance with Sections 224 to 233 of the Act.

180. The First Auditor or Auditors of the Company shall be appointed by the Board within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the First Annual General Meeting provided that the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons who have been nominated for appointment by any member of the Company and of whose nomination notice has been given to the members of the company not less than fourteen days before the date of the Meeting provided further that if the Board fails to exercise its powers under this Article, the Company in General Meeting may appoint the first Auditor or Auditors. The aforesaid provisions shall mutatis mutandis apply to any Secretarial Auditor appointed under the relevant provisions of the Act.

DOCUMENTS AND NOTICES

181. (1) A document or notice may be served or given by the Company on any member either personally or sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him.

(2) Where a document or notice is sent by post, services of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of positing or by registered post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of the doing so; service of the documents or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to have been effected in the case of Notice of a meeting at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.

182. A document or notice advertised in a newspaper circulating in the neighborhood of the Office shall be deemed to be duly served or sent on the day on which the advertisement appears to every member who has no registered address in India and has not supplied to the Company an address within India for serving of documents on or the sending of notices to him.

183. A document or notice may be served or given by the Company on or given to the joint-holders of a share by serving or giving the document or notice on or to the joint-holders named first in the Register of Members in respect of the share.

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

185. Documents or notices of every General Meeting shall be served or given in the same manner hereinbefore on or to (a) every member (b) every person entitled to a share in consequence of the death or insolvency of a member, and (c) the Auditor for the time being of the Company.

186. Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorised by the Board of Directors for such purpose and the signatures thereto may be written, printed or lithographed.

187. All documents or notices to be served or given by members on or to the Company or any office thereof shall be served or given by sending it to the Company or Officer at the Office by post under a certificate of posting or by

registered post, or by leaving it at the office.

WINDING UP

188. The Liquidator on any winding-up (whether voluntary, under supervision or compulsory) may, with the sanction of a Special Resolution but subject to the rights attached to any preference share capital, divide among the contributories in specie 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 as the Liquidator, with the like sanction shall think fit.

INDEMNITY AND RESPONSIBILITY

189. Every Officer or Agent for the time being of the Company shall be indemnified out of the assets of the Company against all liability incurred by him in defending any proceeding, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of Act, in which relief is granted to him by the Court.

SECRECY

190. Subject to the provisions of these Articles and the Act no member, or other person (not being a Director) shall be entitled to enter 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 to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature or 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 will be inexpedient in the interest of the Company to communicate.

191. [Intentionally left blank]

192. Subject to the requirements of applicable law, in the event of any conflict between the provisions of any of the Articles 1 to 190 (both inclusive) on the one hand and the provisions of any of the Articles 193 to 207 (both inclusive) on the other hand, the provisions of Articles 193 to 207 (both inclusive) shall apply and have overriding effect.

193. Unless the context otherwise requires, words or expressions contained in Articles 193 to 207 (both inclusive) shall have the meanings as provided below. Provided that any terms and expressions used but not defined specifically in Articles 193 to 207 (both inclusive) shall have the same meaning as ascribed to them in the IFC SHA:

"Accession Instrument" means a deed of adherence to the IFC SHA, with applicable amendments which are in form and substance satisfactory to each of the parties to the IFC SHA;

"Accounting Standards" means the Indian Accounting Standards prescribed by the Central Government and specified in Annexure A to the Companies (Accounting Standards) Rules, 2006, together with its pronouncements thereon from time to time and shall be deemed to include any alternate accounting principles including International Financial Reporting Standards adopted / promulgated by the Ministry of Corporate Affairs, India;

"Action Plan" means the plan or plans developed by the Company setting out the specific social and environmental measures to be undertaken by the Company, to ensure that the Company's Operations are undertaken in compliance with the Performance Standards;

"Additional Securities" has the meaning set forth in Article 194A(ii) (*Preemptive Right*);

"Adjustment Event" means any bonus issue, stock split, reclassification or share combination of, any of the Shares or Share Equivalents or merger, consolidation, split-up, exchange of shares, or other similar event affecting the total number of Shares or Share Equivalents held by IFC;

"**Affiliate**" with respect to any Person,

- (i) being a corporate entity, means any Person directly or indirectly Controlling, Controlled by or under common Control with, that Person;
- (ii) being an individual, means a Relative of that Person.

"**Annual Monitoring Report**" means the annual monitoring report setting out the specific social, environmental and developmental impact reporting requirements of the Company in respect of the Company Operations, as may be amended or supplemented from time to time;

"**Applicable Law**" means all applicable statutes, laws, ordinances, rules and regulations, including but not limited to, any license, permit or other governmental Authorization, in each case as in effect from time to time;

"**Applicable S&E Law**" means all applicable statutes, laws, ordinances, rules and regulations of the Country, including without limitation, all Authorizations setting standards concerning environmental, social, labor, health and safety or security risks of the type contemplated by the Performance Standards or imposing liability for the breach thereof;

"**Auditor(s)**" means the independent, external auditors of the Company; as of December 20, 2012, M/s Singhi & Co, are the external auditors of the Company;

"**Authority**" means any national, supranational, regional or local government, or governmental, statutory, regulatory, administrative, fiscal, judicial, or government-owned body, department, commission, tribunal, agency or entity, or central bank (or any Person whether or not government owned and howsoever constituted or called, that exercises the functions of the central bank);

"**Authorization**" means any consent, registration, filing, agreement, notarization, certificate, license, approval, permit, authority or exemption from, by or with any Authority, whether given by express action or deemed given by failure to act within any specified time period and all corporate, creditors' and shareholders' approvals or consents;

"**Authorized Representative**" means, in relation to the Company, any individual who is duly authorized by the Company to act on its behalf and whose name and a specimen of whose signature appear on the Certificate of Incumbency and Authority most recently delivered by the Company to IFC and, in relation to the Sponsor, any individual who is duly authorized by the Sponsor to act on its behalf and whose name and a specimen of whose signature appear on the Certificate of Incumbency and Authority most recently delivered by the Sponsor to IFC;

"**Big Four Accounting Firms**" means the Indian affiliate of PricewaterhouseCoopers, KPMG, Ernst & Young and Deloitte Touche Tohmatsu Limited and/or their associated chartered accountant firms;

"**Board of Directors**" or "**Board**" means the board of directors of the Company;

"**Business Day**" means a day when banks are open for business in New York, New York and Kolkata, India;

"**Business Plan**" means the annual business plan of the Company in the agreed form and thereafter, any revised plan that may be approved by the Board;

"**Buyer**" has the meaning set forth in Article 195(d)(i) (*Tag-Along Rights*);

"**CAO**" means the Compliance Advisor Ombudsman, the independent accountability mechanism for IFC that responds to environmental and social concerns of affected communities and aims to enhance outcomes;

"**CAO's Role**" means the role of the CAO which is:

- (a) to respond to complaints by Persons who have been or are likely to be negatively affected by the social or

- environmental impacts of IFC projects; and
- (b) to oversee audits of IFC's social and environmental performance, particularly in relation to sensitive projects, and to ensure compliance with IFC's social and environmental policies, guidelines, procedures and systems;

"Certificate of Incumbency and Authority" means a certificate provided to IFC by the Company, the Sponsors and any other Person executing the Accession Instrument pursuant to Article 195(b)(iii);

"Charter" means the memorandum of association and the articles of association of the Company;

"Coercive Practice" has the meaning set forth in the *Anti-Corruption Guidelines for IFC Transactions*;

"Collusive Practice" has the meaning set forth in the *Anti-Corruption Guidelines for IFC Transactions*;

"Company Operations" means the existing and future operations, activities and facilities of the Company (including the design, construction, operations, maintenance, management and monitoring thereof as applicable) in India;

"Competitor" means any Person who carries on the business of manufacture and supply of steel forgings in India, such that fifty per cent (50%) of such Person's revenue is derived solely from such business and its net sales is equal to or more than seventy five per cent (75%) of the net sales of the Company, determined as per latest available audited financial statements of the Company;

"Control" means the power to direct the management or policies of a Person, directly or indirectly, whether through the ownership of shares or other securities, by contract or otherwise; provided that, in any event, the direct or indirect ownership of twenty six per cent (26%) or more of the voting share capital of a Person is deemed to constitute Control of that Person, and **"Controlling"** and **"Controlled"** have corresponding meanings;

"Corrupt Practice" has the meaning set forth in the *Anti-Corruption Guidelines for IFC Transactions*;

"Country" means the Republic of India;

"Depository" means National Securities Depositories Limited and/or Central Depository Services Limited;

"Designated Sponsors" means the following Sponsors:

- (a) Mr. Mahabir Prasad Jalan, an Indian citizen having passport number Z2249637 and having his permanent residence at Flat No 6A, Belmont Apartments, 18/2 Alipore Road, Kolkata – 700 027;
- (b) Mr. Naresh Jalan, an Indian citizen having passport number Z2217402 and having his permanent residence at Flat No 6A, Belmont Apartments, 18/2 Alipore Road, Kolkata – 700 027;
- (c) Mrs. Rashmi Jalan, an Indian citizen having passport number F4841144 and having her permanent residence at Flat No 6A, Belmont Apartments, 18/2 Alipore Road, Kolkata – 700 027; and
- (d) Sponsor HUFs;

"Director" means an individual who is a member of the Board of the Company;

"Distribution" means: (a) the transfer of cash or other property without consideration, whether by way of dividend or otherwise; or (b) the purchase or redemption of Shares or Share Equivalents for cash or property, other than any repurchase of shares of the Company or Share Equivalents issued to or held by employees, officers, directors or consultants of the Company or its Subsidiaries pursuant to an employee stock plan, other than an employee stock plan in which the Sponsors and their Affiliates are not entitled to participate;

"Exchanges" means the equity trading segment of the stock exchanges of Bombay Stock Exchange Limited and National Stock Exchange of India Limited and any other stock exchange in addition to the above stock exchanges on

which the Shares of the Company may be listed from time to time, whether in India or overseas;

"**Exercise Period**" has the meaning set forth in Article 195(d)(iii) (*Tag-Along Rights*);

"**Financial Year**" means the accounting year of the Company commencing each year on 1 April and ending on the following 31 March, or such other period as the Company, from time to time designates as its accounting year in accordance with Article 199(j)(*IFC Consent Rights*);

"**Floor Price**" means the price per Equity Share computed as of the Relevant Date in accordance with regulation 76 of the ICDR Regulations;

"**FPO**" has the meaning set forth in Article 195(ddd) (i) (*Participation in FPO*);

"**Fraudulent Practice**" has the meaning set forth in the *Anti-Corruption Guidelines for IFC Transactions*;

"**Fully-Diluted Basis**" means the number of equity shares of the Company, or other Person, as applicable, calculated as if the then issued and outstanding relevant Share Equivalents, or share equivalents of such other Person, as applicable, had been exercised in full;

"**General Meeting**" means either an extraordinary general meeting of the Company's shareholders or the annual general meeting of the Company's shareholders;

"**HUF**" means Hindu undivided family as defined under Applicable Law in India;

"**ICDR Regulations**" means SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009;

"**IFC**" means International Finance Corporation, an international organization established by Articles of Agreement among its member countries including India;

"**IFC's Demat Account**" means the depository participant account of IFC maintained with the IFC DP bearing account number 10060779;

"**IFC DP**" means Citibank, NA (Depository Participant ID: IN300054), a participant within the meaning of the Depositories Act, 1996;

"**IFC FPO Threshold**" has the meaning set forth in Article 195(ddd)(ii) (*Participation in FPO*);

"**IFC Nominee Director**" has the meaning set forth in Article 196(a) (*Board Composition*);

"**IFC Proportional Put Exercise Notice**" has the meaning set forth in Article 195(dd) (iv) (*IFC Put Option*);

"**IFC Proportional Put Option**" has the meaning set forth in Article 195(dd)(i) (*IFC Put Option*);

"**IFC Proportional Put Option Shares**" has the meaning set forth in Article 195(dd) (ii) (*IFC Put Option*);

"**IFC SHA**" means the shareholders' agreement dated December 20, 2012, executed among IFC, the Sponsors and the Company;

"**IFC Subscription**" means any subscription of shares of the Company by IFC pursuant to the preferential allotment by the Company on January 19, 2013;

"**IFC Subscription Amount**" means the aggregate IFC Subscription Price paid for all Subscription Shares issued to IFC pursuant to the preferential allotment by the Company on January 19, 2013.

"**IFC Subscription Price**" means Indian Rupees One Hundred Twenty Eight (INR 128) per Subscription Share, subject to the same being not less than the Floor Price;

"Initial Subscription" means the Shares of the Company subscribed for by IFC pursuant to the preferential allotment by the Company on January 19, 2013;

"Initial Subscription Price" has the meaning set forth in Article 194A(ii) (*Preemptive Right*);

"Issue Notice" has the meaning set forth in Article 194A(ii) (*Preemptive Right*);

"Lien" means any mortgage, pledge, charge, assignment, hypothecation, security interest, title retention, preferential right, option (including call commitment), trust arrangement, right of set-off, counterclaim or banker's lien, privilege or priority of any kind having the effect of security;

"Liquidation Event" means any liquidation, winding up or bankruptcy, reorganization, composition with creditors or other analogous insolvency proceeding of the Company, whether voluntary or involuntary, or any petition presented or resolution passed for any such event or for the appointment of an insolvency practitioner;

"Material Adverse Effect" means a material adverse effect on:

- (a) the Company's assets or properties;
- (b) the Company's business prospects or financial condition;
- (c) the carrying on of the Company's business or operations;
- (d) the ability of the Company to comply with its obligations under any agreement executed with IFC pertaining to issuance of Subscription Shares to which it is a party or the Company's Charter; or
- (e) the ability of the Sponsor to comply with its obligations under any agreement executed with IFC pertaining to issuance of Subscription Shares to which it is a party;

"Minimum Float" has the meaning set forth in Article 195(ddd)(i) (*Participation in FPO*);

"New Securities" has the meaning set forth in Article 194A(viii) (*Preemptive Right*);

"Notification Date" has the meaning set forth in Article 194A(ii) (*Preemptive Right*);

"Obstructive Practice" has the meaning set forth in the *Anti-Corruption Guidelines for IFC Transactions*;

"Performance Standards" means IFC's Performance Standards on Social & Environmental Sustainability, dated January 1, 2012, copies of which have been delivered to and receipt of which has been acknowledged by the Company;

"Permitted Capital Infusion" means the equity capital of not more than Rupees One Thousand Two Hundred and Fifty Million (Rs. 1,250,000,000) raised by or to be raised by the Company (including the amount raised by the Company pursuant to the IFC Subscription);

"Person" means any individual, corporation, company, partnership, firm, voluntary association, joint venture, HUF, trust, unincorporated organization, Authority or any other entity whether acting in an individual, fiduciary or other capacity;

"Preferential Allotment" means preferential allotment under Section 81(1A) of the Companies Act, 1956 and/or under Chapter VII of the ICDR Regulations;

"Prevailing Share Capital" means Rupees Eighteen Million One Hundred and Forty Eight Thousand Five Hundred and Forty (Rs. 18,148,540) i.e. the total issued and paid up Shares and Share Equivalents of the Company calculated on a Fully Diluted Basis as on December 20, 2012;

"Private Arrangement" has the meaning set forth in Article 195(dd)(i) (*IFC Put Option*);

"Project" means the Company's capital expenditure program for setting up a press forging division at Baliguma Village, Post office – Kolabira, Thana-Saraikele, District-Saraikele-Kharswan, Jharkhand – 833220;

"pro-rata share" means, with respect to any Shareholder, the total number of issued and outstanding Shares and Share Equivalents held by the relevant Shareholder, expressed as a percentage of the total number of Shares and Share Equivalents then issued and outstanding, calculated on a Fully-Diluted Basis;

"Public Filing Rules" means:

- (a) ICDR Regulations;
- (b) Listing agreement executed among the Company and Bombay Stock Exchange Limited;
- (c) Listing agreement executed among the Company and National Stock Exchange of India Limited;
- (d) Any other listing agreements executed by the Company with the Exchanges;
- (e) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (f) SEBI (Prohibition of Insider Trading) Regulations, 1992;
- (g) SEBI Act, 1992 and the regulations, rules and directions issued thereunder; and
- (h) Companies Act, 1956 and the rules, regulations and circulars issued thereunder.

"Related Party" means any Person: (a) that holds a material interest in the Company; (b) in which the Company holds a material interest; (c) that is otherwise an Affiliate of the Company; (d) who serves (or has within the past six (6) months served) as a Director or Senior Management Personnel of the Company; or (e) who is a Relative of any of the Sponsors or Directors. For the purpose of this definition, "material interest" shall mean a direct or indirect ownership of shares representing at least twenty percent per cent (20%) of the outstanding voting power or equity of the Company or the Person in which the Company holds a material interest;

"Relatives" means, with reference to any natural Person, (i) lineal ascendants or descendants; and (ii) siblings, sibling's spouse and sibling's lineal descendants, of such Person;

"Relevant Date" means December 7, 2012;

"Relevant Parties" means the Company and the Sponsor and each of the other shareholders of the Company that agrees to become a party to the IFC SHA pursuant to an Accession Instrument;

"S&E Performance Report" means the S&E Performance Report, in form and substance satisfactory to IFC, setting out the specific social, environmental and developmental impact information to be provided by the Company in respect of the Company Operations;

"Sanctionable Practice" means any Corrupt Practice, Fraudulent Practice, Coercive Practice, Collusive Practice, or Obstructive Practice, as those terms are defined herein and interpreted in accordance with the Anti-Corruption Guidelines of IFC;

"Seller Shareholder" has the meaning set forth in Article 195(dd)(i) (*IFC Put Option*);

"Seller Shareholder Share Price" has the meaning set forth in Article 195(dd) (iii)(ab) (*IFC Put Option*);

"Seller Shareholder Shares" has the meaning set forth in Section Article 195(dd) (iii)(aa) (*IFC Put Option*);

"Selling Shareholder" has the meaning set forth in Article 195(d)(i) (*Tag-Along Rights*);

"Senior Management Personnel" means the senior officers employed in the management of the Company at or above the designation of vice president or equivalent thereof;

"Share(s)" means a fully paid up equity share of the face value of Rupees Ten (Rs. 10) of the Company;

"Share Capital" means the total issued and paid up Shares and Share Equivalents of the Company, determined on a Fully Diluted Basis;

"Share Equivalents" means preferred shares, bonds, loans, warrants, options or other similar instruments or securities which are convertible into or exercisable or exchangeable for, or which carry a right to subscribe for or

purchase, common shares of the Company or any instrument or certificate representing a beneficial ownership interest in the common shares of the Company, including global depository receipts or American depository receipts;

"**Shareholders**" means collectively, IFC, the Sponsors and any other shareholder of the Company that is a party to the IFC SHA or agrees to become a party to the IFC SHA pursuant to an Accession Instrument;

"**Shareholding**" means, in respect of any Person, at any point in time, the sum of Shares and Share Equivalents of the Company held by such Person, expressed as a percentage of the total Share Capital of the Company calculated on a Fully Diluted Basis;

"**Shell Bank**" means a bank incorporated in a jurisdiction in which it has no physical presence and which is not an Affiliate of a regulated bank or a regulated financial group;

"**Sponsor**" means the following Person:

1. Mahabir Prasad Jalan
2. Rashmi Jalan
3. Naresh Jalan
4. Naresh Jalan (HUF)
5. Mahabir Prasad Jalan (HUF)
6. Riddhi Portfolio Private Ltd
7. Eastern Credit Capital (P) Limited
8. Ramkrishna Rail And Infrastructure (P) Ltd
9. Clifftop Infrabuild (P) Ltd
10. Northeast Infra Properties (P) Ltd

"**Sponsor HUFs**" means Naresh Jalan (HUF) and Mahabir Prasad Jalan (HUF);

"**Sponsor Purchaser**" has the meaning set forth in Article 195(dd)(i) (*IFC Put Option*);

"**Sponsor Purchaser Notice**" has the meaning set forth in Article 195(dd) (iii) (*IFC Put Option*);

"**Statutory Float**" has the meaning set forth in Section Article 195(ddd)(vi) (*Participation in FPO*);

"**Sponsor Warrants**" means 3,077,000 (Three Million Seventy Seven Thousand) warrants to be issued and allotted by the Company to the Sponsors simultaneous to the IFC Subscription, each convertible into one Share against the payment of the Warrant Exercise Price for such Sponsor Warrant, at any time during the Warrant Exercise Period;

"**Subscription Notice**" has the meaning set forth in Article 194A(ii) (*Preemptive Right*);

"**Subscription Share(s)**" means the Shares of the Company subscribed for by IFC pursuant to the preferential allotment by the Company on January 19, 2013 and/or Share and Share Equivalents otherwise held by IFC from time to time;

"**Subsidiary**" means with respect to the Company, an Affiliate over fifty per cent (50%) of whose capital is owned, directly or indirectly, by the Company;

"**Tag Along Right**" has the meaning set forth in Article 195(d)(i) (*Tag-Along Rights*);

"**Tag Closing Date**" has the meaning set forth in Article 195(d)(viii) (*Tag-Along Rights*);

"**Tag Notice**" has the meaning set forth in Article 195 (d)(iii) (*Tag-Along Rights*);

