



SHREE RENUKA SUGARS LIMITED

Extra-Ordinary General Meeting 2014



SHREE RENUKA SUGARS LIMITED

Registered Office: BC 105, Havelock Road, Camp, Belgaum - 590 001

NOTICE is hereby given that an Extra-Ordinary General Meeting of the Members of Shree Renuka Sugars Limited will be held on Friday, the 21st day of March, 2014 at 11:00 a.m. at The Theosophical Society Belgaum Lodge, Gogte Rangmandir Hall, (School of Culture) 185, Ramghat Road, Camp, Belgaum 590 001, to transact the following **SPECIAL BUSINESS** :

1. Preferential Allotment of Equity Shares to Wilmar Sugar Holdings Pte. Ltd. ("WSH");

To consider and, if thought fit, to pass, with or without modification(s) the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions of the Companies Act, 1956 including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the Memorandum and Articles of Association of the Company, the listing agreement entered into between the Company and the stock exchanges on which the equity shares of the Company of face value of Re. 1/- (Rupee one) each ("**Equity Shares**") are listed, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended ("**ICDR Regulations**"), Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeover) Regulations, 2011 as amended ("**SEBI (SAST) Regulations**") and all other applicable laws including the Foreign Exchange Management Act, 1999, the Foreign Exchange (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2000, various rules, regulations, press notes, notifications, clarifications issued by Foreign Investment Promotion Board ("**FIPB**"), any other guidelines and clarifications issued by the Government of India, all applicable circulars, notifications issued by the Securities and Exchange Board of India ("**SEBI**"), the Reserve Bank of India ("**RBI**"), stock exchanges on which the Equity Shares of the Company are listed and also by any other statutory/regulatory authorities and subject to all such other approvals, permissions, consents and/or sanctions of any authorities, as may be necessary, and subject to such conditions and modifications, as may be prescribed by any one of them while granting any such approvals, consents, permissions and/or sanctions which may be agreed to by the Board of Directors of the Company, consent of the shareholders of the Company be and is hereby given to the Board of Directors of the Company (the "**Board**" which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution), to create, offer, issue and allot, for cash, on preferential basis ("**Preferential Issue**"), upto 257,491,592 (Two hundred and fifty seven million four hundred and ninety one thousand five hundred and ninety two only) Equity Shares of the face value of Re. 1/- each (hereinafter the "**Subscription Shares**") constituting 27.5% of the emerging voting capital of the Company at a price of Rs. 20.08 (Rupees twenty and eight paise only) per Equity Share, including a premium of Rs. 19.08 (Rupees nineteen and eight paise only) per Equity Share, aggregating to Rs. 5,170.43 Million to **Wilmar Sugar Holdings Pte. Ltd.** (hereinafter referred as "**WSH**"), on the terms and conditions contained in the Preferential Allotment Agreement ("**PAA**") dated February 20, 2014 entered into, *inter alia*, between the Company and WSH .

RESOLVED FURTHER THAT the Preferential Issue of the Subscription Shares shall be, *inter alia* on the following terms and conditions:

- The Subscription Shares shall be allotted to WSH at a price of Rs. 20.08 (**Rupees twenty and eight paise only**) per Subscription Share, which is higher of the price calculated under Regulation 76 of the ICDR Regulations;
- The Subscription Shares shall be fully paid-up and shall rank *pari passu* in all respects with the existing Equity Shares of the Company in accordance with the Memorandum of Association and the Articles of Association of the Company;
- The Preferential Issue of the Subscription Shares shall only be made in dematerialized form and shall, subject to receipt of necessary approvals, be listed and traded on the National Stock Exchange of India Limited and the BSE Limited and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;
- In pursuance of the Preferential Issue, as aforesaid, to WSH, the Subscription Shares shall remain locked-in for such date and for such period as specified under the ICDR Regulations;
- The Subscription Shares shall be allotted within a period of 15 (fifteen) days from the date on which the last of the statutory approval(s) required for the Preferential Issue is duly obtained or such extended time as may be approved by SEBI; and
- If the Preferential Issue is completed after completion of the open offer made by WSH and SRS Investments Pte. Ltd., and if WSH has acquired more than 205,985,218 Equity Shares of the Company in the Open Offer, WSH shall subscribe to such lesser number of Equity Shares not being less than 183,287,071 Equity Shares such that immediately post the completion of the Preferential Allotment and the Open Offer, the shareholding of WSH (in aggregate) is not more than 49.9% of the then issued and paid up share capital of the Company. The term "Subscription Shares" will be construed accordingly.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized, in its entire



discretion, to do all such acts, matters, deeds and things and to take all such steps and to do all such things and give all such directions, as the Board may consider necessary, expedient or desirable, including without limitation, effecting any modification to the foregoing (including any modifications to the terms of the issue), to prescribe the forms of application, allotment, to enter into any agreements or other instruments, and to take such actions or give such directions as may be necessary or desirable and to file applications and obtain any approvals, permissions, sanctions which may be necessary or desirable and to settle any questions or difficulties that may arise and appoint consultants, valuers, legal advisors, advisors and such other agencies as may be required for the Preferential Issue of the Subscription Shares without being required to seek any further clarification, consent or approval of the members and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by the above resolutions to any Director(s) or to any Committee of the Board or any other Officer(s) of the Company to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects."

2. Adoption of new set of Articles of Association of the Company ;

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modification(s) or re-enactment(s) thereof for the time being in force and subject to fulfilment of certain conditions precedent to the allotment of the Subscription Shares including the statutory approvals and changes suggested and/or conditions imposed by any governmental authority, the Articles of Association of the Company are hereby permitted to being altered immediately upon Completion under the PAA as under:

The existing Article Nos. 1 to 212 (both inclusive) shall stand deleted and substituted by the new Article Nos. 1 to 247 (both inclusive) as circulated along with the Notice convening the Extraordinary General Meeting as Annexure - 1 and also as placed before the meeting and duly initialled by the Chairperson of the meeting."

3. Increase in the Authorised Share Capital and consequent alteration of the Memorandum of Association of the Company;

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 94, and all other applicable provisions of the Companies Act, 1956, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the Authorized Share Capital of the Company, be and is hereby increased from Rs. 105,00,00,000/- (Rupees one hundred five crores only) to Rs. 185,00,00,000/- (Rupees one hundred eighty five crores only) divided into 160,00,00,000 equity shares of Re.1/- each ranking *pari passu* with the existing equity shares of the Company and 2,50,00,000 preference shares of Rs. 10/- each.

RESOLVED FURTHER THAT the Memorandum of Association of the Company be and is hereby altered accordingly by substituting the existing Clause V thereof by the following new Clause V:

'V. The Authorised Share Capital of the Company is Rs.185,00,00,000/- (Rupees one hundred eighty five crores only) divided into :

- a) 160,00,00,000 (One hundred sixty crores) Equity Shares of Re.1/- (Rupee one only) each,
- b) 2,50,00,000 (Two crores fifty lakh) Preference Shares of Rs.10/- (Rupees ten only) each.'

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions and delegate such authorities, as it may in its absolute discretion, deem appropriate."

By Order of the Board of Directors
For Shree Renuka Sugars Limited

Mumbai,
February 20, 2014

D. V. Iyer
Company Secretary

SHREE RENUKA SUGARS LIMITED
BC-105, Havelock Road,
Camp, Belgaum - 590 001

Notes -

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies, in order to be effective, must be duly filled, stamped, signed and should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority as applicable, issued on behalf of the appointing organization.
3. All documents referred to in the Notice and the Explanatory Statement annexed thereto are available for inspection at the Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on all working days of the Company till the date of the Extraordinary General Meeting.
4. Members holding Equity Shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent, Karvy Computershare Private Limited. Members holding Equity Shares in dematerialized form must intimate the change in address to their respective Depository Participants and **NOT** to the Company.
5. All correspondence regarding Equity Shares of the Company should be addressed to the Company's Registrar and Share Transfer Agents, Karvy Computershare Private Limited (UNIT: Shree Renuka Sugars Limited) at Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad- 500 081.
6. Members/proxies are requested to hand over the duly filled-in and signed Attendance Slip, at the entrance of the Hall while attending the meeting.