"**Tagged Shares**" has the meaning set forth in Article 195(d) (iii) (*Tag-Along Rights*);

"**Transfer**" means to transfer, sell, convey, assign, pledge, hypothecate, create a security interest in or Lien on, place in trust (voting or otherwise), transfer by operation of law or in any other way subject to any encumbrance or

dispose of, whether or not voluntarily, and "**Transferring**" and "**Transferred**" have corresponding meanings;

"**Transfer Notice**" has the meaning set forth in Article 195(d) (iii) (*Tag-Along Rights*);

"**Unpurchased Securities**" has the meaning set forth in Article 194A (iv) (*Preemptive Right*);

"**Updated FPO Notice**" has the meaning set forth in Article 195(ddd)(i) (*Participation in FPO*);

"**Warrant Subscription Amount**" means amount equivalent to twenty five per cent (25%) of the Warrant Investment Amount;

"**Warrant Exercise Period**" means a period of eighteen (18) months from the date of allotment of the Sponsor Warrants;

"**Warrant Exercise Price**" means Rs. 130 (Rupees One Hundred Thirty) i.e. conversion price at which each Sponsor Warrant will convert into one Share of the Company;

"**Warrant Investment Amount**" means Rupees Four Hundred Million and Ten Thousand (Rs. 400,010,000) determined in accordance with the ICDR Regulations payable by the Sponsors to the Company in respect of the Sponsor Warrants;

"**Wayzata**" means WAYZATA II INDIAN OCEAN LIMITED, a company incorporated under the laws of Mauritius and having its registered office at Kross Border, St. Louis Business Centre, Cnr Desroches & St. Louis Streets, Port Louis, Mauritius;

"**Wayzata Investment Agreement**" means the subscription and shareholders agreement dated February 22, 2013, executed between the Company, Sponsors and the Investor;

"**Wayzata Proportional Put Exercise Notice**" has the meaning set forth in Section Article 195(dd)(ii) (*IFC Put Option*);

"**Wayzata Proportional Put Option**" has the meaning set forth in Article 195(dd)(ii) (*IFC Put Option*);

"**Wayzata Proportional Put Shares**" has the meaning set forth in Article 195(dd)(ii) (*IFC Put Option*);

"**World Bank**" means the International Bank for Reconstruction and Development, an international organization established by Articles of Articles among its member countries; and

"**World Bank Listing of Ineligible Firms**" means the list, as updated from time to time, of persons or entities ineligible to be awarded a World Bank Group-financed contract or otherwise sanctioned by the World Bank Group sanctions board for the periods indicated on the list because they were found to have violated the fraud and corruption provisions of the World Bank Group anticorruption guidelines and policies. The list may be found at <http://www.worldbank.org/debarr> or any successor website or location

194A. *Preemptive Right*

- (i) Till such time as IFC holds forty five per cent (45%) of its Initial Subscription, IFC shall have the right to purchase its pro-rata share of New Securities (as defined below) in the manner set out below.
- (ii) *If the Company proposes to issue New Securities, it shall give IFC written notice of its intention, describing the New Securities, their proposed issue price ("**Initial Subscription Price**"), subject to compliance with the applicable pricing guidelines, and their general terms of issuance, and specifying IFC's pro-rata share of such issuance (the "**Issue Notice**"). IFC shall have thirty (30) days after any such notice is delivered (the "**Notification Date**") to give the Company written notice that it agrees to purchase part or all of its pro-rata share of the New Securities for the Initial Subscription Price and on the terms specified in the Issue Notice (the "**Subscription Notice**"), subject to compliance with the*

Floor Price requirements, provided that IFC may fix a cap of not less than the Initial Subscription Price for its participation. IFC may also notify the Company in the Subscription Notice that it is willing to buy a specified number of the New Securities in excess of its pro-rata share of such issuance ("Additional Securities") for the same price and on the terms specified in the Issue Notice. It is hereby clarified that (a) IFC shall be entitled to subscribe to the New Securities at a price not in excess of the Initial Subscription Price notwithstanding any later decision by the Board or the Company to issue all or any of the New Securities in the same round of fund raising at a price in excess of the Initial Subscription Price; and (b) such issue of Equity Shares in the same round of funding at a price higher than the Initial Subscription Price shall not separately require the prior consent of IFC under these Articles 193 to 207..

- (iii) For the avoidance of doubt, the Company shall not issue any New Securities until the Notification Date.
- (iv) If IFC has indicated that it is willing to buy Additional Securities, the Company shall give IFC written notice of the total number of New Securities not taken up by other shareholders of the Company ("**Unpurchased Securities**") within five (5) days of the expiry of the thirty (30) day period referred to in Article 4A(b). Such notice shall specify the particulars of the payment process for the New Securities to be purchased by IFC pursuant to the Subscription Notice.
- (v) On the tenth (10th) Business Day after expiry of the thirty (30) day period referred to in Article 4A(b) or such later date as necessary for compliance with the Public Filing Rules or as agreed for the proposed issuance:
 - (i) IFC shall subscribe for the number of its pro-rata shares specified in the Subscription Notice;
 - (ii) if IFC has indicated that it is willing to buy Additional Securities and if the same is acceptable to the Company, IFC shall also subscribe to the number of Unpurchased Securities (not exceeding the number of Additional Securities indicated by IFC that it is willing to buy) at the price notified in the Subscription Notice; and
 - (iii) IFC shall pay the relevant consideration to the Company for the New Securities it is purchasing.
- (vi) Within five (5) Business Days from the date of payment of the consideration by IFC to the Company or such later date as necessary for compliance with the Public Filing Rules, the Company shall credit the New Securities into IFC's Demat Account and issue necessary instructions and cause the Company's register and transfer agent to record IFC as the legal and beneficial owner of the New Securities in the records of the Depository.
- (vii) Immediately after the subscription of pro-rata shares by IFC, the Company shall take all actions necessary for the New Securities to be promptly listed on the Exchanges.
- (viii) "**New Securities**" shall mean any Shares or any Share Equivalents; provided, that the term "New Securities" does not include:
 - 1) equity shares (or options to purchase equity shares) issued or issuable to officers, directors and employees of, or consultants to, the Company pursuant to an employee stock plan that has been approved by the Board of Directors;
 - 2) equity shares issuable upon the exercise or conversion of Share Equivalents in existence as of December 20, 2012;
 - 3) equity shares issued or issuable in connection with any stock split or stock

dividend of the Company;

- 4) Shares or Share Equivalents issued pursuant to the Permitted Capital Infusion at a price equal to or more than IFC Subscription Price;
- 5) equity shares issued or issuable pursuant to the bona fide acquisition of another Person by the Company by merger, purchase of substantially all of the assets of such Person, or exchange of shares or other transaction, in each case, approved by the Board of Directors; and
- 6) equity shares issued pursuant to issuance of bonus shares by way of capitalization of profits or reserves and /or rights issue.

194B.

- (a) Adjustment Event: Notwithstanding any provisions to the contrary contained in Articles 193 to 207, it is agreed between the Company, the Sponsors and IFC that, in case of an Adjustment Event, IFC Initial Subscription shall be adjusted proportionately for such Adjustment Event and it is such adjusted Initial Subscription that shall be taken into account for the purposes of calculating the thresholds for exercise of IFC rights under Article 201 (**Board Composition**), Article 199 (**IFC Consent Rights**), Article 210 (**Board Supermajority Requirements**), Article 215(d)(iii) (**Other Affirmative Covenants**), Article 195(a) (**Ownership and Share Retention**), Article 194A (**Preemptive Right**), Article 195(d) (**Tag-Along Rights**), Article 195(dd) (**IFC Put Option**), Article 195(ddd) (**Participation in FPO**), Article 195(e) (**Free Transferability of Subscription Shares**) and Article 195(f) (**Successor and Assigns**).
- (b) Till such time that IFC holds any Shares or Share Equivalents in the Company, the Company shall ensure that any issuance of Shares in the Company is in compliance with Article 195(b);

194C. *Subscription of Sponsor Warrants*

The Sponsors shall either (i) exercise their option to convert all Sponsor Warrants, each at the Warrant Exercise Price within the Warrant Exercise Period; or (ii) procure investment of an amount equal to the amount required to be brought in respect of unexercised Sponsor Warrants from a third party prior to the expiry of the Warrant Exercise Period on terms no more favorable than the IFC Subscription, other than as may be approved by IFC in writing; or (iii) invest an amount equal to the Warrant Investment Amount (less Warrant Subscription Amount) or amount required to be brought in respect of unexercised Sponsor Warrants prior to the expiry of the Warrant Exercise Period in the Company.

195. Notwithstanding any provisions to the contrary contained in Articles 193 to 207,

- (a) Till such time as IFC holds forty five per cent (45%) of its Initial Subscription:
 - (i) the Designated Sponsors shall, during the period commencing from the date of issuance of the Sponsor Warrants and until the Sponsor Warrants remain outstanding, collectively own directly or indirectly, (aa) at least thirty eight per cent (38%) in the aggregate, and (bb) at least twenty six and a half per cent (26.5%) free from any Liens, of both the economic and voting interests in the Company's Share Capital through ownership of Shares of the Company;
 - (ii) at all other times, the Designated Sponsors shall collectively own, directly or indirectly, (i) at least forty per cent (40%) in the aggregate, and (ii) at least thirty two per cent (32%) free from any Liens, of both the economic and voting interests in the Company's Share Capital, unless otherwise agreed upon by IFC in writing; and
 - (iii) subject to Article 195(b) (*Restricted Transfer and Issuance of Share Capital*), the Sponsor shall not Transfer any Shares or Share Equivalents unless, following such Transfer, the Sponsors shall remain in compliance with this Article 195(a).

(b) *Restricted Transfers and Issuance of Share Capital*

- (i) Notwithstanding anything to the contrary in Article 195, as long as IFC is a Shareholder in the Company or holds Share Equivalents:

(aa) the Sponsors shall not Transfer and the Company shall not issue or allot (except in case of a follow on public offering, renouncement of rights entitlement and any other public issuance, including a qualified institutional placement where the identity of the subscriber is not known to the Company), any Shares in the Company or Share Equivalents to, or in favour of, any of the individuals or entities named on: (A) lists promulgated by the United Nations Security Council or its committees pursuant to resolutions issued under Chapter VII of the United Nations Charter; or (B) the World Bank Listing of Ineligible Firms (see www.worldbank.org/debarr); and (bb) any Transfer by the Sponsors or issuance of Shares/Share Equivalents by the Company made in breach of Article 195(b) (i) shall be null and void.

- (ii) For avoidance of doubt, 195(b) (i) shall not apply in the case of any sale of Shares of the Company or Share Equivalents by the Sponsors on any Exchange, provided that such sale is not by way of a block deal.

- (iii) Till such time IFC holds any Shares or Share Equivalents, unless such restrictions are waived by IFC in writing, (aa) the Company shall not issue any Shares or Share Equivalents to any Person; and (bb) the Sponsors shall not Transfer any Shares or Share Equivalents to any Person, pursuant to a negotiated deal and/ or a block deal on any Exchange, if, following such issuance or Transfer, such Person will hold a Shareholding in the Company of five per cent (5%) or more, unless such Person:

(A) executes an Accession Instrument confirming that it shall be bound by Article 195(b)(i) (*Restricted Transfers and Issuance of Share Capital*) and Article 195(d) (*Tag-Along Right*), Article 199 (*IFC Consent Rights*) and Article 215(c)(i) (*Sanctionable Practices*), of these Articles, in respect of all Shares and/or Share Equivalents held or to be held by such Person and promptly provides copies of such executed Accession Instrument to each of the Shareholders. Provided however, notwithstanding the above, in case of issuance or Transfer of Shares or Share Equivalents to a financial investor, such financial investor shall be required to be bound by Article 195(d) (*Tag-Along Rights*) only if pursuant to the issuance or Transfer, the financial investor has a Shareholding of twenty six per cent (26%) or more in the Company; and

(B) delivers to each of the other Shareholder: (AA) a Certificate of Incumbency and Authority; (BB) a copy of the applicable corporate documentation of such Person authorizing the execution of the Accession Instrument and the subscription or purchase of the applicable Shares and/or Share Equivalents; and (C) any other documentation reasonably requested by other Shareholders.

- (iv) For avoidance of doubt, Article 195(b)(iii) shall not apply in the case of issuance of Shares by the Company by way of follow on public offering, renouncement of rights entitlement and any other public issuance, including a qualified institutional placement where the identity of the subscriber is not known to the Company and pursuant to Permitted Capital Infusion.

(c) *Accession Instrument*

If any Sponsor wishes to transfer any Shares or any Share Equivalents to any Affiliate, it shall require as a condition of the transfer that such Affiliate executes an Accession Instrument confirming that it shall have the same obligation as that of a Sponsor, in respect of the shares in the Company and/or Share Equivalents transferred to that Affiliate and shall comply with the provisions of the same.

(d) *Tag-Along Rights*

- (i) In the event that the collective Shareholding of the Sponsors falls below forty per cent (40%) of the Company's Share Capital on a Fully Diluted Basis, and any Sponsor (each, a "**Selling Shareholder**") (or any group of Selling Shareholders together) proposes to transfer its Shares or Share Equivalents, directly or indirectly, to any other Person (other than to another Sponsor or their Affiliates) (a "**Buyer**"), IFC shall have the right to participate in such transfer in accordance with this Article 195(d) (the "**Tag Along Right**"). The Selling Shareholders shall comply with the requirements of Article 195(b) (*Restricted Transfer and Issuance of Share Capital*) in respect to any proposed transfer of Shares or Share Equivalents hereunder. For avoidance of doubt, this Article 195(d) not apply in the case of any sale of Shares or Share Equivalents by the Sponsors on any Exchange, provided that such sale is not by way of a block deal.
- (ii) Each Selling Shareholder who owns Shares or Share Equivalents indirectly through one or more holding companies shall ensure that any disposal of any indirect interest in the Company is consummated as a transfer of the Shares or Share Equivalents, and not by a sale of any shares or share equivalents of any such holding company or holding companies, so as to ensure that IFC will be able to exercise its Tag Along Rights hereunder.
- (iii) The Selling Shareholders shall promptly, but in any case not later than forty-five (45) days prior to the proposed date of closing of any transfer described in Article 195(d) (i), give notice (the "**Transfer Notice**") to IFC. The Transfer Notice shall describe in reasonable detail the proposed transfer, including but not limited to the number and type of Shares and/or Share Equivalents proposed to be purchased by the Buyer, the consideration proposed to be paid by the Buyer, other material terms and conditions proposed by the Buyer in respect of such transfer, and the name and address of each proposed Buyer, accompanied, if available, by a draft share purchase agreement or other information reasonably requested by IFC. If IFC wishes to exercise its Tag Along Right, it shall give notice of the exercise (a "**Tag Notice**") to the Selling Shareholders within a period of fifteen (15) days after IFC's receipt of the Transfer Notice (the "**Exercise Period**") setting forth the number of Subscription Shares to be included in the proposed transfer (the maximum of such number of Subscription Shares to be determined with reference to Article 195(d)(iv) below) (the "**Tagged Shares**"). For the avoidance of doubt, IFC shall not be obligated to pay any fees or deal expenses (whether of the Selling Shareholder(s), any other Person or otherwise) in connection with the exercise of its rights under this Article 195(d).
- (iv) Subject to Article 195(d)(v) below, the maximum number of Tagged Shares shall be equal to the number (and if this is not a whole number, such number rounded to the nearest whole number) obtained by multiplying the number of the Shares and/or Share Equivalents on a Fully Diluted Basis proposed to be transferred by the Selling Shareholders by a fraction: (aa) the numerator of which shall be the number of Shares and/or Share Equivalents on a Fully Diluted Basis held by IFC (as of the date of the Tag Notice); and (bb) the denominator of which shall be the aggregate number of Shares and/or Share Equivalents on a Fully Diluted Basis held by all the Selling Shareholders, IFC and any investor contributing towards the Permitted Capital Infusion (as of the date of the Tag Notice).
- (v) If the proposed transfer by the Selling Shareholders would result in a change in the direct or indirect ownership of twenty per cent (20%) or more of the voting share capital of the Company on a Fully Diluted Basis or if following the proposed transfer, the Shares and Share Equivalents held by IFC would account for less than forty five per cent (45%) of its Initial Subscription, the maximum number of Tagged Shares shall be all of the Shares and Share Equivalents held by IFC.
- (vi) Upon receipt of the Tag Notice, the Selling Shareholders shall make all necessary arrangements with the Buyer in order that the Tagged Shares may be included in the relevant transaction and purchased by the Buyer on the same terms and conditions (including with respect to price) as described in the Transfer Notice and at the same time as the sale of Shares and Share Equivalents of the Company by such Selling Shareholders in the transaction. However, IFC shall not be required to make any representation or warranty to the Buyer, other than as to good title to the Tagged Shares, absence of Liens with respect to the Tagged Shares, customary representations and

warranties concerning IFC's power and authority to undertake the proposed transfer, and the validity and enforceability of IFC's obligations in connection with the proposed transfer.

- (vii) For the avoidance of doubt, IFC's Tag Along Right shall apply regardless of whether the Tagged Shares are of the same class or type of Shares or Share Equivalents which the Selling Shareholder(s) propose to transfer, provided that, to the extent such a difference in class or type exists, the consideration payable to IFC for the Tagged Shares shall be calculated as if all Shares and Share Equivalents held by the applicable Selling Shareholders and IFC which will be subject to a transfer under this Article 195(d) (assuming IFC exercises its Tag-Along Rights in full) had been converted into Shares of the Company on the date immediately prior to the date of the Tag Notice (to the extent not already in the form of Shares) at the conversion price which would be applicable on such date had such conversion occurred on such date.
- (viii) The Selling Shareholders shall have a period of thirty (30) days, subject to approvals /consents as required under the Applicable Law, from the expiration of the Exercise Period in which to transfer to the Buyer the shares and/or Share Equivalents originally proposed to be transferred, upon the terms and conditions (including with respect to price) specified in the Transfer Notice. If IFC has delivered a Tag Notice, the Selling Shareholders shall give IFC prior written notice of the closing date of the transfer (the "**Tag Closing Date**") at least five (5) Business Days prior to Tag Closing Date for the purchase by the Buyer of the Tagged Shares upon the terms and conditions (including with respect to price) as specified in the Transfer Notice and at the same time as the Selling Shareholders. If the Selling Shareholders do not complete the transfer within such thirty (30) day period, any proposed subsequent transfer by them of some or all of the shares and/or Share Equivalents originally proposed to be transferred shall again be subject to the provisions of this Article 195(d).
- (ix) If the Buyer refuses to purchase all the Shares being offered by the Selling Shareholders and the Tagged Shares, the number of shares to be transferred by the Selling Shareholders to the Buyer in such transaction shall be reduced by the number of Tagged Shares in order to accommodate the Tagged Shares in the transaction. For the avoidance of doubt it is hereby clarified that in the event any other investor in the Company, who has invested in the Company pursuant to the Permitted Capital Infusion, has also exercised its right to tag along and sell its Shares to the Buyer then the number of Shares being offered to the Buyer by IFC and the other investor shall be determined on pro rata basis i.e. proportionate to their Shareholding in the Company, and the number of shares to be transferred by the Selling Shareholders to the Buyer shall be reduced by such pro rata Tagged Shares and Shares of the other investor in order to accommodate the transfer by IFC and the other investor in the transaction.
- (x) Notwithstanding any provision to the contrary contained in these Articles, it is agreed between the Sponsors and IFC that the provisions of this Article 195(d) shall lapse and cease to have effect upon the Shareholding of IFC becoming less than forty five per cent (45%) of its Initial Subscription.
- (dd) *IFC Put Option.*
- (i) So long as IFC holds at least forty five per cent (45%) of its Initial Subscription, in the event that 1 (One) or more of the Sponsors ("**Sponsor Purchaser**") wishes to acquire any Shares of the Company from a shareholder holding 4% (Four Percent) or more of the Share Capital in the Company by itself or together with its Affiliates (other than another Sponsor and IFC) ("**Seller Shareholder**") pursuant to a Private Arrangement, then any acquisition of such Shares by the Sponsors shall be subject to the right of IFC to require the Sponsor Purchaser to purchase the IFC Proportional Put Option Shares from IFC in the manner set out in Article 195(dd)(ii) to Article 195(dd) (vi) below ("**IFC Proportional Put Option**").

For the purpose of this Article 195(dd), the word "Private Arrangement" shall mean a proposed Transfer of Shares either (aa) not on the stock exchange but in an off-market transaction; or (bb)

on the stock exchange but when the buyer and the seller have entered co-ordinated buy and sell orders, whether by way of a block sale or not;

- (ii) The number of Shares (“**IFC Proportional Put Option Shares**”) in respect of which IFC Proportional Put Option can be exercised by IFC shall be
 - (aa) up to a Pro Rata Fraction of the Seller Shareholder Shares, as may be decided by IFC at its own discretion, other than under (ac) below or
 - (ab) up to a Pro Rata Fraction of the Seller Shareholder Shares, as may be decided by IFC at its own discretion, in the event that (i) the balance Shares held by IFC on a Fully Diluted Basis after the reduction of the Pro Rata Fraction as computed under Article 195(dd)(ii)(aa) above amounts to less than forty five percent (45%) of its Initial Subscription; and (ii) Wayzata has exercised its right for a proportional put option under the Wayzata Investment Agreement within the timelines set out therein; or
 - (ac) all or any of the Shares held by IFC capped at the number of Shares proposed to be bought by such Sponsor Purchaser, as may be decided by IFC at its own discretion, in the event that (i) the balance Shares held by IFC on a fully diluted basis after the reduction of the Pro Rata Fraction as computed under Article 195(dd)(ii)(aa) above amounts to less than forty five percent (45%) of its Initial Subscription; and (ii) Wayzata has failed to exercise its right for a proportional put option under the Wayzata Investment Agreement within the timelines set out therein or has chosen to not exercise its proportional put option under the Wayzata Investment Agreement.

For the purposes of Article 195(dd), the fraction, the numerator of which is the Subscription Shares on a Fully Diluted Basis and the denominator is the total number of the Subscription Shares and the total number of Shares held by the Seller Shareholder on a Fully Diluted Basis, is referred to as the ‘Pro Rata Fraction’. Provided that, if Wayzata also intimates to the Sponsors and the IFC (at the address communicated by the Company to Wayzata) in writing within the timeframe provided in the Wayzata Investment Agreement (such notice being referred to as “**Wayzata Proportional Put Exercise Notice**”) about its intention to offer a part of the Shares held by Wayzata together with IFC pursuant to exercise of its put option provided in the Wayzata Investment Agreement (such option being referred to as “**Wayzata Proportional Put Option**” and the Shares being offered is referred to as “**Wayzata Proportional Put Shares**”), then the term Pro Rata Fraction shall mean the fraction, the numerator of which is the number of Subscription Shares on a Fully Diluted Basis and the denominator is the total number of Shares held by the Seller Shareholder, Wayzata and IFC on a Fully Diluted Basis.

- (iii) The Sponsor Purchaser shall give a written notice,
 - (aa) setting out the number of Shares owned by the Seller Shareholder that are proposed to be acquired by the Sponsor Purchaser (“**Seller Shareholder Shares**”);
 - (ab) setting out the price per Seller Shareholder Share at which the Sponsors intend to purchase the Seller Shareholder Shares (“**Seller Shareholder Share Price**”);
 - (ac) setting out the name of the Seller Shareholder and disclosure of the terms of the proposed acquisition from the Seller Shareholder as available and a confirmation that (i) the acquisition will be on a spot delivery for cash basis and no part of the consideration being paid in kind or in any other manner whatsoever; and (ii) that there are no other undisclosed special terms and conditions being offered by the Sponsors to the Seller Shareholder or any of its Affiliates; and
 - (ad) attaching the written offer and other documentation received from the Seller Shareholder

and / or sent by the Sponsor Purchaser evidencing such written offers;

to IFC with a copy to Wayzata (“**Sponsor Purchaser Notice**”). The Sponsor Purchaser shall ensure that the terms and conditions offered to IFC under the Sponsor Purchaser Notice are no less favourable to IFC than the terms and conditions offered to Seller Shareholder or Wayzata under the terms of the Wayzata Investment Agreement.

- (iv) Upon receipt of the Sponsor Purchaser Notice, IFC shall within 30 (Thirty) days thereof issue a notice to the Sponsor Purchaser with a copy to Wayzata (at the address communicated by the Company to IFC) setting out whether IFC chooses to exercise the IFC Proportional Put Option (“**IFC Proportional Put Exercise Notice**”).
- (v) In the event that IFC chooses to exercise IFC Proportional Put Option, then the Sponsor Purchaser shall simultaneously purchase all of the IFC Proportional Put Option Shares, the Wayzata Proportional Put Shares arising out of exercise by Wayzata of its Wayzata Proportional Put Option, if any, along with such balance number of Shares from the Seller Shareholder as is arrived at by reducing the IFC Proportional Put Option Shares, and the Wayzata Proportional Put Shares, if any, from the Seller Shareholder Shares, at the Seller Shareholder Share Price within 15 (Fifteen) days of the receipt of the IFC Proportional Put Exercise Notice or the Wayzata Proportional Put Exercise Notice, whichever is later. It is clarified, for the avoidance of doubt, that even if the purchase of the Seller Shareholder Shares is not consummated for any reason whatsoever, the Sponsor Purchaser shall continue to remain obliged to acquire any IFC Proportional Put Option Shares in the manner set out in these Articles. In no situation shall the Sponsor Purchaser purchase the Wayzata Proportional Put Shares prior to the purchase of the IFC Proportional Put Option Shares.
- (vi) In the event that IFC has failed to issue the IFC Proportional Put Exercise Notice then the Sponsor Purchaser shall have the right to acquire the Seller Shareholder Shares without having an obligation to also acquire the IFC Proportional Put Option Shares provided that such acquisition is on the same terms and conditions set out in the Sponsor Purchaser Notice and shall be completed within a period of 60 (Sixty) days from the issue of the Sponsor Purchase Notice. The Company shall not be liable to bear any cost or expenses in relation to the purchase of the Seller Shareholder Shares by the Sponsors or provide any indemnity or other similar protection to the Seller Shareholder or any other person in relation to such transaction.
- (vii) IFC agrees and undertakes not to initiate or participate in any discussion or negotiations with such Seller Shareholder for any proposed transaction relating to the sale or acquisition of Shares, until the consummation of the transaction in accordance with Article 195(dd)(v) or Article 195(dd)(vi), as the case may be.

(ddd) *Participation in FPO.*

- (i) In the event Wayzata has issued a notice to the Company to undertake a follow-on public offering of the Shares (“**FPO**”) in exercise of the rights available to Wayzata under the Wayzata Investment Agreement, then the Company shall and the Sponsors shall cause the Company to issue a written notice, within two (2) Business Days of the receipt of the notice from Wayzata intimating IFC of the exercise of such right by Wayzata under the Wayzata Investment Agreement and the material terms of the FPO, including a reasonable estimate of expenses for the FPO. Further, upon the issue of any subsequent notice by Wayzata to the Company and the Sponsors under the Wayzata Investment Agreement to intimate the issue size of the FPO (“**Minimum Float**”), the Company shall and the Sponsors shall cause the Company to issue a written notice, within two (2) Business Days of the receipt of such subsequent notice from Wayzata, intimating IFC of the Minimum Float proposed by Wayzata (“**Updated FPO Notice**”).

- (ii) In the event that the Shares held by Wayzata are not sufficient to meet the Minimum Float determined as per the Wayzata Investment Agreement (such balance number of Shares being referred to as the “**IFC FPO Threshold**”), then IFC shall have the right to offer the Subscription Shares for sale in such FPO, by intimation to the Company and the Sponsors, only to the extent of the IFC FPO Threshold.
- (iii) To exercise its rights under Article 195(ddd)(ii) above and participate in the FPO by way of offer for sale, IFC shall intimate the same in writing to the Sponsors and the Company within 30 (Thirty) days of receipt of the Updated FPO Notice together with the number of Subscription Shares it chooses to offer, subject to the IFC FPO Threshold. Upon receipt of such notice from IFC, the Company and the Sponsors shall ensure that the FPO includes an offer to the public of Subscription Shares to the extent so intimated by IFC. In the event that IFC does not respond within the said 30 (Thirty) days of receipt of the Updated FPO Notice or elects to not participate in the FPO, then IFC shall not have any further right to participate in the FPO.
- (iv) The Company shall and the Sponsors shall cause the Company to keep IFC fully informed of all material activities undertaken in connection with the FPO, as and when such activities are undertaken, by way of a written notice, including the terms and conditions of the FPO, issue size, pricing of the Shares and the selection (including terms and conditions) of the intermediaries and merchant banker, and such other information as may be requested by IFC from time to time.
- (v) The Company and the Sponsors agree that IFC shall not be treated as a ‘promoter’ of the Company, within the meaning under applicable regulations of the Securities and Exchange Board of India, in connection with the FPO, and shall use their best efforts to ensure the same.
- (vi) In the event the combined offering of the Shares by the Wayzata and IFC is not sufficient to comply with the number of Shares that are required for the FPO under the provisions of Applicable Law (“**Statutory Float**”) or in the event that IFC has not responded to the Wayzata FPO Notice as per Article 195(ddd)(iii) above or has not exercised its rights to participate in the FPO as per Article 195(ddd)(ii) above, then the Company shall be obliged to issue such number of Shares as may be required to meet the Statutory Float, which issue of Shares shall not require the separate consent of IFC notwithstanding anything to the contrary. Further, if the Company cannot issue such number of Shares for any reason whatsoever, then the Sponsors shall sell such number of Sponsor Shares as may be required to meet the Statutory Float requirements, provided that the Sponsors remain in compliance with the provisions of Article 195(a)(Ownership and Share Retention) after such sale of their Shares in the FPO.
- (vii) Notwithstanding the generality of the foregoing and notwithstanding anything to the contrary set out in this Article 195(ddd) but subject to compliance by the Sponsors with the provisions of Article 195(a) (Ownership and Share Retention), in the event that the combined offering of the Shares by Wayzata and IFC is not sufficient to comply with the Statutory Float, then the Sponsors shall be under an obligation to ensure that the balance number of Shares required to meet the Statutory Float are offered under the FPO, whether through issue of Shares by the Company, offer of the Shares held by the Sponsors or in any other manner whatsoever.
- (viii) Subject to Applicable Law, the expenses for a FPO by way of only an offer for sale, will be borne between the offering shareholders, including IFC, Wayzata and the Sponsors in proportion to the number of Shares being offered by the relevant shareholder. If however the Company issues Shares, in order to comply with Article 195(ddd)(vi) above, then the expenses for the FPO will be borne between the offering shareholders and the Company in proportion to the number of Shares being offered by the offering shareholders and the Company.
- (ix) Nothing in this Article 195(ddd) shall entitle IFC to make any of the decisions in relation to the FPO which Wayzata is entitled to make under the Wayzata Investment Agreement.

(e) *Free Transferability of Subscription Shares*

- (i) Subject to Applicable Law, and except as otherwise agreed upon between IFC and the Sponsors, the Subscription Shares shall be freely transferable, and tradable. If IFC Transfers Shares that are more than fifty five per cent (55%) of its Initial Subscription, in a single transaction to a single buyer, then, and only then, IFC shall have the right to assign to the proposed buyer of such Shares its rights under: (aa) Article 194A (***Pre-emptive Right***), (bb) Article 195(a) (***Ownership and Share Retention***); (cc) Article 202 (a)(ii), (b), (e), (f), (h), (i), (j), (k) and (l) (***IFC Consent Rights***); (dd) Article 202 (c) (***IFC Consent Rights***), except in the case where it relates to Shares, Share Equivalents or other equity security ranking pari passu with Subscription Shares; and (ee) Article 196 (***Board Composition***).

Provided that such buyer shall be entitled to exercise any or all of the rights mentioned herein above as long as its Shareholding does not fall below seventy per cent (70%) of the number of Shares transferred by IFC.

Provided further that, in the event IFC has assigned its rights pursuant to Article 195(e)(i) herein above, it shall lose all its rights in relation to the rights which have been transferred to the buyer.

- (ii) For the avoidance of doubt, it is clarified that the provision under Article 195(e)(i) shall not be applicable in the event such Transfer is made pursuant to exercise of IFC's Tag Along Right.
- (iii) Notwithstanding anything to the contrary in Articles 193 to 207, the Person to whom such rights are assigned by IFC shall not be entitled to further assign such rights to any Person and shall be bound by the obligation of IFC under Article 196(a), relating to the nominee Director not being a shareholder or a director or an employee of a Competitor.

(f) Successors and Assigns

None of the Sponsors, or the Company may assign, transfer or delegate any of its rights or obligations vis-à-vis IFC unless: (a) the assignee or delegatee executes an Accession Instrument; and in addition (b) in the case of an assignment by the Sponsor: (i) such Sponsor proposes to assign or delegate such rights or obligations in connection with a Transfer of its shares or Share Equivalents in accordance with the terms of these Articles; and (ii) any such Transfer is made in full compliance with Applicable Law. For the avoidance of doubt, the Sponsor shall be deemed to continue to have the rights and obligations vis-à-vis IFC until it has transferred all of its ownership in the Company (whether Shares or Share Equivalents) in accordance with the terms set forth in these Articles, and after such Transfer, it shall continue to have those rights and obligations which may have accrued prior to such Transfer.

- 196. (a) The composition of the Board shall at all times be in accordance with the Public Filing Rules. So long as IFC holds at least forty five per cent (45%) of its Initial Subscription, IFC shall have the right to nominate one (1) Director ("**IFC Nominee Director**") and the Sponsors and the Company shall ensure that such nominee, is promptly, at all times and from time to time, duly elected and appointed as a Director. Provided that such nominee is not a shareholder or a director or an employee of a Competitor.
 - (b) In addition to the committees that the Company is required to constitute and maintain under Public Filing Rules, the Board shall constitute and maintain, a remuneration and compensation committee whose members shall all be Directors. The IFC Nominee Director shall be eligible to be a member of the audit committee of the Board and the Sponsors and the Company shall ensure that, if required by IFC, such IFC Nominee Director is promptly appointed as the member of the audit committee.
197. IFC may require the removal of the IFC Nominee Director at any time and shall be entitled to nominate another Person as the IFC Nominee Director in place of any IFC Nominee Director so removed. In the event of the resignation, retirement or vacation of office of the IFC Nominee Director, IFC shall be entitled, subject to Article 196, to nominate another Person as the IFC Nominee Director in place of such IFC Nominee Director and in such event, the Sponsors and the Company shall take all such actions as maybe required, and ensure, to the fullest extent of all rights and powers available to them, that such nominee is

promptly, and at all times and from time to time thereafter, elected and appointed as the IFC Nominee Director in substitution of such predecessor.

198. (a) The Board shall meet at least once every quarter of each Financial Year.
- (b) Written notice of each meeting of the Board shall be given to all the Directors and their alternates, if any. Written notice of each meeting of a committee of the Board shall be given to the Directors on that committee and their alternates, if any. Written notice of a meeting under this Article 198 shall be sent to the address notified from time to time by the Directors and their alternates, if any, at least fifteen (15) days in advance of such meeting; provided that where, exceptionally, the Board or a committee of the Board is required to make a decision in circumstances in which the foregoing notice requirements cannot be observed, such notice requirements may be waived with the unanimous approval of majority of Directors entitled to vote on such resolution or, in the case of a meeting of a committee of the Board, majority of Directors on that committee who are entitled to vote on such resolution. It is hereby clarified that, the alternate directors appointed shall be entitled to receive the notice of the meeting of the Board in the event the Directors to whom they are alternate directors are unable to attend any meeting of the Board.
- (c) An agenda setting out in detail the items of business proposed to be transacted at a meeting of the Board together with necessary information and supporting documents shall be circulated to each of the Directors and their alternates, if any. An agenda setting out in detail the items of business proposed to be transacted at a meeting of a committee of the Board together with necessary information and supporting documents shall be circulated to each of the Directors on that committee and their alternates, if any. The agenda, information and documents shall be circulated at least seven (7) days prior to the date of the relevant meeting; provided that where, exceptionally, the Board or a committee of the Board is required to make a decision in circumstances in which the foregoing notice requirements cannot be observed, such requirement to circulate agenda, information and documents may be waived with the approval of majority of Directors entitled to vote on such resolution or, in the case of a meeting of a committee of the Board, majority of Directors on that committee who are entitled to vote on such resolution. Notwithstanding the provisions of Article 199(b) and (c) above, if the Board is required to take a decision on matters for which, under Applicable Law, notice is required to be given to all Directors, then the requirement of circulating the notice and the agenda, information and documents for such meeting may be waived only with the unanimous approval of all Directors.
- (d) The Company shall indemnify the IFC Nominee Director to the maximum extent permitted under Applicable Law for any costs, expenses or liabilities incurred by each such IFC Nominee Director in the course of, or in any way related to, his or her activities or his or her position as a Director.
- (e) The reasonable costs incurred by IFC Nominee Director in attending a meeting of the Board or a committee (including the reasonable costs of travel within India and attendance of an IFC Nominee Director) shall be reimbursed by the Company.
199. (a) The quorum for a meeting of the Board shall be in accordance with the Public Filing Rules. The quorum requirement for a meeting of the Board shall *mutatis mutandis* apply to the quorum requirement of a meeting of the committee of the Board.
- (b) In the absence of a valid quorum at a meeting of the Board or a committee of the Board, the meeting shall be adjourned to the same time and place not earlier than seven (7) days but no later than twenty-one (21) days thereafter, as the Chairman (or, if applicable, the chairman of the committee) may determine. The quorum requirements as set out in Article 199(a) shall also be applicable at such adjourned meeting
- (c) Any Director shall be entitled to participate in a meeting of the Board, at which he or she is not physically present, by video conference, in accordance with Applicable Law and the Chairman of such meeting shall ensure that such Director's observations are duly recorded in the minutes of such meeting.

200. No resolution shall be deemed to have been duly passed by the Board or a committee of the Board by circulation or written consent, unless the resolution has been circulated in draft form, together with the information required to make a fully-informed, good faith decision with respect to such resolution and appropriate documents required to evidence passage of such resolution, if any, to all Directors or to all Directors on the relevant committee at their usual address, and has been approved, in writing, by the Directors as are then in India, or approved, in writing, by majority of such of them as are entitled to vote on the resolution.
201. In addition to any other requirements that may be applicable under Public Filing Rules, the Company shall ensure that:
- (a) Not less than twenty one (21) days' prior written notice of all General Meetings shall be given to the Shareholders at their respective addresses notified by them to the Company in writing.
 - (b) An agenda and accompanying materials setting out the business proposed to be transacted at a General Meeting shall be circulated by the Company to the Shareholders at the same time as the notice referred to in Article 201(a). No business shall be transacted at any General Meeting duly convened and held other than that specified in the notice without the prior written consent of the representative of IFC.
 - (c) The Board shall provide the Company's previous Financial Year's audited financial statements to all Shareholders at least twenty one (21) days before the General Meeting which is held to approve and adopt such audited financial statements.
 - (d) The quorum for a General Meeting, including an adjourned meeting, shall be as per the requirement under the Public Filing Rules.
202. For so long as IFC holds at least forty five per cent (45%) of its Initial Subscription, the Company shall not take the following decisions or actions without the prior written consent of IFC:
- (a) amend or repeal the Company's Charter: (i) in any material manner, except to reflect any changes to be made pursuant to the Permitted Capital Infusion; (ii) in any way which may alter or change the rights, privileges or preferences of the Subscription Shares; or (iii) in contravention of the terms of the IFC SHA;
 - (b) change the designations, powers, rights, preferences or privileges, or the qualifications, limitations or restrictions of the Subscription Shares;
 - (c) create, authorize or issue any Shares, Share Equivalents or other equity security in the Company having a structural or legal preference over, or ranking *pari passu* with, the Subscription Shares with respect to any matter, including, without limitation, dividend rights, voting rights or liquidation preference, except in case of issue any Shares, Share Equivalents or other equity security in the Company pursuant to Permitted Capital Infusion ranking *pari passu* with the Subscription Shares;
 - (d) create, authorize or issue any Shares, Share Equivalents or other equity security in the Company, including in respect of Permitted Capital Infusion, at a price less than the IFC Subscription Price, except for issuance of shares pursuant to bonus issue, rights issue or pursuant to an employee stock plan subject to a cap of five per cent (5%) of the Prevailing Share Capital of the Company;
 - (e) authorize or undertake any arrangement for the disposal of more than five per cent (5%) of the gross block of assets or business of the Company, whether in one or a series of transactions, in a Financial Year;
 - (f) any amalgamation, merger, consolidation, reconstitution, restructuring or similar transaction that results in a change in Control of the Company;
 - (g) acquisition of any asset (including shares or securities) or undertaking of any Person by the Company

that results in the Company assuming total liabilities of more than Rupees Two Hundred Million (Rs. 200,000,000), except acquisition of any asset (other than shares or securities) to the extent required for the Project;

- (h) authorize or undertake any action in relation to a Liquidation Event, provided that in case of an involuntary Liquidation Event, the Company shall be entitled to file urgent applications, affidavits or respond to notices which are strictly procedural and necessary, or comply with the interim or final order or directions of a court of competent jurisdiction, if the IFC's written consent is not obtained within five (5) days of the Company notifying IFC of such event;
- (i) delisting of Shares from the relevant Exchange(s) where the Shares are listed;
- (j) remove or replace the Auditors or the internal auditors of the Company, except by a Big Four Accounting Firm or change the Financial Year of the Company;
- (k) authorize or undertake any reduction of capital or share repurchase, other than any repurchase of Shares or Share Equivalents of the Company issued to or held by employees, officers, directors or consultants of the Company pursuant to an employee stock plan; and
- (l) any change to the primary business of the Company or entering into a new business through a joint venture or a Subsidiary.