By Order of the Board of Directors
For Shree Renuka Sugars Limited

Mumbai,
February 20, 2014

D. V. Iyer
Company Secretary

SHREE RENUKA SUGARS LIMITED
BC-105, Havelock Road,
Camp, Belgaum - 590 001

Important Communication to Shareholders

The Ministry of Corporate Affairs, Govt. of India (MCA) as a part of its "Green Initiative in the Corporate Governance", has allowed paperless compliances by companies permitting service of all notices/documents by Companies to its shareholders, through electronic mode, instead of physical mode. Shareholders are therefore requested to register their e-mail addresses, in respect of their electronic holdings through their concerned Depository Participants (DPs), to support the Green Initiative of the MCA.



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1

1. The Company is a leading sugar manufacturer in India and also undertakes the business of milling, refining, distribution and sale of sugar, production and sale of ethanol and generation, distribution and sale of power in India and Brazil. With a view to infuse fresh equity in the Company and enter into a joint venture with Wilmar International Limited (“WIL”), the Board at its meeting held on February 20, 2014, subject to obtaining the necessary approvals/permissions, has approved the raising of further capital by way of a preferential allotment (“**Preferential Issue**”) upto 257,491,592 (Two hundred and fifty seven million four hundred and ninety one thousand five hundred and ninety two only) equity shares of face value Re.1/- each to WSH (a wholly owned subsidiary of WIL) at a price of Rs. 20.08 per equity share for an aggregate amount of Rs. 5,170.43 Million (“**Subscription Shares**”). If the Preferential Issue is completed after completion of the open offer made by WSH and SRS Investments Pte. Ltd., and if WSH has acquired more than 205,985,218 Equity Shares of the Company in the Open Offer, WSH shall subscribe to such lesser number of Equity Shares not being less than 183,287,071 Equity Shares such that immediately post the completion of the Preferential Allotment and the Open Offer, the shareholding of WSH (in aggregate) is not more than 49.9% of the then issued and paid up share capital of the Company. A preferential allotment agreement in this regard has been executed, *inter alia* between WIL, Company, current promoters of the Company and SRS Investments Pte. Ltd. and WSH on February 20, 2014 (“**PAA**”). SRS Investments Pte. Ltd. and the current promoters of the Company are collectively referred to as the “**Existing Promoters**”.
2. Additionally, the Existing Promoters, Company, WIL and WSH have entered into a Joint Venture Agreement (“**JVA**”) dated February 20, 2014 which relates to various matters agreed between them including in relation to the Company and its management after the date on which JVA becomes effective. The JVA will become effective (“**Effective Date**”) on (a) the date of completion of the open offer made by WSH and SRS Investments Pte. Ltd. along with persons acting in concert, to the public shareholders of the Company to acquire 243,161,683 Equity Shares representing 26% of the emerging voting capital pursuant to regulation 3(1) and regulation 4 of the SEBI (SAST) Regulations, provided that the resolution for the issuance and allotment of 257,491,592 Equity Shares of the Company to WSH is not approved by the shareholders of the Company or (b) the date of completion of the Preferential Issue of the Subscription Shares, whichever is earlier.

The Existing Promoters and WSH would be in joint control of the Company from the Effective Date. Accordingly, on and after the Effective Date and during the term of the JVA, WSH and the Existing Promoters shall be the joint promoters of the Company for the purpose of the ICDR Regulations, the SEBI (SAST) Regulations and the Listing Agreement.

3. In terms of Section 81(1A) of the Companies Act, 1956 read with the ICDR Regulations, the Preferential Issue requires approval of the Company's members by way of a special resolution. The Board, therefore seeks approval of the members as set out in the notice, by way of a special resolution.
4. The Preferential Issue of the Subscription Shares will be governed by the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force), Companies Act, 2013 (to the extent applicable), the Articles of Association of the Company, the listing agreements entered into between the Company and the recognized stock exchanges where the Equity Shares of the Company are listed, the ICDR Regulations and the terms of the PAA.
5. The recognized stock exchange referred to above means, either of the BSE Limited (the “**BSE**”) or the National Stock Exchange of India Limited (the “**NSE**”) on which the Equity Shares of the Company are listed and on which the highest trading volume in respect of the Equity Shares of the Company, during the preceding two weeks/twenty six weeks, prior to the Relevant Date.
6. Members are requested to note that under the terms of the PAA, the issue and allotment of the Subscription Shares is subject to various conditions mentioned therein including receipt of regulatory and third party consents and satisfaction or waiver of certain conditions relating to the PAA. The satisfaction of these conditions is not necessarily within the control of the Company.
7. It may be noted that as per Chapter VII of ICDR Regulations, it is necessary to disclose the details of the Investor and certain other matters to the shareholders, while seeking their approval for issuing the Equity Shares on preferential basis. Hence, the relevant disclosures/details are given below :