203. For so long as IFC holds at least forty five per cent (45%) of its Initial Subscription, the Company shall not take the following decisions or actions without the consent of at least seventy five per cent (75%) of the Board of Directors of the Company, present at a quorate meeting and are entitled to vote on such resolutions as per Applicable Law:

- (a) enter into any agreement, arrangement or transaction with any Related Party that involves or the aggregate value of which exceeds Rupees Twenty Five Million (Rs. 25,000,000) in the aggregate in any Financial Year. Provided that salaries payable to the Sponsors and the Directors, pursuant to the terms of employment approved by the Board, would be excluded from the calculation of the aforesaid threshold;
- (b) enter into any obligation outside of the normal course of business which involves the payment by it, in cash or otherwise, of amounts in excess of Rupees Ten Million (Rs. 10,000,000) in the aggregate in any Financial Year;
- (c) grant or enter into any material license, agreement or arrangement concerning any intellectual property rights;
- (d) declare, authorize or make any Distribution or redemption in relation to any Shares or Share Equivalents inconsistent with Company's Charter or dividend policy of the Company;
- (e) create any Subsidiary or entering into any joint venture except as set out in the Business Plan; or
- (f) make any amendment to the Business Plan.

204. *Notice to IFC*

- (a) Any notice, request or other communication to be given or made to or by IFC, by or to the Company and/or the Sponsors, as the case may be, shall be in writing. Any such communication shall be delivered by hand, established courier service or facsimile to the party to which it is required or permitted to be given or made at such party's address specified in the IFC SHA, designated by written notice to the other party, and shall be effective upon the earlier of (i) actual receipt and (ii) deemed receipt under Article 204(b).

- (b) Unless there is reasonable evidence that it was received at a different time, notice pursuant to this Article 204(a) is deemed given if: (i) delivered by hand, when left at the specified address of the recipient; (ii) sent by established courier services within a country, three (3) Business Days after posting it; (iii) sent by established courier service between two countries, six (6) Business Days after posting it; and (iv) sent by facsimile, when confirmation of its transmission has been recorded by the sender's facsimile machine.

205. OTHER COVENANTS

(a) *General Reporting Covenants*

- (i) The Company shall furnish to IFC the following information:
 - (aa) within ninety (90) days after the end of each Financial Year, annual financial statements (a balance sheet as of the end of such Financial Year and the related statements of income, shareholders' equity and cash flows for the Financial Year then ended) for the Company, audited in accordance with the Accounting Standards and certified by the Auditors, along with a copy of all management letters delivered by the Auditors; and
 - (bb) within forty-five (45) days after the end of each quarter of each Financial Year, unaudited quarterly financial statements for the Company, prepared in accordance with the Accounting Standards; and
 - (cc) no later than forty-five (45) days after commencement of each Financial Year, the proposed annual Business Plan.
- (ii) The Company shall irrevocably authorize the Auditors (whose fees and expenses shall be for the account of the Company) to communicate directly with IFC at any time regarding the Company's financial statements, accounts and operations, and provide to IFC a copy of that authorization. No later than thirty (30) days after any change in Auditors, the Company shall issue an Authorization (in substantially the same form) to the new Auditors (authorizing them to communicate directly with IFC at any time regarding the Company's financial statements, accounts and operations) and provide a copy thereof to IFC.
- (iii) The Company shall promptly provide to IFC such information as IFC from time to time requests with regard to any material developments in or affecting the Company's business.
- (iv) IFC may, by notice to the Company, elect not to receive any of the information described in this Article 205(a). In this case, the Company shall provide IFC with copies of all information publicly disclosed and/or filed, in compliance with the Public Filing Rules, rules and regulations of any automated quotation system on which any of its securities are listed and any Applicable Law.

(b) *IFC Policy Reporting Covenants*

- (i) The Company shall promptly notify IFC upon becoming aware of any: (aa) litigation or investigations or proceedings which have or may reasonably be expected to have a Material Adverse Effect; (bb) any criminal investigations or proceedings against the Company, the Sponsors, the Directors or Senior Management Personnel of the Company which have or may reasonably be expected to have a Material Adverse Effect, and any such notification shall specify the nature of the action or proceeding and any steps that the Company proposes to take in response to the same.
- (ii) Upon IFC's request, and with reasonable prior notice to the Company, the Company shall permit representatives of IFC and the CAO, during normal office hours, to:
 - (aa) visit any of the sites and premises where the business of the Company is conducted;
 - (bb) inspect any of the sites, facilities, plants and equipment of the Company;
 - (cc) have access to the books of account and all records of the Company; and
 - (cc) have access to those employees, agents, contractors and subcontractors of the Company who

have or may have knowledge of matters with respect to which IFC or the CAO seeks information;

provided that: (A) no such reasonable prior notice shall be necessary if special circumstances so require; and (B) in the case of the CAO, such access shall be for the purpose of carrying out the CAO's Role.

(iii) The Company shall:

(aa) within ninety (90) days after the end of each Financial Year, deliver to IFC the corresponding Annual Monitoring Report confirming compliance with the Action Plan, the social and environmental covenants set forth in these Articles and Applicable S&E Law, or, as the case may be, identifying any non-compliance or failure, and the actions being taken to remedy it, and including such information as IFC shall reasonably require in order to measure the ongoing development results of IFC's investment in the Subscription Shares (which information IFC may hold and use in accordance with IFC's Access to Information Policy, dated January 1, 2012, which is available at : [http://ifcnet.ifc.org/intranet/ifcpolproc.nsf/AttachmentsByTitle/700101IFCPolicyDisclosureInformation_Effective+Jan+1+2012/\\$FILE/700101IFCPolicyDisclosureInformation.pdf](http://ifcnet.ifc.org/intranet/ifcpolproc.nsf/AttachmentsByTitle/700101IFCPolicyDisclosureInformation_Effective+Jan+1+2012/$FILE/700101IFCPolicyDisclosureInformation.pdf));

(bb) within three (3) days after its occurrence, notify IFC of any social, labor, health and safety, security or environmental incident, accident or circumstance having, or which could reasonably be expected to have, any material adverse social and/or environmental impact or any material adverse impact on the implementation or operation of the Company Operations in compliance with the Performance Standards, specifying in each case the nature of the incident, accident, or circumstance and the impact or effect arising or likely to arise therefrom, and the measures the Company is taking or plans to take to address them and to prevent any future similar event; and keep IFC informed of the on-going implementation of those measures; and

(cc) include any DOTS (Development Outcome Tracking System) reporting required by IFC.

(iv) within ninety (90) days after the end of the expiry of any of the insurance policies referred to in Article 205(c)(vii) (*IFC Policy Covenants*), a certificate from an Authorized Representative confirming that, as of the date of such certificate, the Company maintains the insurance policies required to be maintained pursuant to Article 205(c)(vii) (*IFC Policy Covenants*) and providing reasons for any material changes in such insurance policies.

(v) IFC may, by notice to the Company, elect not to receive any of the information described in this Article 205(b). In this case, the Company shall provide IFC with copies of all information publicly disclosed and/or filed, in compliance with the Public Filing Rules and rules and regulations of or automated quotation system on which any of the Company's securities are listed and any Applicable Law.

(c) *IFC Policy Covenants*

(i) Sanctionable Practices

(aa) Each of the Relevant Parties hereby agrees that it shall not engage in (nor authorize or permit any Affiliate or any other Person acting on its behalf to engage in) any Sanctionable Practice with respect to the Company;

(bb) Each of the Relevant Parties further covenants that should it become aware of any violation of Article 205(c)(i)(aa), it shall promptly notify IFC; and

(cc) If IFC notifies the Company and/or any other Relevant Party of its concern that there has been a violation of Article 205(c)(i)(aa), the Company and any other such Relevant Party shall cooperate in good faith with IFC and its representatives in determining whether such a violation has occurred, and shall respond promptly and in reasonable detail to any notice from IFC, and shall furnish documentary support for such response upon IFC's request.

(ii) Affirmative Environmental Covenants

The Company shall

(aa) implement the Action Plan and undertake the Company Operations in compliance with the Performance Standards and Applicable S&E Law; and

(bb) periodically review the form of the Annual Monitoring Report and advise IFC as to whether revision of the form is necessary or appropriate in light of changes to the Company Operations and revise the form of the Annual Monitoring Report, if applicable, with the prior written consent of IFC.

(iii) Negative Environmental Covenant. The Company shall not amend the Action Plan in any material respect without the prior written consent of IFC.

(iv) UN Security Council Resolutions. The Company shall not enter into any transaction or engage in any activity prohibited by any resolution of the United Nations Security Council under Chapter VII of the United Nations Charter.

(v) Shell Banks. The Company shall not conduct business or enter into any transaction with, or transmit any funds through, a Shell Bank.

(vi) Directors and Officers Liability Insurance Policy. The Company shall, at all times, maintain a directors' and officers' liability insurance policy, providing adequate and customary coverage, provided the IFC Nominee Director has been appointed to the Board, with a financially sound and reputable insurer or insurers.

(vii) Insurance. The Company shall, at all times, insure and keep insured, at an agreed minimum level, with a financially sound and reputable insurer or insurers, all of its assets and business which can be insured, against insurable losses, and maintain any other insurance required by Applicable Law.

(d) *Other Affirmative Covenants*

The Company shall and the Sponsors shall ensure that:

(i) the Company shall undertake its business, activities and investments in compliance with Applicable Law;

(ii) the Company shall at all times comply with all requirements under the listing agreements executed between the Company and the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited, (including Article 36 thereof) and other Exchanges, together with any substitution or amendment thereon from time to time;

(iii) Other than as set out in these Articles or with the prior written consent of IFC, the Company shall not, at the time of IFC Subscription or at any time thereafter, create, authorize or issue any Shares, Share Equivalents or other equity security in the Company, to any Person, having a structural or legal preference over, or on terms more favourable than the terms on which Subscription Shares are issued to IFC; and

- (iv) any amendment to the Wayzata Investment Agreement shall not be made without the prior written consent of IFC

206. **TERMINATION OF CERTAIN ARTICLES**

Rights of IFC as set out under Article 194A (*Preemptive Right*), Article 195(a) (*Ownership and Share Retention*), Article 195(d) (*Tag-Along Rights*), Article 195(f) (*Successor and Assigns*), Article 196 (*Board Composition*), Article 202 (*IFC Consent Rights*), Article 203 (*Board Supermajority Requirements*), and Article 205(d)(iii) (*Other Affirmative Covenants*), shall lapse and cease to have effect upon the Shareholding of IFC becoming less than forty five per cent (45%) of its Initial Subscription. Further, notwithstanding anything to the contrary contained in Articles 193 to 207, IFC and the Sponsors agree that if, IFC's Shareholding falls below forty five per cent (45%) of its Initial Subscription, then, (i) the Persons required to execute the Accession Instrument pursuant to Article 195(b)(iii), shall execute the Accession Instrument only to accede to and be bound by Article 205(c)(i) (*Sanctionable Practices*) and Article 195(b)(i) (*Restricted Transfer and Issuance of Share Capital*); and (ii) the Persons required to execute the Accession Instrument pursuant to Article 195(c), shall execute the Accession Instrument only to accede to and be bound by, as a Sponsor, Article 205(c)(i) (*Sanctionable Practices*), Article 195(b)(i) (*Restricted Transfer and Issuance of Share Capital*) and Article 205(d) (i) and (ii) (*Other Affirmative Covenants*).

207. The Company shall give full effect to the provisions of any agreement that may be entered into between the Company and IFC in relation to the shareholding of IFC in the Company and its Subsidiaries as if those provisions are deemed to be an integral part of these Articles. Any dispute arising out of or in connection with the provisions contained in Articles 193 to 207 shall be subject to Section 8.04 and Section 8.10 of the IFC SHA.

208. Subject to the requirements of applicable law, in the event of any conflict between the provisions of any of the Articles 1 to 190 (both inclusive) on the one hand and the provisions of any of the Articles 209 to 226 (both inclusive) on the other hand, the provisions of Articles 209 to 226 (both inclusive) shall prevail and have an overriding effect.

209. Unless the context otherwise requires, words or expressions contained in Articles 209 to 226 (both inclusive) shall have the meanings as provided below, provided that any terms and expressions used but not defined specifically in Articles 209 to 226 (both inclusive) shall have the same meaning as ascribed to them in the Wayzata Investment Agreement:

“**Act**” means the Companies Act, 1956, as amended from time to time and shall include any statutory replacement or re-enactment thereof;

“**Adjourned Meeting**” has the meaning referred to it in Article 217(j)(iii) of the Articles;

“**Affiliate**” means and includes:

- (a) with respect to any Person, any other Person directly or indirectly Controlling, Controlled by or under common Control with such Person, and with respect to a Person being an individual, also includes, the Relatives of such Person and the entities Controlled by or together with such Relatives;
- (b) with respect to the Investor, over and above what is set out at (a) above, it shall also include (i) the manager, managing member, general partner, limited partner or management company of such entity; (ii) any pooled investment fund(s) and/or entity/entities managed by the same manager, managing member, general partner, limited partner or management company or by an entity Controlling, Controlled by, or under common Control with such manager, managing member, general partner, limited partner or management company; or (iii) such other Persons as may be notified by the Investor to the Promoters and may be acceptable to the Promoters, acting reasonably. It is hereby expressly clarified that portfolio companies of the Investor or of any fund

managed by the same investment manager as that of the Investor shall not be considered Affiliates of the Investor;

“**Amount Payable**” has the meaning referred to in Article 223(m)(ii);

“**Annual Business Plan**” means the annual business plan/strategy of the Company as prepared by the Company in accordance with the Base Case Business Plan, for each Financial Year starting from the Financial Year ended March 31, 2014, which has been approved by the Investor in accordance with the Wayzata Investment Agreement and these Articles;

“**Applicable Law**” means any statute, law, regulation, ordinance, rule, judgement, order, decree, bye-law, approval of any Governmental Authority, directive, guideline, policy, requirement or other governmental restriction or any similar form of decision of or determination by, or any interpretation having the force of law of any of the foregoing by any Governmental Authority having jurisdiction over the matter in question, in effect at the relevant time in India;

“**Applicable Anti-Corruption Laws**” means the Prevention of Corruption Act, 1988, the Prevention of Money Laundering Act, 2002 and any other similar law applicable, from time to time, where the Company conducts business, including any rules and regulations formed thereunder from time to time;

“**Articles of Association**” means the articles of association of the Company, as amended from time to time;

“**Base Case Business Plan**” means the first detailed business plan, detailing the business strategy, Project details including but not limited to the Project cost, means of finance, details of proposed capital expenditure, projected financial statements including income statements, balance sheet and cash flow for the next 5 (Five) Financial Years, of the Company starting from the Financial Year ended March 31, 2014, which is set out as schedule 3 of the Wayzata Investment Agreement;

“**Big Three Auditors**” means the auditing firms of Ernst & Young, KPMG and Deloitte & Touche, or their affiliates in India;

“**Board**” or “**Board of Directors**” means the duly constituted board of directors of the Company at any given point in time;

“**Business**” means the manufacture, production, sale, trade, marketing, distribution, import, export, supply or exchange of any Product;

“**Business Day**” means a day (other than a Saturday or Sunday) on which banks are open for general business in Kolkata, Mumbai and Mauritius;

“**Competitor**” means any Person engaged in a business or activity (on its own or through any Affiliate or non-individual associate, or through any franchise or supply agreement), or having any pecuniary interest in a business or activity which is similar to or in competition with the Business, or which can be reasonably said to be similar to or in competition with the Business provided however that in the event that the aggregate gross revenue of such Person (together with its Affiliates) from such businesses and / or activities specified above is less than Rs. 500,000,000 (Rupees Five Hundred Million) in a Financial Year, then such Person shall not be considered a Competitor;

“**Confidential Information**” means any and all confidential or proprietary information and materials, as well as all trade secrets, relating to the business, products, affairs, performance and finances, belonging to the Company, or the Investor, or to Persons who furnished such information, materials, and/or trade secrets to such parties with expectations of confidentiality (to the extent the receiving parties know or reasonably should know of such expectations) without limitation and regardless of whether such information or materials are expressly identified as confidential or proprietary, whether or not stored in any medium;

“**Connected Persons**” means:

- (a) the Promoters and their Affiliates, and any non-individual Affiliates of any of such Persons;
- (b) Affiliates of the Company;
- (c) Any company (other than the Company), sole proprietorship concern or partnership firm in / of which any of the Persons in (a) and (b) above are directors, partners, lenders, stakeholders or proprietors, *provided that* the same shall not include any company, corporation or other entity in which any of the Persons mentioned in (a) and (b) above individually or jointly, own, of record or beneficially, not more than an aggregate of 10% (Ten Percent) of the outstanding beneficial ownership / interest of such entity held in a purely passive capacity for investment purposes; and

“**Control**” together with its grammatical variations, when used with respect to any Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of the vote carrying securities, rights as to voting, by contract, provision in the constitutional or charter documents or otherwise howsoever;

“**Convertible Instruments**” means options, warrants, convertible preference shares (whether compulsorily convertible or not), convertible debentures (whether compulsorily convertible or not), bonds or any other financial instrument issued by the Company convertible into, or exchangeable for, Equity Shares at a later date;

“**Deed of Adherence**” means a deed of adherence in the form agreed upon between the Investor and the Promoters in accordance with the provisions of the Wayzata Investment Agreement;

“**Depository**” means the Central Depository Services (India) Limited or National Securities Depository Limited, as may be applicable in the context;

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

“**Disclosure Letter**” has the meaning referred to it in the Wayzata Investment Agreement;

“**Effective Date**” means February 22, 2013 which is the date of execution of the Wayzata Investment Agreement;

“**Eligible Banks**” means public sector banks and private sector banks regulated by the Reserve Bank of India and set out in the second schedule of the Reserve Bank of India Act, 1934;

“**Eligible NBFCs**” means non-banking finance companies registered with the Reserve Bank of India each having total assets of not less than Rs. 5,000,000,000 (Rupees Five Billion);

“**Encumbrance**” means any encumbrance including without limitation any security interest, claim, mortgage, pledge, charge, hypothecation, lien, lease, assignment, deed of trust, title retention, deposit by way of security, beneficial ownership (including usufruct and similar entitlements), or any other interest held by a third Person, and/or any adverse claim as to title, possession or use, and shall include any agreement and/or consent and/or any intent to create an encumbrance of whatsoever nature;

“**Equity Shares**” means the fully paid-up equity shares of the Company issued from time to time, together with all rights, obligations, title and interest in and to such shares;

“**Financial Year**” means a period of twelve months commencing from April 1 of a calendar year and ending on March 31 of the next calendar year;

“**FIPB**” means the Foreign Investment Promotion Board;

“**FPO**” means a follow-on public offering of the Equity Shares of the Company to the public which fulfils the

criteria specified by the Investor in the written notice to the Promoters and the Company and is permissible under the Applicable Law;

“**FPO Actions**” means any of the matters set out herein below:

1. Approve a resolution authorising the Board to undertake an FPO and to do all things necessary in connection with the FPO;
2. Approve any increase in authorised share capital of the Company, issue and allotment of new Equity Shares or other securities, sub-division of the existing Equity Shares or securities;
3. Approve the offering document, prospectus and any other document (in draft or final form, together with amendments thereto) to be issued by the Company in connection with the FPO;
4. Approve the adoption of amendments to the Memorandum of Association and Articles of Association, as required under Applicable Law, a Specified Stock Exchange / other stock exchange, any Governmental Authority or advisor to the FPO;
5. Procure the Directors nominated by the Promoters to exercise their vote on the Board to give effect to all decisions made by the Board in connection with the FPO;
6. Procure the nominated Directors of the Promoters to sign the offering document, certificates, applications for regulatory approvals, applications to stock exchanges, indemnity letters or agreements or any other document that is necessary in connection with the FPO, provided that the Board has approved or ratified such actions and authorised such Directors to do such acts or things;
7. Make, follow-up on and provide all assistance to procure all necessary applications for obtaining regulatory approvals required under Applicable Law for the FPO;
8. Provide, and procure the nominated Directors of the Promoters to provide all necessary information for the purposes of the offering document, any regulatory approval or as required by any stock exchange;
9. Appoint any advisors or intermediaries in connection with the FPO, including merchant bankers (underwriters), accountants and legal counsel, as identified and advised by the Investor;
10. Carry out roadshows in relation to the FPO at the cost of the offering Shareholders and the Company in proportion to the number of Equity Shares being offered by the relevant Shareholders and the Company;
11. Agree to lock-in and other non-disposal provisions (excluding the Investor Equity Shares) as required by Applicable Law; and
12. Enter into a mutually acceptable voting rights agreement;

“**FPO Updation Notice**” has the meaning referred to in Article 214(a);

“**fully diluted basis**” means that the calculation should be made assuming that all outstanding options, warrants and other securities convertible into or exercisable or exchangeable for Equity Shares (whether or not by their terms then currently convertible, exercisable or exchangeable), have been so converted, exercised or exchanged and in the event that there is a range of values at which the conversion can occur, then the fully diluted basis shall be considered on the basis of the highest value at which such conversion could potentially occur;

“**Fundamental Issues**” means any of the following matters:

1. The sale, Transfer or other disposition of all or substantially all of the assets or any interest therein or sale or disposition or transfer of any part of the undertaking and/or goodwill of the Company;
2. Any merger, disinvestment, acquisition, creation of a subsidiary, consolidation, reconstitution, reconstruction, recapitalisation, reorganisation or any other business

combination involving the Company and/or its subsidiaries;

3. Any action that may result in the occurrence of a Liquidation Event;
4. Any action that may directly or indirectly lead to a delisting of the Equity Shares from any of the Specified Stock Exchanges;
5. Appointment/dismissal of or any amendment to the terms of employment of the Promoters, the Managing Director, chief financial officer, any new chief executive officer, any new whole time directors, except in relation to replacement of nominees by the Promoters in terms of Article 217(f)(i) other than Mr. Mahabir Prasad Jalan and Mr. Naresh Jalan;
6. Any payments to any of the Individual Promoters and / or their Immediate Family other than in relation to the items set out at Article 223(j) of the Articles;
7. Change in the composition of the Board of Directors or the terms and conditions of the appointment of the Directors other than resignation of independent Directors and director appointed by IFC as per the IFC Investment Agreement;
8. Issuance or grant or buyback of Equity Shares, Convertible Instruments or any option in any form to acquire/subscribe to Equity Shares of the Company, except in relation to issuances permitted without the prior approval of the Investor under Article 210(a), increase/decrease or other alteration or modification in the authorised or issued number of Equity Shares/ Convertible Instruments or alteration in the rights attached to them;
9. Any amendment to the Memorandum of Association or Articles of Association;
10. Any incurrence of Indebtedness in excess of the amounts specified in the Annual Business Plan provided that any Indebtedness in the nature of term loans in excess of the term loan limits or in the nature of working capital loans in excess of the working capital limits set out in the Annual Business Plan shall require the prior written approval of the Investor;
11. Appointment or dismissal of the statutory auditors of the Company other than where the statutory auditor being appointed is one of the Big Three Auditors or M/s. Singhi & Co.;
12. Appointment or dismissal of the internal auditors of the Company, other than where the internal auditor being appointed is one of the Big Three Auditors;
13. Any action that will alter the rights and privileges of any Shareholder;
14. Any alteration in the terms and conditions of, and rights associated with the Investor Equity Shares and the Promoter Securities;
15. Any change in the Annual Business Plan (other than a variance of less than 5% (Five Percent), commencement of any new line of business, any diversification into business areas unrelated to its existing Business and/or acquisition, disposition or dilution of a substantial interest in any other Person and/or material deviations in operating expenses in the aggregate from the Annual Business Plan;
16. Any changes to material accounting or tax policies or practices of the Company other than those specifically required by the statutory auditors;
17. Any changes in the Financial Year of the Company for preparation of audited accounts;

18. Any action of the Company leading to a follow-on public offering of the Shares or the shares of any of its subsidiaries, including appointment of an investment banking firm for such purpose;
19. Declaration or payment of any dividends in excess of 25% (Twenty Five Percent) of profits after tax in the relevant Financial Year;
20. The approval of the qualifications set out by the auditors in the audited financials of the Company;
21. Any changes in the registered office of the Company other than within Kolkata or to Mumbai, Delhi or Chennai;
22. Acquisition or sale of any shares, securities, debentures and bonds in or of any other company by the Company and/or its subsidiaries, other than (i) the acquisition of Globe Forex & Travels Limited by the Company and the payment of an amount not exceeding Rs. 70,000,000 (Rupees Seventy Million) towards the acquisition of equity shares and an amount not exceeding Rs. 60,000,000 (Rupees Sixty Million) towards subordinated debt/ unsecured loan on or before June 30, 2013 and in accordance with the terms set out in the agreement dated December 22, 2012 executed between the Company and Globe Forex & Travels Limited, and as subsequently amended on January 9, 2013; and (ii) as approved by the Investor in the Annual Business Plan, when the aggregate amount involved in such acquisition or sale (whether done in a single tranche or multiple tranches) exceeds Rs. 50,000,000 (Rupees Fifty Million) and provided that any acquisition by the Company and/or its subsidiaries of any shares, securities, debentures and bonds in or of a Competitor would require the prior written consent of the Investor;
23. Transfer, assignment or licensing of any intellectual property owned by the Company other than to wholly owned subsidiaries of the Company;
24. Any loans granted to a third party (other than to a Connected Person, which shall be dealt with in accordance with the Wayzata Investment Agreement) including employees of the Company in excess of Rs. 150,000,000 (Rupees One Hundred and Fifty Million) in the aggregate, it being clarified that the existing loans provided by the Company to the trust formed pursuant to the Employee Stock Option Scheme, 2009 shall not be included in the limit of Rs. 150,000,000 (Rupees One Hundred and Fifty Million) above;
25. Any advances granted by the Company to a third party (other than to a Connected Person, which shall be dealt with in accordance with the Wayzata Investment Agreement) other than in the ordinary course of business or to trade creditors;
26. Any changes (other than preponement of vesting date of Equity Shares) to the Employee Stock Option Scheme, 2009, the trust deed dated July 9, 2009 executed between the Company and Mr. Mahabir Prasad Jalan, Mr. Naresh Jalan and Mr. Alok Sarada, and supplemented by the trust deed dated August 8, 2011 executed between the Company and Mr. Mahabir Prasad Jalan, Mr. Naresh Jalan, Mr. Alok Sarada, Mr. Dilip Kr. Patodia, Mr. Om Prakash Jhunjhunwala and Mr. Vijay Kumar Mishra in relation to the Employee Stock Option Scheme, 2009, any other documents in relation to the Employee Stock Option Scheme, 2009 or the creation of any other employee stock option scheme by the Company;
27. Any of the steps set out at clause 1 to clause 26 mentioned herein above with respect to any subsidiary of the Company; and

28. Any commitment or agreement to do any of the foregoing;

“**GAAP**” means generally accepted accounting principles in India consistently applied;

“**Governmental Authority**” means any governmental, semi-governmental, administrative, fiscal, judicial or quasi-judicial body, department, commission, authority, tribunal, agency or entity exercising powers conferred by Applicable Law and shall include, without limitation, the RBI, the SEBI, the FIPB and the Registrar of Companies;

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

“**IFC**” means the International Finance Corporation;

“**IFC Investment Agreement**” means collectively, (a) the subscription agreement dated December 20, 2012 executed between IFC, the Company and the Promoters; and (b) the shareholders agreement dated December 20, 2012 executed between IFC, the Company and the Promoters, and in the event that the agreements set out above are amended with the approval of the Investor in accordance with Article 216(b)(i), then the term IFC Investment Agreement shall refer to such amended agreements;

“**IFC Loan Agreement**” means the agreement dated September 28, 2012, executed between the Company and IFC for availing corporate loan of upto US\$ 14,000,000 (United States Dollar Fourteen Million);

“**IFC Proportional Put Exercise Notice**” has the meaning referred to it in Article 212(b)(iii)(aa);

“**IFC Proportional Put Option**” has the meaning referred to it in Article 212(b)(iii)(aa);

“**IFC Proportional Put Shares**” has the meaning referred to it in Article 212(b)(iii)(aa);

“**IFC Tag Along Shares**” has the meaning referred to it in Article 211(c)(viii) of these Articles;

“**IFC Transferee**” means the Person to whom IFC has transferred its rights in accordance with the IFC Investment Agreement;

“**Immediate Family**” means, in relation to each Individual Promoter, each of their (i) spouses; (ii) lineal descendants (including adopted children); and (iii) spouses of each of the lineal descendants (including adopted children);

“**Indebtedness**” means any indebtedness of the Company for or in respect of:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit, bill acceptance or bill endorsement facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease or operating lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing and which is repayable or to be settled in cash or kind;
- (g) any securities which are expressed to be redeemable or repayable in any manner whatsoever; and
- (h) any contingent liabilities to third parties (including all guarantees other than performance guarantees issued to customers in the ordinary course of business);

“**Individual Promoters**” means Mr. Mahabir Prasad Jalan, Mr. Naresh Jalan and Mrs. Rashmi Jalan;

“**Initial FPO Notice**” has the meaning referred to in Article 214(a);

“**Initial Subscription Price**” has the meaning referred to it in Article 210(d)(i);

“**Investor**” means **Wayzata II Indian Ocean Limited**, a company incorporated under the laws of Mauritius and having its registered office at Kross Border, St. Louis Business Centre, Cnr Desroches & St. Louis Streets, Port Louis, Mauritius;

“**Investor Consent for Promoter Transfer**” has the meaning referred to it in Article 211(a)(i) of these Articles;

“**Investor Director**” means the nominee director of the Investor appointed to the Board by the Company in accordance with the Wayzata Investment Agreement and Article 217(a) of these Articles;

“**Investor Equity Shares**” means the Equity Shares held by the Investor from time to time;

“**Investor Exercise Notice**” has the meaning referred to it in 211(c)(iii) of these Articles;

“**Investor Liquidated Damages Due**” has the meaning referred to in Article 223(m)(ii);

“**Investor Proportional Put Exercise Notice**” has the meaning referred to it in Article 212(d) of these Articles;

“**Investor Proportional Put Option**” has the meaning referred to it in 212(a) of these Articles;

“**Investor Proportional Put Option Shares**” has the meaning referred to it in 212(b) of these Articles;

“**Investor ROFR**” has the meaning referred to it in Article 211(c)(iii) of these Articles;

“**Investor ROFR Elected Shares**” has the meaning referred to it in Article 211(c)(iii) of these Articles;

“**Investor Tag-Along Right**” has the meaning referred to it in Article 211(c)(vi) of these Articles;

“**Investor Tag-Along Shares**” has the meaning referred to it in Article 211(c)(vi) of these Articles;

“**Investor Threshold**” means where the Investor Equity Shares aggregate to 45% (Forty Five Percent) of the total number of Investor Equity Shares acquired by the Investor under the Wayzata Investment Agreement and pursuant to the Share Purchase Agreement;

“**Investor Transferee**” has the meaning referred to it in Article 213(c) (i) of these Articles;

“**Liquidation Event**” with respect to the Company means any of the following:

- (a) compromise or arrangement with the creditors / lenders of the Company other than in the ordinary course of business;
- (b) appointment of a provisional or official liquidator or receiver for any of the assets of the Company; or
- (c) any voluntary or involuntary liquidation, dissolution or winding up;

“**Managing Director**” means the managing Director of the Company;

“**Memorandum of Association**” means the memorandum of association of the Company;

“**Minimum Float**” has the meaning referred to in Article 214(c);

“**Minimum Promoter Shareholding**” has the meaning referred to it in Article 211(a)(i) of these Articles;

“**New Investors**” has the meaning referred to it in Article 210(c) of these Articles;

“**New Securities**” has the meaning referred to it in Article 210(d) of these Articles;

“**Non-Dilutive Issuance**” means an issuance of non-convertible, redeemable securities by the Company on terms such that (a) the repayment / redemption of such securities is at par and no sooner than 5 (Five) years from the date of their issue on a door-to-door basis; and (b) the interest / coupon payments on such securities shall be at a rate that is less than SBI PLR + 4% (Four Percent) at the relevant point in time;

“**Original Meeting**” has the meaning referred to it in Article 217(j)(iii) of these Articles;

“**Participating Subscribers**” means, out of the Promoters, IFC and the Investor, the Persons participating in an issuance of New Securities. For the purpose of this definition it is clarified that reference to IFC means either IFC itself or the IFC Transferee;

“**Participating Subscribers’ Shares**” means the aggregate of the Equity Shares, on a fully diluted basis, held by the Participating Subscribers. It being clarified that in case the Participating Subscriber is IFC then the Participating Subscribers’ Shares shall include the Equity Shares, on a fully diluted basis, held by IFC at the relevant point in time and in case the Participating Subscriber is the IFC Transferee then the Participating Subscribers’ Shares shall include the Equity Shares, on a fully diluted basis, held by the IFC Transferee at the relevant point in time;

“**Permitted Encumbrances**” has the meaning referred to it in Article 211(b)(ii) of these Articles;

“**Person**” means any individual, corporation, company, partnership, firm, voluntary association, joint venture, Hindu undivided family, trust, unincorporated organization, Governmental Authority or any other entity whether acting in an individual, fiduciary or other capacity;

“**Prior Shareholders Agreement**” means the shareholders agreement dated January 20, 2006 executed inter alia between the Company and UTI Trust of India Investment Advisory Services Limited A/c Ascent India Fund (as amended and updated from time to time) and all other agreements and documents executed in connection therewith;

“**Private Arrangement**” means a proposed Transfer of Equity Shares either (i) not on the stock exchange but in an off-market transaction; or (ii) on the stock exchange but when the buyer and the seller have entered co-ordinated buy and sell orders, whether by way of a block sale or not;

“**Product**” means any or all kinds of automobile components;

“**Project Loan Agreements**” means the binding loan agreements with lenders for the Project for loans of

not less than Rs. 3,170,000,000 (Rupees Three Billion One Hundred and Seventy Million);

“**Project**” means the Company’s program for setting up a press forging division at Baliguma Village, Post office – Kolabira, Thana-Saraikela, District-Saraikela-Kharswan, Jharkhand – 833220;

“**Promoter**” means the following Persons:

- (a) Riddhi Portfolio Private Limited
- (b) Eastern Credit Capital Limited
- (c) Mr. Mahabir Prasad Jalan
- (d) Mrs. Rashmi Jalan
- (e) Mr. Naresh Jalan
- (f) Naresh Jalan HUF
- (g) Mahabir Prasad Jalan HUF
- (h) Clifftop Infrabuild Private Limited
- (i) Northeast Infraproperties Private Limited
- (j) Ramkrishna Rail and Infrastructure Private Limited

Which list may be amended in accordance with Article 223(c)(iii);

“**Promoter Contribution Default Event**” means the failure of the Promoter to pay at least Rs. 400,000,000 (Rupees Four Hundred Million) against the obligations of the Promoters to fund the Company, in accordance with the Wayzata Investment Agreement, within the stipulated time, and on the terms set out under the board resolution dated December 8, 2012 and in accordance with Applicable Law;

“**Promoter Purchaser**” has the meaning referred to it in Article 212(a) of these Articles;

“**Promoter Purchaser Notice**” has the meaning referred to it in Article 212(c) of these Articles;

“**Promoter Reimbursement Period**” has the meaning referred to in Article 223(m)(i);

“**Promoter Seller**” has the meaning referred to it in Article 211(c)(i) of these Articles;

“**Promoter Securities**” means the Equity Shares and Convertible Instruments held by the Promoters, from time to time;

“**Promoter Transfer Shares**” has the meaning referred to it in Article 211(c)(ii)(aa) of these Articles;

“**Promoter Transfer Share Price**” has the meaning referred to it in Article 211(c)(ii)(ab) of these Articles;

“**Promoter Warrants**” shall mean the warrants subscribed to by the Promoter in accordance with the terms and conditions of the Board resolution dated December 8, 2012;

“**Purchaser**” has the meaning referred to it in Article 211(c)(i) of these Articles;

“**RBI**” means the Reserve Bank of India;

“**Relative**” has the meaning referred to it in section 6 of the Act;

“**ROFR Cancellation Notice**” has the meaning referred to it in Article 211(c)(v) of these Articles;

“**ROFR Notice**” has the meaning referred to it in Article 211(c)(ii) of these Articles;

“**Rs**” or “**INR**” means Indian rupees, the official currency of India;

“**SEBI**” means the Securities and Exchange Board of India;

“**Seller Shareholder**” has the meaning referred to it in Article 212(a) of these Articles;

“**Seller Shareholder Shares**” has the meaning referred to it in Article 212(c)(i) of these Articles;

“**Seller Shareholder Share Price**” has the meaning referred to it in Article 212(c)(ii) of these Articles;

“**Shareholder**” means, at a given point in time, a holder of Equity Shares whose name is registered as a beneficial owner in the register of beneficial owners maintained by the Depository as the holder of such Equity Shares;

“**Share Purchase Agreement**” means a share purchase agreement executed by the Investor with UTI Trust of India Investment Advisory Services Limited A/c Ascent India Fund, the Company and Promoters, in form and substance acceptable to the Investor;

“**Specified Purchaser**” has the meaning referred to it in Article 213(e) of these Articles;

“**Specified Stock Exchanges**” means the National Stock Exchange Limited and the Bombay Stock Exchange Limited;

“**Statutory Float**” has the meaning referred to in Article 214(d);

“**Subscription Amount**” means Rs. 494,427,375 (Rupees Four Hundred and Ninety Four Million Four Hundred and Twenty Seven Thousand Three Hundred and Seventy Five);

“**Tag Along Shares**” has the meaning referred to in Article 211(c)(vii) of these Articles;

“**Tax**” or “**Taxation**” means all forms of taxation, duties, levies, imposts and social security charges, including without limitation income tax, minimum alternate tax, withholding tax, provident fund, employee state insurance and gratuity contributions, value added tax, customs, octroi and excise duties, service tax and other legal transaction taxes, real estate taxes, other municipal taxes and duties, environmental duties and any other type of taxes or duties in any relevant jurisdiction, together with any interest, penalties, surcharges or fines relating thereto, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction or country;

“**Transaction Documents**” means the Wayzata Investment Agreement and the Share Purchase Agreement, together with any other agreements or documents executed between the Company, the Promoters and the Investor, as amended, supplemented or replaced or otherwise modified from time to time;

“**Transfer**” means (in either the noun or the verb form and including all conjugations thereof with their correlative meanings) with respect to any ownership interests, the direct or indirect sale, assignment, Encumbrance, transfer or other disposition (whether for or without consideration, whether directly or indirectly, whether voluntary or involuntary or by operation of law) of any such ownership interests or of any direct or indirect beneficial interest therein or the creation of any third party interest in or over such ownership interests; and

“**Wayzata Investment Agreement**” means the subscription and shareholders agreement dated February 22, 2013 executed between the Investor, the Promoters and the Company with the recitals, schedules and annexures attached hereto, as amended, supplemented or replaced or otherwise modified from time to time, and any other document which amends, supplements, replaces or otherwise modifies the subscription and shareholders agreement;

210. **FURTHER ISSUANCE**

- (a) Any issue or allotment of Equity Shares or Convertible Instruments by the Company would be made in the following manner:

- (i) Any rights issue of Equity Shares where all the existing Shareholders have a right to participate on the same terms shall be made with an approval of the Board;
 - (ii) Any bonus issue of Equity Shares where all the existing Shareholders are entitled to receive Equity Shares *pro rata* to the number of Equity Shares held by them at the time of such bonus issue shall be made with an approval of the Board;
 - (iii) Any stock split of Equity Shares where the face value of all existing Equity Shares is split into equity shares with face value of a smaller denomination shall be made with an approval of the Board;
 - (iv) An issuance of Equity Shares upon conversion of the Promoter Warrants which shall be in accordance with the terms and conditions of the Board resolution dated December 8, 2012 and shall be made with an approval of the Board;
 - (v) Any employee incentive scheme linked to Equity Shares or Convertible Instruments including any employee stock option plan or employee stock option scheme shall be made with the prior written consent of the Investor and an approval of the Board;
 - (vi) Any issue or allotment of Equity Shares other than as set out in Articles 210(a)(i) to 210(a)(iv) above shall be made with the prior written consent of the Investor and an approval of the Board; and
 - (vii) Any issue of Convertible Instruments shall be made with the prior written consent of the Investor and an approval of the Board;
- (b) The Company shall not issue any other securities or instruments (other than as provided in Article 210(a) above) without the prior written consent of the Investor and approval of the Board, except for a Non-Dilutive Issuance as specified in Article 223(e)(ii) of the Articles.
- (c) The Company may raise funds by way of issue of Equity Shares or Convertible Instruments to existing Shareholders or third parties (hereinafter collectively referred to as the “**New Investors**”) in the manner set out in Articles 210(a)(i) and 210(a)(ii) above and subject to the terms of these Articles.
- (d) The Promoters and the Company expressly agree and undertake that in case of any preferential issue of Equity Shares or Convertible Instruments (“**New Securities**”) approved by the Investor in accordance with Article 210(a)(i) above,
- (i) the Investor shall have a right to subscribe to its *Pro Rata Fraction* of such New Securities, at its own discretion, at such price which is not more than the price offered to the New Investors (“**Initial Subscription Price**”), even if such subscription by the Investor would require the making of a public offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. For the purposes of this Article 210(d)(i), ‘*Pro Rata Fraction*’ means the number arrived at by multiplying the number of New Securities by a fraction, the numerator of which is the Investor Equity Shares and the denominator of which is the Participating Subscribers’ Shares;
 - (ii) the Investor shall also have the right to intimate the Company that the Investor is willing to subscribe for a specified number of New Securities in excess of its Pro Rata Fraction of the New Securities for the same price and on the same terms as set out in Article 210(d)(i). If the Investor has indicated that it would be willing to subscribe to additional securities under this Article 210(d)(ii) and if the offer is acceptable to the Company, then the Investor shall be entitled to subscribe to such additional securities in excess of its Pro Rata Fraction of the New Securities; and
 - (iii) the Investor shall be entitled to subscribe to the Equity Shares under Article 210(d)(i) and

210(d)(ii) at a price not in excess of the Initial Subscription Price notwithstanding any later decisions by the Board or the Company to issue all or any of the New Securities in the same round of fund raising at a price in excess of the Initial Subscription Price. Such issue of Equity Shares in the same round of funding at a price higher than the Initial Subscription Price shall not separately require the prior consent of the Investor under these Articles 209 to 226.