7.1. Objects of the issue:

The Board proposes to raise funds by way of issuing Subscription Shares for general corporate purposes including repayment of debt. The Board is of the view that given the large investments of the Company in India & Brazil, there is a need to infuse additional equity capital into the Company. Further, the Preferential Issue and the consequent joint venture with WSH and WIL will also create a strong alliance and help the Company face global competition and likely changes in the industry over the next few years. Hence, the Board recommends the Preferential Issue of the Subscription Shares to WSH.

7.2. Intention of the promoters, directors or key managerial personnel of the Company to subscribe to the Preferential Allotment:

None of the Existing Promoters, directors or key managerial personnel are proposing to subscribe to any Equity Shares under this Preferential Issue of Equity Shares. However, pursuant to the Preferential Issue, WSH and Existing Promoters shall be the joint promoters of the Company for the purpose of the ICDR Regulations, SEBI (SAST) Regulations and the listing agreements.

7.3. Shareholding pattern of the Company, before and after the Preferential Issue :

The pre-allotment (as on February 14, 2014, being the latest practicable date on which shareholder data was available prior to the approval and issuance of the notice to Members) and post-issue shareholding pattern of the Company, is as under:

Category of Shareholders	Pre-Preferential Allotment Holding*		Post-Preferential Allotment Holding*	
	Total Number of Shares	% Holding	Total Number of Shares	% Holding
Current Promoters/ Promoter Group	257,491,592	38.36	257,491,592	27.72
FI's/Banks	21,543,848	3.21	21,543,848	2.32
Mutual Funds/UTI	34,405,662	5.13	34,405,662	3.71
Foreign Institutional Investors	70,987,380	10.57	70,987,380	7.64
Non Resident Individuals/OCB	14,303,170	2.13	14,303,170	1.54
Resident Individual/Others	272,587,998	40.60	272,587,998	29.35
Wilmar Sugar Holdings Pte. Ltd. (WSH)	NIL	NIL	257,491,592	27.72
Total	671,319,650	100.00	928,811,242	100.00

This table shows the expected shareholding pattern of the Company upon consummation of the preferential allotment and assuming that holdings of all other shareholders (other than the Promoters), shall remain the same post-issue, as they were on the date on which the pre-issue shareholding pattern was prepared.

* The Issue excludes change in shareholding pursuant to an open offer in terms of SEBI SAST Regulations by WSH and such other party. In the event equity shares of the Company are acquired by WSH or the Existing Promoters, the holding of the Existing Promoters may also change. If the Preferential Issue is completed after completion of the open offer made by WSH and SRS Investments Pte. Ltd., and if WSH has acquired more than 205,985,218 Equity Shares of the Company in the Open Offer, WSH shall subscribe to such lesser number of Equity Shares not being less than 183,287,071 Equity Shares such that immediately post the completion of the Preferential Allotment and the Open Offer, the shareholding of WSH (in aggregate) is not more than 49.9% of the then issued and paid up share capital of the Company.

7.4. Proposed time within which the Preferential Allotment shall be completed:

Under Regulation 74(1) of the ICDR Regulations, preferential allotment pursuant to a special resolution shall be completed within a period of 15 days from the date of passing of such resolution provided where any statutory approvals are to be procured for the Preferential Issue, the period of 15 days shall be counted from the date on which the last of the statutory approval(s) required for the Preferential Issue is duly obtained. Accordingly, the allotment of the Subscription Shares shall take place within the applicable period in terms of the applicable law or such extended time.