- (e) Without limiting the generality of the restrictions set out above, upon the occurrence of a Promoter Contribution Default Event, the following shall occur:
- (i) all the obligations of the Investor under the Wayzata Investment Agreement and these Articles and all restrictions applicable to the Investor under the Wayzata Investment Agreement and these Articles shall terminate and fall away, provided however that the Investor shall continue to be entitled to exercise all its rights under the Wayzata Investment Agreement and these Articles in the same manner as were available to the Investor prior to the occurrence of the Promoter Contribution Default Event and provided further that the Investor shall adhere to the relevant timeframes set out in the Wayzata Investment Agreement and these Articles, to the extent applicable, while exercising its rights under the Wayzata Investment Agreement and these Articles pursuant to this Article; and
 - (ii) The Promoters shall continue to remain obliged to infuse into the Company by way of subscription to Convertible Instruments or Equity Shares an amount equal to the balance amounts (such that the aggregate amount received by the Company from the Promoters is not less than Rs. 400,000,000 (Rupees Four Hundred Million)) and at a price per Equity Share (post conversion) which is not less than Rs. 130 (Rupees One Hundred and Thirty). For the avoidance of doubt it is hereby clarified that, any amount infused pursuant to subscription of New Securities only by the Promoters under Article 210(c) and Article 210(d) shall be calculated towards the fulfilment of the Promoters' obligation under this Article 210(e)(ii).

211. TRANSFER BY PROMOTERS

(a) Promoters Minimum Shareholding

- (i) Subject to the provisions of Articles 211(b)(ii) and 211(c)(i)(aa), and notwithstanding anything else to the contrary in Articles 209 to 226, the Individual Promoters shall at all times own, directly or indirectly, not less than 40% (Forty Percent) ("**Minimum Promoter Shareholding**") of the fully diluted Equity Share capital of the Company, free from all Encumbrances other than the Permitted Encumbrances. The Promoters shall not, directly or indirectly, Transfer any Promoter Securities nor permit any interest therein to any Person without the prior written consent of the Investor ("**Investor Consent for Promoter Transfer**") in the event that the Equity Shares held by the Individual Promoters, directly or indirectly, free from all Encumbrances other than the Permitted Encumbrances after such Transfer amount to less than the Minimum Promoter Shareholding. It is expressly clarified that all the terms and conditions set out in the Investor Consent for Promoter Transfer shall be an integral part of the approval of the Investor as if such terms and conditions were set out in these Articles and shall be binding on the Promoters. Any Transfer(s) which is not in strict compliance with such terms and conditions shall be treated as void.
- (ii) Notwithstanding anything to the contrary contained in the Articles, the Promoters and the Investor agree that the Transfer restrictions on the Promoters in the Wayzata Investment Agreement and/or the provisions contained in Articles 209 to 226 shall not be avoided by the holding of Equity Shares indirectly through a company or other entity that can itself be sold in order to dispose of an interest in Equity Shares free of such restrictions.
- (iii) The Minimum Promoter Shareholding shall be computed on a proportionate ownership basis in instances where the Individual Promoters hold Equity Shares in the Company indirectly through one or more other Persons included in the list of Promoters in the Articles. Without limiting the

generality of the restriction in Article 211(a)(ii) above, any issuance or sale of any equity shares in any of the non-individual Promoter entities shall be construed as an indirect dilution or sale of the Equity Shares held by the Promoters in the Company. Any sale or issuance of equity shares in any of the non-individual Promoter entities to any Person except to the other Promoters shall also require the prior written consent of the Investor in the same manner as set out under Article 211(a)(i) in the event that the sale or issuance would amount to the Individual Promoters holding, directly or indirectly, less than the Minimum Promoter Shareholding, free from all Encumbrances other than the Permitted Encumbrances. The Individual Promoters shall ensure that the non-individual Promoters shall not issue any convertible instruments.

- (iv) The Individual Promoters shall ensure that no Equity Shares or any other securities in the Company or in any of the non-individual Promoters are Transferred to, or issued in favour of, a Competitor under a Private Arrangement, without the prior written approval of the Investor. Nothing in this Article 211(a)(iv) shall prevent a transfer of Promoter Equity Shares by a Promoter to another Promoter.

(b) **Permitted Sale and Encumbrances by Promoters**

- (i) The *inter-se* Transfer of Promoter Securities between the Promoters shall be permitted without the prior written consent of the Investor.
- (ii) The Promoters shall be permitted to create Encumbrances over not more than 2,400,000 (Two Million Four Hundred Thousand) Equity Shares of the Company held by the Promoters in favour of Eligible Banks and Eligible NBFCs (“**Permitted Encumbrances**”) *provided however that* (a) if any of the Encumbrances are enforced (and the Equity Shares sold or transferred) and the balance Equity Shares held by the Promoters, free of all Encumbrances, amount to less than the Minimum Promoter Shareholding, then the Promoters shall acquire, subject to Article 212 below, such number of further Equity Shares in the Company within 90 (Ninety) days of such enforcement which would result in the Promoters holding equal to or not less than the Minimum Promoter Shareholding; and (b) such Encumbrances are not being created in favour of a Competitor.
- (iii) The Individual Promoters shall ensure that no Encumbrance is created over the equity shares or other securities of any non-individual Promoter which are held by the Promoters, without the prior written consent of the Investor.

(c) **Conditional Transfers by Promoters**

- (i) Subject to Article 211(a) above, in the event that any Promoter desires to sell legal title to or beneficial interest in any of the Promoter Securities held by such Person (“**Promoter Seller**”) under a Private Arrangement to any *bona fide* intended purchaser(s) (each such proposed purchaser being referred to as a “**Purchaser**”) after having received a genuine binding or non-binding offer in writing from such Purchaser, such Promoter Seller shall do the following:
 - (aa) In the event that such sale by the Promoter Sellers would not require the prior written consent of the Investor under the provisions of Article 211(a) or 211(b), then the Promoter Seller may undertake the proposed sale without such sale being subject to the right of first refusal of the Investor below and to the Investor Tag-Along Right of the Investor below;
 - (ab) In the event the Promoter Seller sells not less than 5% (Five Percent) of the fully diluted Equity Share capital in the Company to a Purchaser, such Purchaser not being another Promoter, (including the Affiliates of such Purchaser and any person acting in concert with such Purchaser, whether in a single transaction or a series of transactions until the cessation of the rights in terms of Article 225 under a Private Arrangement), then the Promoter Seller may undertake the proposed sale subject to receipt of the prior written consent of the Investor in relation to the identity of the proposed Purchaser, it being

clarified that such sale shall not be subject to the right of first refusal of the Investor below and to the Investor Tag-Along Right of the Investor below; and

- (ac) In the event that such sale would require the prior written consent of the Investor under Article 211(a) or Article 211(b); then the Promoter Seller may undertake the proposed sale subject to (a) receipt of the Investor Consent for Promoter Transfer; (b) the right of the Investor to exercise the Investor ROFR; and (c) the right of the Investor to exercise the Investor Tag-Along Right.

Right of First Refusal of Investor

- (ii) In the event that the Investor has provided an Investor Consent for a Promoter Transfer under Article 211(c)(i)(ac) above, then the Promoter Seller shall give a written notice,

- (aa) setting out the number of Promoter Securities proposed to be transferred (“**Promoter Transfer Shares**”);
- (ab) setting out the price per Promoter Transfer Share at which it intends to sell the Promoter Transfer Shares, if any (“**Promoter Transfer Share Price**”) *provided however that* in the event that the Purchaser proposes any adjustments to the Promoter Transfer Share Price after the issue of the ROFR Notice, then the Promoter Seller shall inform the Investor of such proposed adjustment promptly and the Promoter Transfer Share Price shall stand adjusted accordingly;
- (ac) setting out the name and background of the Purchaser, including of the group of which the Purchaser is a part, disclosure of the terms of the proposed transfer, as available at the time of the ROFR Notice, and a confirmation that (a) the transfer will be on a spot delivery for cash basis and no part of the consideration is proposed to be paid in kind or in any other manner whatsoever; (b) there are no other undisclosed special terms and conditions being offered by the Purchaser to the Promoter Seller, the other Promoters or any of their Affiliates; and (c) the Purchaser has been informed about the Investor ROFR and the Investor Tag-Along Right; and
- (ad) attaching the written offer and other documentation received from the Purchaser evidencing the proposed sale to the Purchaser;

and making an irrevocable and unconditional (subject to Article 211(c)(v) below) offer to sell the Promoter Transfer Shares to the Investor at terms and conditions no more favourable to the Promoters than those offered by the Purchaser (“**ROFR Notice**”). The Promoter Seller shall update the Investor, from time to time, about all changes agreed between the Purchaser and the Promoter Seller in the terms and conditions set out in the ROFR Notice and such terms shall be deemed to be incorporated in the ROFR Notice as if such amended conditions were originally a part of the ROFR Notice.

- (iii) Upon receipt of the ROFR Notice, the Investor shall have the first right to purchase (“**Investor ROFR**”) any or all of the Promoter Transfer Shares (“**Investor ROFR Elected Shares**”) as may be decided by the Investor, from the Promoter Seller. The Investor shall be entitled, within 30 (Thirty) days from the date of receipt of the ROFR Notice, to issue a notice to the Promoter Seller setting out whether the Investor chooses to exercise the Investor ROFR or the Investor Tag-Along Right (“**Investor Exercise Notice**”). It is clarified that the Investor shall have the right to exercise either the Investor ROFR or the Investor Tag-Along Right, as it may deem fit provided however that the Investor shall not be entitled to exercise both the Investor ROFR and the Investor Tag-Along Right simultaneously. The exercise of the Investor ROFR by the Investor under the Investor Exercise Notice shall be irrevocable and unconditional, subject to the provisions of Article 211(c)(v) below.

- (iv) In the event that the Investor chooses to exercise the Investor ROFR in the Investor Exercise Notice, then unless the Promoter Seller issues the ROFR Cancellation Notice in accordance with Article 211(c)(v) below, the Promoter Seller shall complete the sale of the Investor ROFR Elected Shares to the Investor at the Promoter Transfer Share Price per Equity Share and the Investor shall pay the consideration for such Investor ROFR Elected Shares within the time frame set out in the Investor Exercise Notice, which shall not be a date later than the expiry of 30 (Thirty) days from the receipt of the Investor Exercise Notice.
- (v) Upon receipt of the Investor Exercise Notice and in the event that the Investor has exercised the Investor ROFR with respect to a part of the Promoter Transfer Shares, the Promoter Seller shall have the right, to be exercised by the Promoter Seller by the issue of a notice in writing (“**ROFR Cancellation Notice**”) within 30 (Thirty) days from the date of the Investor Exercise Notice, to choose to cancel the proposed sale of the Promoter Transfer Shares to the Investor and the Purchaser.

Tag Along Rights

- (vi) The Investor shall have the right (“**Investor Tag-Along Right**”), by issue of the Investor Exercise Notice, to sell proportionate Equity Shares (as computed in Article 211(c)(vii) below) (“**Investor Tag-Along Shares**”) simultaneous with the sale by the Promoter Seller of the Promoter Transfer Shares to the Purchaser on terms and conditions identical to the terms and conditions on which the Promoter Transfer Shares are purchased and in any case, such terms and conditions should be no less favourable than those set out in the ROFR Notice.
- (vii) The number of Equity Shares (“**Tag Along Shares**”) in respect of which the Tag Along Rights can be exercised by the Investor shall be
 - (aa) up to a *Pro Rata Fraction* of the Promoter Transfer Shares, as may be decided by the Investor at its own discretion, other than under Article 211(c)(vii)(ab) below; or
 - (ab) all or any of the Equity Shares held by the Investor, as may be decided by the Investor at its own discretion, in the event that (i) the balance Equity Shares held by the Investor on a fully diluted basis after the reduction of the *Pro Rata Fraction* as computed under Article 211(c)(vii)(aa) above amounts to less than the Investor Threshold; or (ii) the Promoter Transfer Shares aggregate to 20% (Twenty Percent) or more of the Equity Share capital of the Company on a fully diluted basis.

For the purposes of Article 211(c)(vii), the fraction, the numerator of which is the number of Investor Equity Shares on a fully diluted basis and the denominator is the total number of Equity Shares held by the Promoters and the Investor on a fully diluted basis, is referred to as the ‘*Pro Rata Fraction*’. However, in the event that IFC has intimated to the Promoters in writing that IFC would also like to sell a part of the Equity Shares held by IFC together with the sale of the Promoter Transfer Shares in accordance with the rights of IFC under the IFC Investment Agreement, then the term *Pro Rata Fraction* shall mean the fraction, the numerator of which is the number of Investor Equity Shares on a fully diluted basis and the denominator is the total number of Equity Shares held by the Promoters, the Investor and IFC on a fully diluted basis.

- (viii) In the event that either (a) the Purchaser is not willing to purchase all of the Investor Tag-Along Shares, the Equity Shares being offered by IFC pursuant to IFC’s tag along right under the IFC Investment Agreement (“**IFC Tag Along Shares**”) and Promoter Transfer Shares, then the Promoter Seller shall ensure that the number of Promoter Transfer Shares being offered to the Purchaser would be reduced so as to accommodate the Investor Tag-Along Shares and the IFC Tag Along Shares being offered; or (b) the Purchaser is willing to purchase all the Investor Tag-Along Shares, IFC Tag Along Shares and the Promoter Transfer Shares, then the respective transfers shall be completed within a period of 45 (Forty Five) days from the date of the Investor Exercise Notice. The Company and the Promoters shall co-operate in good faith to obtain all consents and

approvals that may be required for transfer of the Investor Tag-Along Shares, IFC Tag Along Shares and the Promoter Transfer Shares, including consents from the lenders, if required. Such sale should be on a spot delivery basis. The Investor shall not be required to make any representation or warranty to the Purchaser other than customary representations and warranties as to (i) good title to the Investor Tag Along Shares, (ii) absence of Encumbrances on the Investor Tag Along Shares; (iii) the power and authority of the Investor to undertake the proposed sale; and (iv) validity and enforceability of the obligations of the Investor in connection with the proposed sale.

- (ix) In the event of a failure by the Promoter Seller to so consummate the sale set out above within the stipulated 45 (Forty Five) day period, any such sale by the Promoter Seller shall again be subject to the provisions of Article 211(c)(ii) to Article 211(c)(viii) above. In the event that the Purchaser is not willing to purchase any of the Investor Tag-Along Shares, the Promoter Seller shall not have the right to sell the Promoter Transfer Shares or any other Promoter Securities to such Purchaser and any such Transfer shall again be subject to the provisions of Article 211(c)(ii) to Article 211(c)(viii) above.
- (x) In the event that the Investor does not issue the Investor Exercise Notice in the manner set out in Article 211(c)(iii) above, then the Promoter Seller shall be free to sell the Promoter Transfer Shares to the Purchaser, provided that the sale price of each Promoter Transfer Shares shall be the same as the Promoter Transfer Share Price and the terms and conditions of the Transfer shall be no more favourable than those in the ROFR Notice and the Promoters shall not transfer any of the rights of the Promoters under the Wayzata Investment Agreement to the Purchaser. However, if the transfer is not completed on or before the end of the period indicated in the ROFR Notice, then any such proposed transfer shall again be subject to the provisions of Articles 211(c)(ii) to 211(c)(x).

212. ACQUISITION BY PROMOTERS

- (a) In the event that 1 (One) or more of the Promoters (“**Promoter Purchaser**”) wishes to acquire any Equity Shares of the Company from a Shareholder holding 4% (Four Percent) or more of the fully diluted Equity Share capital in the Company by itself or together with its Affiliates (other than another Promoter and the Investor) (“**Seller Shareholder**”) under a Private Arrangement, then any acquisition of such Equity Shares by the Promoters shall be subject to the right of the Investor to require the Promoters to purchase the Investor Proportional Put Option Shares from the Investor in the manner set out in Articles 212(b) to 212(f) below (“**Investor Proportional Put Option**”).
- (b) The number of Equity Shares (“**Investor Proportional Put Option Shares**”) in respect of which the Investor Proportional Put Option can be exercised by the Investor shall be:
 - (i) up to a Pro Rata Fraction of the Seller Shareholder Shares, as may be decided by the Investor at its own discretion, other than under Article 212(b)(iii) below; or
 - (ii) up to a Pro Rata Fraction of the Seller Shareholder Shares, as may be decided by the Investor at its own discretion, in the event that (a) the balance Equity Shares held by the Investor on a fully diluted basis after the reduction of the Pro Rata Fraction as computed under Article 212(b)(i) above amounts to less than the Investor Threshold; and (b) IFC has exercised its right for a proportional put option under the IFC Investment Agreement within the timelines set out therein; or
 - (iii) all or any of the Equity Shares held by the Investor capped at the number of Equity Shares proposed to be bought by such Promoter Purchaser, as may be decided by the Investor at its own discretion, in the event that (a) the balance Equity Shares held by the Investor on a fully diluted basis after the reduction of the Pro Rata Fraction as computed under Article 212(b)(i) above amounts to less than the Investor Threshold; and (b) IFC has failed to exercise its right for a proportional put option under the IFC Investment

Agreement within the timelines set out therein or has chosen to not exercise its proportional put option under the IFC Investment Agreement.

For the purposes of Article 212(b), a reference to “Pro Rata Fraction” shall be

- (aa) to the fraction, the numerator of which is the number of Investor Equity Shares on a fully diluted basis and the denominator is the total number of Equity Shares held by the Selling Shareholder, the Investor and IFC on a fully diluted basis, in the event that IFC intimates to the Promoters and the Investor (at the address communicated by the Company to IFC) in writing within the timeframe provided in the IFC Investment Agreement (such notice being referred to as “**IFC Proportional Put Exercise Notice**”) about its intention to offer a part of the Equity Shares held by IFC together with the Investor pursuant to exercise of its put option (such option being referred to as “**IFC Proportional Put Option**”) and the shares being offered pursuant to such option is referred to as “**IFC Proportional Put Shares**”); or
 - (ab) to the fraction, the numerator of which is the Investor Equity Shares on a fully diluted basis and the denominator is the total number of the Investor Equity Shares and the Equity Shares held by the Selling Shareholder on a fully diluted basis, in the event that the IFC Proportional Put Exercise Notice is not issued within the time frame set out in the IFC Investment Agreement.
- (c) The Promoter Purchaser shall give a written notice,
- (i) setting out the number of Equity Shares owned by the Seller Shareholder that are proposed to be acquired by the Promoter Purchaser (“**Seller Shareholder Shares**”);
 - (ii) setting out the price per Seller Shareholder Share at which the Promoters intend to purchase the Seller Shareholder Shares (“**Seller Shareholder Share Price**”);
 - (iii) setting out the name of the Seller Shareholder and disclosure of the terms of the proposed acquisition from the Seller Shareholder as available and a confirmation that (a) the acquisition will be on a spot delivery for cash basis and no part of the consideration being paid in kind or in any other manner whatsoever; and (b) that there are no other undisclosed special terms and conditions being offered by the Promoters to the Seller Shareholder or any of its Affiliates; and
 - (iv) attaching the written offer and other documentation received from the Seller Shareholder and / or sent by the Promoter Purchaser evidencing such written offers;
- to the Investor with a copy to IFC (“**Promoter Purchaser Notice**”). The Promoter Purchaser shall ensure that the terms and conditions offered to the Investor under the Promoter Purchase Notice are no less favourable to the Investor than the terms and conditions offered to the Seller Shareholder and to IFC under the terms of the IFC Investment Agreement.
- (d) Upon receipt of the Promoter Purchaser Notice, the Investor shall within 30 (Thirty) days issue a notice to the Promoter Purchaser with a copy to IFC (at the address communicated by the Company to the Investor) setting out whether the Investor chooses to exercise the Investor Proportional Put Option (“**Investor Proportional Put Exercise Notice**”).
 - (e) In the event that the Investor chooses to exercise the Investor Proportional Put Option in the Investor Proportional Put Option Exercise Notice, then the Promoter Purchaser shall simultaneously purchase all of the Investor Proportional Put Option Shares, the IFC Proportional Put Shares arising out of exercise by IFC of its IFC Proportional Put Option, if any, along with such balance number of Equity Shares from the Seller Shareholder as is arrived at by reducing the

Investor Proportional Put Option Shares and the IFC Proportional Put Option Shares, if any, from the Seller Shareholder Shares, at the Seller Shareholder Share Price within 15 (Fifteen) days of the receipt of the Investor Proportional Put Exercise Notice or the IFC Proportional Put Exercise Notice, whichever is later. It is clarified, for the avoidance of doubt, that even if the purchase of the Seller Shareholder Shares is not consummated for any reason whatsoever, the Promoter Purchaser shall continue to remain obliged to acquire any Investor Proportional Put Option Shares in the manner set out in these Articles. In no situation shall the Promoter Purchaser purchase the IFC Proportional Put Shares prior to the purchase of the Investor Proportional Put Option Shares.

- (f) In the event that the Investor has failed to issue the Investor Proportional Put Exercise Notice, then the Promoter Purchaser shall have the right to acquire the Seller Shareholder Shares without having an obligation to also acquire the Investor Proportional Put Shares provided that such acquisition is on the same terms and conditions set out in the Promoter Purchaser Notice and shall be completed within a period of 60 (Sixty) days from the issue of the Promoter Purchase Notice. The Company shall not be liable to bear any cost or expenses in relation to the purchase of the Seller Shareholder Shares by the Promoters or provide any indemnity or other similar protection to the Seller Shareholder or any other person in relation to such transaction.
- (g) The Investor undertakes not to initiate or participate in any discussion or negotiations with such Seller Shareholder for any proposed transaction relating to the sale or acquisition of Equity Shares, until the consummation of the transaction in accordance with Article 212(e) or Article 212(f), as the case may be.

213. **TRANSFER BY INVESTOR**

- (a) Notwithstanding anything to the contrary in these Articles 209 to 226, but subject to Articles 213(b), 213(c) and 213(d) below, the Investor shall be entitled to freely Transfer its Investor Equity Shares to any Person at any time.
- (b) Subject to Article 213(d) below, the Investor shall be entitled to freely Transfer the Investor Equity Shares to any of its Affiliates at any time. An Affiliate to whom the Investor transfers any Investor Equity Shares shall be required to execute the Deed of Adherence. The Investor shall be entitled to assign any or all of its rights and/or transfer any or all of its obligations hereunder to its Affiliates at any time. All the rights of the Investor under the Wayzata Investment Agreement and these Articles shall be exercised by any 1 (One) Person on behalf of all of the Investor and all its Affiliates. The identity and other relevant details of such Person shall be intimated to the Company and the Promoters in writing. It is further clarified that the Person exercising the rights under these Articles shall continue to be responsible for the breach of all of the obligations of the Investor under these Articles.
- (c) ***Transfer of Rights by the Investor***
 - (i) A transferee (together with its Affiliates) of the Investor Equity Shares (other than the Promoters) (“**Investor Transferee**”) shall also be entitled to exercise any or all of the rights available to the Investor under the Wayzata Investment Agreement and these Articles in the event that the Investor transfers not less than 15% (Fifteen Percent) of the Equity Share capital of the Company on a fully diluted basis to the Investor Transferee, under a Private Arrangement, under 1 (One) or more transactions within a period of 9 (Nine) months from the date of the first such sale, to the Investor Transferee, without the prior consent of the Promoters or the Company *provided however that* (i) the Investor shall have the right to assign its rights under Article 216(a) (*Rights of Shareholders*) only in the event that the Investor Transferee agrees to lock-in and not sell (including sale upon enforcement of Encumbrances that may have been created by the Investor Transferee) equal to 15% (Fifteen percent) of the shareholding in the Company received from the Investor for a period of 15 (Fifteen) months from the date of assignment of rights by the Investor in favour of the Investor Transferee; and (ii) the Investor shall have the right to assign its rights under Article 214 (*Follow On Public Offer*), Article 217(a) (*Nominee Director*) of the Articles and Clause 222 (*Indemnification*) of the Wayzata Investment Agreement only with the specific written consent of

the Promoters. It is hereby clarified that upon a transfer of rights by the Investor in accordance with this Article 213, the Investor shall not be entitled to exercise any rights and shall not be bound by any of the obligations under the Wayzata Investment Agreement and these Articles.

- (ii) The rights transferred to the Investor Transferee pursuant to Article 213(c)(i) above shall terminate upon the Investor Transferee holding less than 45% (Forty Five Percent) of the total number of Investor Equity Shares held by the Investor under the Wayzata Investment Agreement as of the *Closing Date* (as defined under the Wayzata Investment Agreement) of these Articles becoming effective and pursuant to the Share Purchase Agreement.
 - (iii) The Investor Transferee shall execute a Deed of Adherence at the time of transfer of the Investor Equity Shares.
 - (iv) In case the Investor Transferee consists of more than 1 (One) Person, all the rights of the Investor Transferee under the Wayzata Investment Agreement and these Articles 209 to 226 shall be exercised by any 1 (One) Person on behalf of all the Investor Transferees. The Investor Transferee shall keep the Company and the Promoters informed about the identity and other relevant details of such representative in writing. For the avoidance of doubt it is clarified that, all such Investor Transferees shall be bound by the obligations as that of the Investor under the Wayzata Investment Agreement and these Articles.
 - (v) The Investor Transferee shall be entitled to further transfer the rights transferred to the Investor Transferee by the Investor under this Article 213 with the prior written approval of the Promoters.
- (d) Any Transfer of the Investor Equity Shares by the Investor under a Private Arrangement to a Competitor shall not be permissible without the prior consent of the Promoters.
- (e) In the event that the Promoters have issued a ROFR Notice for the proposed sale of the Promoter Transfer Shares to a specified Purchaser (“**Specified Purchaser**”) and the Investor proposes to sell any of the Investor Equity Shares to such Specified Purchaser within 6 (Six) months of the issue of such ROFR Notice, then the Investor shall offer a tag along right to the Promoters to sell a Pro Rata Fraction of Equity Shares in the Company to such Specified Purchaser on the same terms and conditions as well as at the same time as the proposed sale by the Investor. The Promoters shall exercise their tag along right by issue of a written notice within 30 (Thirty) days of the written intimation by the Investor, failing which the Investor shall be free to complete the proposed sale of the Investor Equity Shares to such Specified Purchaser within a period of 30 (Thirty) days. However, if the transfer is not completed on or before the end of the period indicated herein above, then any such proposed transfer to the Specified Purchaser shall again be subject to the provisions of this Article 213(e).

For the purposes of Article 213(e), the fraction, the numerator of which is the Promoter Securities on a fully diluted basis and the denominator is the total number of the Investor Equity Shares and Promoter Securities on a fully diluted basis, is referred to as the ‘*Pro Rata Fraction*’.

- (f) The Company shall, and the Promoters shall cause the Company to, take such steps as may be deemed necessary by the Investor to facilitate the Transfer of the Investor Equity Shares by the Investor. Without limiting the generality of the foregoing, the Promoters and the Company shall co-operate with the Investor and the proposed purchaser and provide all information as may be required to enable such purchaser to conduct due diligence on the Company and the Promoters for considering the investment, subject to Applicable Law. Further, the Promoters and the senior management of the Company shall remain available, with reasonable prior notice and for a reasonable amount of time, to interact with the proposed purchaser and its representatives to address their specific queries in relation to the Company and the Business as well as other general queries that they may have in connection with considering the investment in the Company. The Investor shall be entitled to disclose Confidential Information in respect of the Company to such prospective purchaser for the purpose of enabling such prospective purchaser to evaluate the proposed sale and purchase of Shares, which shall not be deemed to be a breach of the confidentiality obligations of the Investor under the Wayzata Investment Agreement, provided that the prospective purchaser has entered

into a confidentiality and non-disclosure agreement in form and substance consistent with standard business practices with the Investor and a copy of which has been given to the Company.

- (g) The Promoters and the Company shall, jointly and severally, co-operate and act in good faith to obtain all consents and approvals that may be required for transfer of the Investor Equity Shares, including consents from all the lenders of the Company, if required, at the cost of the Investor. The Investor expressly agrees and acknowledges that the Company shall not be liable to bear any costs or expenses in relation to the Transfer of the Investor Equity Shares or be required to provide any representations and warranties pertaining to the business and operation of the Company or provide any covenants or indemnity in relation to breach of the warranties or covenants.

214. FOLLOW-ON PUBLIC OFFER

- (a) For the purposes of this Article 214, a follow-on public offering (“**FPO**”) shall mean a follow-on public offering of the Equity Shares of the Company to the public which fulfils the criteria specified by the Investor in the written notice to the Promoters and the Company and is permissible under the Applicable Law. The Investor shall first issue a notice to the Company and the Promoters, when it decides to initiate the process for an FPO and such notice shall, if possible, also set out the indicative size of the minimum float for the FPO (“**Initial FPO Notice**”). The Investor shall have a right, at any time up to the actual FPO, to amend the proposed size of the Minimum Float from time to time by issue of one or more notices to the Promoters and the Company (referred to as a “**FPO Updation Notice**”).
- (b) In the event the Investor issues the Initial FPO Notice for the Company to undertake an FPO in accordance with this Article 214, each of the Promoters shall cooperate to undertake the FPO, including without limitation (i) by way of exercise of their voting rights at relevant Shareholder meetings; (ii) by causing the Promoter Directors to execute all documents as required by the Company from time to time in connection with the FPO; (iii) by undertaking all the FPO Actions; and (iv) by taking such steps as may be necessary to ensure that the Investor is not considered a “promoter” or a “person acting in concert” under Applicable Law. The terms and conditions of the FPO, issue size, pricing of the Shares and the selection (including terms and conditions) of the intermediaries and merchant banker shall be decided by the Investor and be disclosed in the Initial FPO Notice.
- (c) The issue size of the FPO shall be decided by the Investor and shall be in line with the minimum float requirements under Applicable Law. In the event that a merchant banker nominated solely by the Investor suggests that a higher number of Equity Shares be offered in the FPO than the number required to meet with the minimum float requirements under Applicable Law, and the Investor, at its own discretion and without being obliged to do so, accepts such suggestion from such merchant banker, then the Investor shall have the right, without being under any obligation, to increase the size of the FPO to a number in excess of the minimum requirements under Applicable Law (the actual size of such FPO as intimated by the Investor being referred to as “**Minimum Float**”).
- (d) The Investor shall have the right to offer its Investor Equity Shares for sale in any public offering of shares by intimation to the Company and the Promoters in priority to any of the other Shareholders. In the event that (a) the Investor Equity Shares are less than the number of Equity Shares that are required for the FPO under the provisions of Applicable Law (“**Statutory Float**”), then the Investor shall be required to offer all the Investor Equity Shares as a part of the FPO; and (b) the Investor Equity Shares exceed the Statutory Float, then the Investor shall have the right, to be exercised at its own discretion, to decide the number of Investor Equity Shares it wishes to offer, subject to the minimum number of Investor Equity Shares offered being equal to the Statutory Float. The Promoters shall ensure that the FPO includes an offer to the public of the Investor Equity Shares to the extent intimated by the Investor. If all the Investor Equity Shares being offered under the FPO are not sufficient to comply with the Minimum Float, then
 - (i) IFC shall be provided the first option to offer its shares to the extent of the shortfall in

meeting the Minimum Float;

- (ii) In the event the combined offering of the Equity Shares by the Investor and IFC is not sufficient to comply with the Statutory Float or in the event that IFC has either failed to respond or not exercised its right to offer its Equity Shares in the FPO, then the Company shall issue such number of Equity Shares as may be required to meet the Statutory Float; and
- (iii) In the event that the Company cannot issue any or all of such number of Equity Shares as may be required to make the Statutory Float, for any reason whatsoever, then the Promoters shall offer such number of Promoter Securities as may be required to meet the Statutory Float provided however that the obligation of the Promoters shall be to provide such number of Promoter Securities so that the balance Promoter Securities are equal to the Minimum Promoter Shareholding.
- (iv) Notwithstanding the generality of the foregoing and notwithstanding anything to the contrary set out in this Article 214, in the event that the combined offering of the Equity Shares by the Investor and IFC is not sufficient to comply with the Statutory Float, then the Promoters expressly agree and acknowledge that they shall be under an obligation to ensure that the balance number of Equity Shares required to meet the Statutory Float are offered under the FPO, whether through issue of Equity Shares by the Company, offer of the Promoter Securities or in any other manner whatsoever.
- (v) For the avoidance of doubt, it is clarified that
 - (aa) in case the Investor Equity Shares being offered under the FPO are sufficient to comply with the Minimum Float, then IFC shall not be entitled to offer any of its Equity Shares for the FPO contemplated in this Article 214; and
 - (ab) nothing in this Article 214 shall require the Promoters to make any contribution towards subscription to the Equity Shares issued by the Company in the FPO or to buy any of the Equity Shares being offered in the FPO.
- (e) Subject to Applicable Law, the expenses for a FPO by way of only an offer for sale, will be borne between the offering Shareholders, including the Investor, IFC and the Promoters in proportion to the number of Equity Shares being offered by the relevant Shareholder. If however the Company issues Equity Shares, in order to comply with Article 214(d) above, then the expenses for a FPO will be borne between the offering Shareholders and the Company in proportion to the number of Equity Shares being offered by the offering Shareholders and the Company.
- (f) The Investor shall have a right to request for an FPO under this Article 214, from time to time under these Articles, until such time that the Company and Promoters have successfully launched an FPO. It is hereby clarified that an FPO would be deemed to be successfully launched once the offer pursuant to the FPO has duly opened.

215. COMPLETION OF TRANSFERS

- (a) Any sale and / or Transfer of Shares under a Private Arrangement pursuant to the Wayzata Investment Agreement shall be on terms that those Shares:
 - (i) are Transferred free and clear from all Encumbrances; and
 - (ii) subject to Article 213(c) above and Article 216(c) below, are Transferred with the benefit of all rights and obligations attaching to them as at the date that the obligation to make a Transfer arises;
- (b) The Company and the Promoters undertake to obtain all necessary Government Approvals, if any, required

under Applicable Law and make all filings with all Governmental Authorities as may be required under Applicable Law in relation to the Transfer of the Investor Equity Shares.

- (c) All the timeframes provided for Transfers in accordance with the Wayzata Investment Agreement shall automatically be extended to the extent of the time taken for obtaining any Government Approvals or contractual approval that may be required for the relevant Transfers.
- (d) Each Shareholder shall do all things and carry out all acts which are reasonably necessary to affect the Transfer of any Shares in accordance with the terms of the Wayzata Investment Agreement and these Articles 209 to 226 in a timely fashion; and
- (e) Any Transfer of Shares other than strictly in accordance with the provisions hereof shall be void.

216. **RIGHTS OF SHAREHOLDERS**

- (a) The Promoters and the Company expressly agree and acknowledge that the Investor shall be entitled to all the rights available to any other Shareholder whether existing at the Effective Date or at any date thereafter till the cessation of the rights of the Investor in accordance with Article 225, provided however that (i) the rights available to UTI Trust of India Investment Advisory Services Limited A/c Ascent India Fund under the Prior Shareholders Agreement shall not be available to the Investor; (ii) the right of IFC to seek indemnity under the IFC Investment Agreement shall not be available to the Investor; and (iii) any other right available to IFC but not available to the Investor under the Wayzata Investment Agreement shall be deemed to be available to the Investor, at its discretion, from the date of written notice by the Investor to the Company of such right.
- (b) The Promoters and the Company expressly agree that:
 - (i) any amendment to the IFC Investment Agreement shall not be made without the prior written consent of the Investor, and
 - (ii) other than strictly in accordance with the provisions of the IFC Loan Agreement or in accordance with Article 223(m) below, no indemnity payments shall be made by the Company to IFC unless the prior written consent of the Investor has been obtained, whether under the IFC Investment Agreement or otherwise, and all such indemnity payments to IFC shall be made by the Promoters.
- (c) The Promoters and the Company expressly agree that, subject to Article 211(b)(i) above, no rights shall be granted in favour of any Person (other than rights available under the Act to any holder of equity shares) to whom Equity Shares or Convertible Instruments are issued after the Effective Date, or to whom any of the Promoter Securities are Transferred after the Effective Date, without the prior written consent of the Investor. For the avoidance of doubt it is clarified that, nothing in the Articles 209 to 226 shall restrict IFC's right to transfer its rights to IFC Transferee in accordance with the IFC Investment Agreement.

217. **GOVERNANCE**

Constitution of Board of Directors

- (a) The Investor shall have the right to nominate 1 (One) non-executive and non-retiring Director to the Board of the Company and on the boards of any other subsidiaries of the Company from time to time.
- (b) The Managing Director of the Company shall be Mr. Naresh Jalan and he shall be deemed to be a Director nominated by the Promoters and shall be responsible for the day-to-day management and control of the affairs of the Company.
- (c) The Promoters shall have the right to nominate the balance Directors on the Board from time to time, provided however that any independent Director under Applicable Law shall be nominated by the Promoters in consultation with the Investor.

General Board Provisions

(d) Nature of Investor Director

The Investor Director shall be a non-executive director, not subject to retirement by rotation, and shall not be a part of the management of the Company and therefore shall not be liable for any failure by the Company to comply with Applicable Law.

(e) Qualification Shares

Directors shall not be required to hold qualification Equity Shares.

(f) Replacement of nominees

(i) The Investor and the Promoters shall have the right to replace and/or remove their respective nominees at any time and from time-to-time from the Board and to fill vacancies on the Board that may be created otherwise in respect of these nominees.

(ii) Notwithstanding Article 217(f)(i) above, the Promoters shall not have the right to replace Mr. Mahabir Prasad Jalan or Mr. Naresh Jalan as the Promoters' nominee on the Board.

(g) Quorum

(i) The quorum for a meeting of the Board shall be constituted by such number of Directors as may be prescribed under Applicable Law. However, in the event that at any meeting of the Board where a Fundamental Issue is sought to be discussed, subject to Article 217(j)(iii), such quorum for the discussion on Fundamental Issue shall comprise of the Investor Director, present in person or through an alternate Director unless written approval of the Investor Director (or his alternate Director) has been received to proceed with a meeting where a Fundamental Issue is sought to be discussed in the absence of the Investor Director. It is hereby clarified that participation by any Director by video conference, held in accordance with Applicable Law, shall be counted towards quorum.

(ii) Any item not included in the agenda of a duly quorate and valid meeting held in the absence of the Investor Director shall not be decided or considered or voted upon at the meeting of the Board unless consented prior in time in writing by the Investor Director or alternate Director of the Investor Director .

(h) Resolutions and decision making

All decisions on Fundamental Issues shall be arrived in the manner set out in Article 218 below. Subject to this, all other decisions of the Company on matters other than the Fundamental Issues shall be taken in accordance with the provisions of Applicable Law.

(i) Circular Resolutions

Subject to Applicable Law, a resolution by circulation shall be as valid and effectual as a resolution duly passed at a Board meeting called and held, if it has been circulated together with the relevant papers, if any, to all the Directors, whether or not in India at the relevant point in time provided however that (a) no Fundamental Issue shall be decided in a circular resolution; and (b) in the event that any Director has asked for any information or clarifications in connection with such resolutions proposed to be passed by circulation or made any comments or suggested changes in connection with such resolutions, no such resolution shall be passed prior to the requisite information having been provided to all the Directors and necessary changes incorporated into the proposed resolutions.

(j) Meetings of Board

- (i) The Board of Directors of the Company shall meet at least once every quarter as per Applicable Law and shall have additional meetings if requested by the Investor / Investor Director. Board meetings shall be called at the request of any Director. Unless otherwise agreed between the Promoters and the Investor, all Board meetings shall be held at the registered office of the Company or at some other place within the city in which the registered office of the Company is situated.
- (ii) A meeting of the Board shall be convened pursuant to a prior written notice of at least 15 (Fifteen) days to each Director and each alternate Directors (if any). Notice may be waived or a Board meeting may be called by giving shorter notice with the approval of the majority of Directors where the shorter notice is of not less than 7 (Seven) days. Any meeting proposed to be held with notice of less than 7 (Seven) days would require the prior written consent of the Investor/Investor Director. However, if the agenda of a meeting proposes to discuss any Fundamental Issue, a meeting may be called by providing shorter notice only after obtaining the prior written consent of the Investor/Investor Director.
- (iii) If the agenda of a meeting proposes to discuss any Fundamental Issue and the requisite quorum for the meeting of the Board is not present within 1 (One) hour from the time appointed for the meeting (“**Original Meeting**”), only the Fundamental Issue shall be adjourned to a meeting to be held at the same place and time 7 (Seven) Business Days from the date of the Original Meeting (“**Adjourned Meeting**”), or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place. If the requisite quorum for the Adjourned Meeting is not present within 1 (One) hour from the time appointed for the Adjourned Meeting, no resolution shall be passed in connection with such Fundamental Issue other than in accordance with Article 218 below.
- (iv) The agenda and accompanying papers setting out the business proposed to be transacted at such meeting, and copies of all relevant papers connected therewith and/or proposed to be placed before or tabled before the Board of Directors, should be despatched to reach the Directors at least 7 (Seven) days prior to the date of the meeting.

(k) No retirement by rotation

The Investor Director shall not be liable to retire by rotation.

(l) Casting Vote

In case of an equality of votes, the chairperson of the Board or Shareholders’ meeting or of any committee of the Board shall have a casting vote, except when such matter pertains to any Fundamental Issue.

(m) Investor Director Expenses

The Company shall bear all the out of pocket expenses (including travel, boarding and lodging expenses within India other than where the meetings of the Board are conducted outside India) of the Investor Director or his/her alternate Director for attending a Board or Shareholders’ meetings or meetings of any committees of the Board, and any other expenses incurred by them in the course of fulfilling their duties and obligations as Directors.

(n) Committees

- (i) The Company shall, and the Promoters shall ensure that the Company shall, constitute committees to perform such functions as the Investor or the Promoters may suggest from time to time. The Board shall ensure that such committees shall be under the supervision of the Board and all the powers, functions and authorities delegated to such committees shall not be unconditional and

absolute.

- (ii) The Investor shall have the right, to be exercised at its own discretion, to require the Investor Director or the alternate of such Investor Director to be appointed on the audit committee of the Board.
- (iii) Meetings of the committee of a Board shall be held in the same manner as the meetings of the Board, in accordance with Article 217(j) above and any decisions taken at such meetings shall be subject to the provisions of Article 217(h) above.

(o) Exercise of Rights

The Promoters shall do everything in their power to ensure that the appointment of the Investor Director and the functioning of the Board is as contemplated in this Article 217 and shall cause the Company to abide by the provisions of this Article 217 and generally of the Agreement.

(p) Indemnification of Investor Director

The Company hereby agrees to, subject to Applicable Law, indemnify and save harmless each Investor Director, against all Losses incurred by such Investor Director as a result of his/her act or omission during his tenure as a Director on the Company. This Article 217(p) shall survive termination of the Agreement.

(q) Director's and Officer's Insurance

The Company will procure suitable and sufficient Director's and Officer's insurance for the Investor Director for an amount indicated by the Investor and from a reputed insurer acceptable to the Investor.

(r) Shareholders Meetings

- (i) Meetings of the Shareholders shall be convened by the Company or by any Shareholder and held in accordance with Applicable Law and the Articles of Association and shall be held at the registered office of the Company or at some other place within the city in which the registered office of the Company is situated and in accordance with Applicable Law.
- (ii) Meetings of the Shareholders shall be convened by giving not less than 21 (Twenty One) days' notice, unless a higher notice period is required under the Act. The notice of meeting of the Shareholders must contain a detailed agenda of items (and all other relevant documentation) proposed to be considered at the meeting of the Shareholders. The business conducted at any meeting of the Shareholders shall only comprise those matters expressly stated in the notice convening such meeting, unless otherwise mutually agreed by the Promoters and the Investor in writing.
- (iii) The quorum for any meeting of the Shareholders shall be as required under Applicable Law.
- (iv) Every decision at any meeting of the Shareholders shall be in accordance with the requirements of Applicable Law provided however that no Fundamental Issue shall be discussed or decided at a meeting of the Shareholders unless the approval of the Investor has been obtained for such matter to be included in the agenda of the meeting of the Shareholders in accordance with Article 218(b) below.

(s) Compliance with Applicable Law

All the actions of the Company covered under this Article 217 shall be undertaken in accordance with Applicable Law.

218. **FUNDAMENTAL ISSUES**

- (a) Notwithstanding any other provision of Articles 1 to 190 and Articles 209 to 226, but subject to Article 225, no resolution shall be passed or decided at any meeting of the Board or Shareholders, or any decision taken by any officer of the Company or committee of the Board, with respect to a Fundamental Issue, unless the Investor Director or the Investor has cast an affirmative vote on or granted its consent to such Fundamental Issue.
- (b) In the event that the Company or the Shareholders, as the case may be, wish to take up any Fundamental Issues at any meeting of the Board or at any general meeting of Shareholders (if such issue requires the approval of the Shareholders in general meeting), then the Company shall obtain the prior written consent of the Investor or the Investor Director, as the case may be, without which the Company shall not be able to take up any such Fundamental Issues. It is clarified for the avoidance of doubt that any steps taken by the Company in accordance with the terms and conditions of a Fundamental Issue duly approved by the Investor under the Wayzata Investment Agreement and these Articles 209 to 226 shall not require separate consent from the Investor.
- (c) The consent granted by the Investor Director or the Investor, as the case may be, in relation to a Fundamental Issue shall be considered a consent of the Investor for the purposes of each meeting at which such Fundamental Issue is taken up provided that such Fundamental Issue is taken up with no change whatsoever from what was approved by the Investor or the Investor Director, as the case may be. In the event that any changes have been made to a Fundamental Issue that has been approved by the Investor or the Investor Director, as the case may be, and such Fundamental Issue is being tabled at a meeting of the Board or Shareholders or committee of the Board, then such Fundamental Issue would require a fresh approval of the Investor or the Investor Director, as the case may be.
- (d) The rights of the Investor in relation to the Fundamental Issues as set out in the Wayzata Investment Agreement and these Articles 209 to 226 are in the nature of minority protection rights to protect the interests of the Investor as a minority shareholder in the Company. These rights are not intended to grant any control over the Company to the Investor, and the Investor does not in fact exercise any control over the Company.

219. **INFORMATION RIGHTS**

In addition to such other information as the Board of Directors is entitled to obtain in the ordinary course of business, the Investor shall be entitled to receive additional information from the Company in respect of the matters set out below, in a form acceptable to the Investor:

- (a) Unaudited annual financial statements certified by the chief financial officer, including cash flow statements within 45 (Forty Five) days from the end of the relevant Financial Year, beginning from the Financial Year ended March 31, 2013 onwards;
- (b) Audited financial statements, including cash flow statements certified by the statutory auditors, within 60 (Sixty) days from the end of the relevant Financial Year, beginning from the Financial Year ended March 31, 2013 onwards;
- (c) Unaudited quarterly financial statements, including cash flow statements certified by the chief financial officer, within 30 (Thirty) days of the end of each quarter of a Financial Year, except for the last quarter of the Financial Year which shall be submitted within 45 (Forty Five) days from the end of the relevant Financial Year;
- (d) The Annual Business Plan for a Financial Year by May 15 of the Financial Year, for the written approval of the Investor;
- (e) Quarterly management reports in accordance with the management information system provided by the Investor, within 30 (Thirty) days of the end of each quarter, except for the last quarter of the Financial Year which shall be submitted within 45 (Forty Five) days from the end of the relevant Financial Year;

- (f) Monthly management information system reports in accordance with the management information system provided by the Investor, within 21 (Twenty One) days of the end of each month;
- (g) Minutes of meetings of the Shareholders, the Board and committees of the Board, within 30 (Thirty) days from the date of the relevant meeting;
- (h) Upon written request from the Investor, copies of any documents, applications, notices or reports submitted to or any notices, reports, approvals received from a Governmental Authority with respect to any regulatory compliances relating to the Company, including any additional documents submitted to or received from a Governmental Authority setting out any changes to any of the Company's statutory licenses and approval;
- (i) Upon written request from the Investor, copies of all material contracts executed by the Company, including changes in such material contracts from time to time, if any;
- (j) Upon written request from the Investor, copies of all licenses of the Company, including changes in such licenses from time to time, if any;
- (k) Upon written request from the Investor, copies and summaries of any suits, petitions, proceedings or other procedure initiated, pending, in progress or completed, before a court of law or any other Governmental Authority, filed by or against the Company including any Taxation proceedings, proceedings under Applicable Anti-Corruption Laws and winding up proceedings initiated against the Company, as the case may be, or such other changes which may adversely affect the business of the Company;
- (l) Summary of any event of force majeure or any other event which may have a material effect on the profits of the Company; and
- (m) Such additional information as may be reasonably required by the Investor from time to time.

220. RIGHTS OF THE INVESTOR

- (a) Without prejudice to any rights of the Investor under the Articles, the Wayzata Investment Agreement or under Applicable Law, the Company and the Promoters agree,
 - (i) that the Investor shall not be considered to be or classified as a '*promoter*' of the Company for any reason whatsoever, including for the purposes of application of Applicable Law;
 - (ii) that the Promoters shall not commit an act or deed or omit to commit an act or deed which may result in the Investor being considered to be or classified as a '*promoter*' of the Company, including for the purposes of application of Applicable Law; and
 - (iii) that the Investor Director shall not be considered as an '*occupier*' or '*manager*' or '*officer*' of the Company for the purposes of any legislation, and that the Promoters shall ensure that at all points of time, one of the Directors (other than the Investor Director) nominated by the Promoters, has been identified as the *occupier*, *manager* or *officer*, as may be required under Applicable Law. Further, any change of '*occupier*' or '*manager*' or '*officer*' of the Company after the Effective Date for the purposes of any legislation shall require the prior approval of the Investor; and
 - (iv) that, except for the compliance with the lock-in requirement applicable in relation to a preferential allotment, the Investor will not be required to offer any part of the Investor Equity Shares for any lock-in or other restrictions imposed under Applicable Law, unless these restrictions apply to all the Shareholders of the Company.
- (b) The Investor shall have the right to require the audit committee to enhance or suitably modify the scope of work of the internal auditors of the Company, from time to time, provided the same does not increase the cost of audit substantially. The Company and the Promoters shall provide all co-operation and assistance to

such internal auditor and make available all documents and relevant information with respect to the Company to such internal auditor in a timely manner in order to enable the internal auditor to perform such review.

221. **CONFIDENTIALITY**

(a) Subject to Applicable Law,

(i) each of the Company and the Promoters shall, at all times keep confidential, (and use its best endeavours to procure that its respective employees and agents keep confidential) any Confidential Information which is in their possession or which they may acquire in relation to each of the Company, the Promoters and the Investor, or their Affiliates and shall not use or disclose such information to any Person; and

(ii) the Investor undertakes that it shall, at all times keep confidential, (and use its best endeavours to procure that its respective employees and agents keep confidential) any Confidential Information which is in its possession or which it may acquire in relation to the Company and the Promoters, or their Affiliates and shall not use or disclose such information to any Person other than to its Affiliates.

(b) After the termination of the Wayzata Investment Agreement, each of the Company, the Promoters and the Investor shall refrain from using any of the Confidential Information and deliver promptly to the other of them or destroy, at the request and option of that other of them, all tangible embodiments (and all copies) of the Confidential Information which are in its possession.

(c) Notwithstanding the foregoing, the following information shall not be deemed Confidential Information:

(i) information that is already known to the receiving party or its representatives on a non-confidential basis prior to disclosure;

(ii) information that becomes publicly available through no fault of the receiving party or its representatives;

(iii) information that is independently developed by the receiving party without the use of or reference to the Confidential Information of the disclosing party;

(iv) information that is required to be disclosed by Applicable Law or by a Governmental Authority;

(v) information that is required to be disclosed or used for the purpose of any judicial proceedings arising out of the Wayzata Investment Agreement or any agreement entered into, under or pursuant to the Wayzata Investment Agreement or to a tax authority in connection with the tax affairs of the receiving party;

(vi) information that is disclosed by any of the Company, the Promoters or the Investor to a professional advisor of such party, only to the extent that such professional advisor would reasonably need access to the said information to perform its functions; and

(vii) information that is disclosed or used with the prior written approval of the disclosing party.

Provided that disclosures made in terms of Articles 221 (c)(vi) and 221(c)(vii) above are made on the basis that the information is treated as confidential by the recipient and used by it only for the purpose for which it was disclosed.

(d) **Announcements**

(i) Subject to what is stated in 221(c) above, neither of the Company, the Promoter nor the Investor

shall make any formal or informal public announcement or press release which makes reference to the other of them, the investment by the Investor pursuant to the Transaction Documents and/or the terms and conditions of the Transaction Documents or any of the matters referred to therein, without the prior written approval of the other parties.

- (ii) In the event that the Company or the Promoters have an obligation to make or issue any announcement required by Applicable Law or by any Governmental Authority other than to the Specified Stock Exchanges, they shall give the Investor reasonable prior notice of the need for the announcement or release and the announcement shall be in a form acceptable to the Investor

222. **INDEMNIFICATION**

Clause 18 of the Wayzata Investment Agreement shall govern any claim related to a breach of the representations, warranties, covenants or obligations of the Company or the Promoters under the Wayzata Investment Agreement and the relevant provisions of the Wayzata Investment Agreement in so far as they relate to the provisions of clause 18 of the Wayzata Investment Agreement shall be deemed to have been incorporated into these Articles as if they were set out herein. It is clarified that the provisions of clause 18 of the Wayzata Investment Agreement have intentionally not been specifically set out herein only for the sake of convenience.

223. **OTHER COVENANTS**

(a) **Loan Covenants**

The Company shall, and the Promoters shall ensure that the Company shall, make all necessary repayments, interest payments and other payments as required by the lenders of the Company including pursuant to the Project Loan Agreements.

(b) **Key Executives**

Mr. Mahabir Prasad Jalan and Mr. Naresh Jalan shall not resign from their positions as Chairman and Managing Director respectively, in the Company without the prior written approval of the Investor.

(c) **Promoters**

The Promoters expressly undertake that:

- (i) the Promoters shall not Transfer any of the Promoter Warrants other than Transfers *inter se* the Promoters;
- (ii) subject to the terms of the Articles 209 to 226 and the Wayzata Investment Agreement, the Promoters shall always retain management control of the Company; and
- (iii) any Person shall be made a part of the '*promoter group*' of the Company for the purposes of the Wayzata Investment Agreement only with the prior written approval of the Investor other than a company of which the Individual Promoters, directly or indirectly, own 100% (One Hundred Percent) of the share capital.

(d) **Monitoring of the Business**

- (i) The Company and the Promoters shall provide the Investor with access to all information pertaining to the Business as and when requested by the Investor and shall also ensure that the Investor has access to all the offices of the Company. The Investor shall be entitled to monitor the progress of the Business and the Project, from time to time, and the Investor and/or the Investor Director shall be entitled to seek such information as deemed necessary by the Investor, from the Company in this regard. Nothing in this Article 223(d)(i) shall oblige an Investor Director to

monitor the Business and / or the Project. The management of the Business and the Project shall always be the obligation of the Promoters and senior management of the Company.

- (ii) The Company and the Promoters agree and acknowledge that all costs incurred by the Investor in relation to air travel, accommodation and local travel of the Investor Director or a representative of the Investor in relation to monitoring the Business and the Project of the Company shall be borne by the Company.

(e) **Project**

The Promoters agree and acknowledge that they shall use their best endeavours to ensure that,

- (i) the Project is undertaken and completed in accordance with the Project schedule and applicable Annual Business Plan(s);
- (ii) all cost overruns in relation to the Project are met either from (i) available cash resources in the Company; or (ii) Non-Dilutive Issuances.

(f) **Product Liability**

In the event that the Company wishes to enter into any arrangement for the sale or supply of any Products designed by the Company and which arrangement includes the grant of any product warranties or performance guarantees or any other kind of assurance, then the Company shall enter into such arrangement only with the prior approval of the Investor, such approval or rejection to be communicated by the Investor within 30 (Thirty) days from the date of written intimation to the Investor. This Article shall not apply to products manufactured by the Company based on designs provided to the Company by its customers.

(g) **Annual Business Plan**

The Company and the Promoters shall submit to the Investor the proposed Annual Business Plan for the following Financial Year no later than May 15 of the Financial Year, for the review of the Investor. The Company and the Promoters shall ensure that final Annual Business Plan as approved by the Investor is adopted by the Company no later than May 31 of a particular Financial Year, unless otherwise approved by the Investor.

(h) **Auditors**

- (i) The Company shall continue to engage M/s. Singhi & Co. as the statutory auditor of the Company for the Financial Year ending March 2013. The statutory auditor of the Company for the Financial Year ending March 2014 shall be appointed by the Company from out of the Big Three Auditors or M/s Singhi & Co.
- (ii) The Company shall continue to engage Deloitte & Touche as the internal auditor of the Company for the Financial Year ending March 2013. The internal auditor of the Company for the Financial Year ending March 2014 shall be appointed by the Company from out of the other Big Three Auditors.
- (iii) The Company shall irrevocably authorize, in a form acceptable to the Investor, the statutory auditors (whose fees and expenses shall be to the account of the Company) to communicate directly with the Investor at any time regarding the Company's financial statements, accounts or operations, and provide to the Investor a copy of that authorization. Upon a change in the statutory auditor, the Company shall issue a similar irrevocable authorization to the new statutory auditors of the Company.

(i) **Exercise of Rights**

The Promoters shall exercise all the rights and powers available to them under the terms of the Wayzata Investment Agreement and these Articles, including, without limitation, their rights in respect of Directors and all voting rights at meetings of the Board as well as their rights as Shareholders in meetings of the Shareholders or otherwise, in accordance with, and to further the provisions of the Wayzata Investment Agreement and these Articles 209 to 226.

(j) **Connected Person Transactions**

All transactions and dealings of the Company with any of the Connected Persons, including any lending or borrowing transactions shall be conducted only with the prior written approval of the Investor, provided that the following items would not require the prior written approval of the Investor,

- (i) salaries payable to the Individual Promoters and the Directors pursuant to the terms of employment approved by the Board;
- (ii) dividend (subject to clause 19 of the Fundamental Issues) payable to the Promoters and the Directors;
- (iii) unsecured loans obtained from the Promoters including interest payments made thereon subject to interest payments not exceeding the SBI base rate at the relevant point in time; and
- (iv) rent payments made by the Company to Mr. Mahabir Prasad Jalan and Mr. Naresh Jalan in relation to (a) 4A, Hastings Park Road, Kolkata as of the Effective Date and as per the leave and license agreement dated September 14, 2012, provided that any escalation of rent under the said leave and license agreement shall be subject to the prior approval of the Investor; and (ii) premises 7/40, Duffer Street, Liluah, Howrah – 711204, as per the terms and conditions set out in the Board resolution dated November 5, 2011, provided that any escalation of rent under the said Board resolution shall be subject to the prior approval of the Investor.

(k) **Accounts**

The Company shall maintain and the Promoters shall ensure that the Company maintain the books and records of the Company in accordance with GAAP and Applicable Law.

(l) **Conduct of Business**

The Company shall, and the Promoters shall ensure that

- (i) the Company shall undertake its business, activities and investments in compliance with Applicable Law;
- (ii) the Company shall, at all times, comply with all the requirements under the listing agreements executed by the Company with the Specified Stock Exchanges from time to time, as such agreements may be amended and replaced from time to time; and
- (iii) the Company shall, at all times, insure and keep insured, at a minimum level equivalent to the requirements set out in schedule 14 of the Wayzata Investment Agreement, with a financially sound and reputable insurer and insurers, all of its assets and business which can be insured, against insurable losses, and maintain any other insurance required by Applicable Law.

(m) **Liquidated Damages**

The Promoters and the Company expressly agree and acknowledge that:

- (i) In the event that the Promoters fail to make an indemnity payment pursuant to a claim of IFC when

due under the IFC Investment Agreement, then the Company shall be permitted to make such indemnity payment to IFC without the prior written consent of the Investor if and only if the Promoter has provided a written undertaking to the Investor, with a copy to IFC, to reimburse to the Company an amount equal to the amount of such indemnity payment due to IFC as soon as possible but in any case within 85 (Eighty Five) days from the date of such amount being due to IFC (“**Promoter Reimbursement Period**”) on terms and conditions under which such reimbursed amount cannot be claimed by the Promoters from the Company again, including by way of a right of restitution.

- (ii) In the event of the Company making a payment to IFC under Article 223(m)(i) above and the Promoters failing to reimburse such amount to the Company within the Promoter Reimbursement Period, then the Investor shall have the right to require the Company to pay the Investor, within 5 (Five) days from the end of the Promoter Reimbursement period, an amount (“Investor Liquidated Damages Due”) equivalent to 50% (Fifty Percent) of the amount due from the Company to IFC (“Amount Payable”). It is hereby clarified that if the Promoters reimburse the Company for an amount equal to the Amount Payable or if they pay the Amount Payable directly to IFC within the Promoter Reimbursement Period, then the Investor shall not be entitled to the Investor Liquidated Damages Due.
- (iii) The amount of Investor Liquidated Damages Due represents a genuine pre-estimate of the amount of loss that would be suffered by the Investor due to the Amount payable by the company to IFC and is not in the nature of penalties or special or punitive damages.
- (iv) the right of the Investor to be paid the Investor Liquidated Damages Due is an independent right of the Investor and not linked in any manner whatsoever to the other rights of the Investor under the Wayzata Investment Agreement, including the indemnification rights under clause 18 of the Wayzata Investment Agreement. The Investor Liquidated Damages Due shall be payable by the Company to the Investor at all points of time during the validity of this Agreement and shall not be subject to any limitations whatsoever, including the limitations set out in clause 18 of the Wayzata Investment Agreement

224. **PROMOTERS’ REPRESENTATIVE**

- (a) Each of the Promoters designates Mr. Naresh Jalan to serve as their representative (the “**Promoters’ Representative**”) with respect to the actions or decision expressly identified in the Transaction Documents to be performed or made by the Promoters.
- (b) Each of the Promoters irrevocably appoints the Promoters’ Representative as its agent, proxy and attorney and gives the Promoters’ Representative full power and authority on such Promoters’ behalf to resolve or address all matters as are expressly contemplated by the Transaction Documents.
- (c) Any action taken or document executed by the Promoters’ Representative on behalf of the Promoters in connection with the Transaction Documents shall be deemed to have been made on behalf of the Promoters and the Investor shall be entitled to rely upon such action or document as being binding on the Promoters without further enquiry.
- (d) The Promoters’ Representative may resign and be discharged from its duties and obligations under the Transaction Documents by giving notice and specifying a date (which date shall be the later of the date specified in the notice and five (5) Business Days after deemed receipt) on which such resignation shall take effect or be removed by the Promoters, provided that until a successor Promoters’ Representative has been appointed, the Promoters’ Representative shall continue to perform its duties and obligations under the Transaction Documents. Notwithstanding the aforesaid, prior written consent shall be required from the Investor with respect to the identity of any proposed replacement of the Promoters’ Representative.

225. All the rights available to the Investor shall cease to lapse and cease to have effect upon the shareholding of

the Investor falling below the Investor Threshold or in terms of Article 213(c).

226. The Company shall give full effect to the provisions of the Wayzata Investment Agreement and any other agreement that may be entered into between the Company and the Investor in relation to the shareholding of Investor in the Company as if those provisions are deemed to be an integral part of these Articles. Any dispute arising out of or in connection with the provisions contained in Articles 209 to 226 shall be subject to clause 23 (*Dispute Resolution and Governing Law*) of the Wayzata Investment Agreement.