7.5. Identity of the proposed allottee, the percentage of post-preferential issued capital that may be held by the said allottee and change in control, if any, in the issuer consequent to the preferential issue:

Name of Allottee	Number of Equity Shares to be issued#	% of post-issue equity capital#
Wilmar Sugar Holding Pte. Ltd.	257,491,592	27.5

#The Issue excludes possibility of an open offer in terms of SEBI (SAST) Regulations by WSH and such other party. In the event equity shares of the Company are acquired by WSH or by the Existing Promoters, the holding of the Existing Promoters/ WSH may also change.

Information about the proposed Investor -

WSH is a subsidiary of Wilmar International Limited, part of the Wilmar Group. Founded in 1991 and headquartered in Singapore. Wilmar is Asia's leading agri-business group and one of the largest companies by market capitalization listed on the Singapore Exchange Limited. The Company has the following achievements to its credit:

- World's largest processor and merchandiser of palm and lauric oils;
- **China:** Leading oilseeds crusher, consumer pack edible oils merchandiser, edible oils refiner and specialty fats and oleo chemicals manufacturer;
- **Indonesia and Malaysia:** One of the largest palm oil plantation owners and the largest palm oil refiner;
- **India:** One of the largest oilseeds crusher, edible oil refiners and a leading producer of consumer pack edible oils;
- **Australia:** Largest raw sugar producer and refiner, and leading consumer brands in sugar and sweetener market; and
- **Africa:** Leading importer of edible oils into East and South Africa.
- **Change in control:** The preferential allotment in favour of WSH will result in change of control over the Company from sole control by the existing Promoters to joint control over the Company by the existing Promoters and WSH. From the effective Date and during the term of the JVA, WSH shall (in addition to the existing Promoters of the Company) be included as "Promoters" of the Company for the purpose of the ICDR Regulations, the SEBI (SAST) Regulations, the listing agreements and other applicable Laws.

7.6. Requirements as to re-computation of price:

Since the Equity Shares of the Company have been listed on the stock exchanges for a period of more than twenty six weeks prior to the Relevant Date, the Company is neither required to re-compute the price of the Subscription Shares nor to submit undertakings specified under Regulation 73(1) (f) and (g) of the ICDR Regulations.

7.7. Relevant Date and Issue Price:

In terms of Chapter VII of ICDR Regulations, since the Equity Shares of the Company have been listed on the recognised stock exchanges for a period of more than twenty six weeks as on the Relevant Date, the Subscription Shares proposed to be issued to WSH pursuant to the Preferential Allotment will be issued and allotted at a price not less than the higher of the following in terms of Regulation 76 of the ICDR Regulations:

- i. the average of the weekly high and low of the closing price of the Equity Shares of the Company quoted on the National Stock Exchange of India Limited during the 26 (twenty-six) weeks preceding the Relevant Date (as defined below); or
- ii. the average of the weekly high and low of the closing price of the Equity Shares of the Company quoted on the National Stock Exchange of India Limited during the 2 (two) weeks preceding the Relevant Date (as defined below).

The "Relevant Date" for the preferential issue, as per the ICDR Regulations, for the determination of applicable price for the issue of the Allotment Shares shall be February 19, 2014, which is the date that is 30 (thirty) days prior to the date of this EGM.

Accordingly, the issue price of Rs. 20.08 (Rupees twenty and eight paise only) per Subscription Share at which the Subscription Shares are proposed to be issued and allotted to WSH is higher than the prices determined in accordance with Regulation 76 of the ICDR Regulations.

7.8. Lock-in Period :

The Subscription Shares issued pursuant to this preferential allotment to the proposed allottee shall be locked-in for such period from the date of allotment as prescribed under regulation 78 of the ICDR Regulations, as amended from time to time. Further, the entire pre-preferential allotment shareholding of the proposed allottee shall also be locked-in from the Relevant Date upto a period of six months from the date of allotment.

7.9. Auditor's Certificate:

The Statutory Auditor's of the Company, M/s. Ashok Kumar, Prabhashankar & Co., Chartered Accountants have issued a certificate confirming that the issue of the Subscription Shares is being made in accordance with the requirements of the ICDR Regulations.

7.10. Miscellaneous

- i. The Subscription Shares shall be allotted only in dematerialised form;
- ii. The Subscription Shares allotted on preferential basis shall not be transferred by WSH till trading approval is granted for such securities by all the recognised stock exchanges where the Equity Shares of the issuer are listed;
- iii. The Company is in compliance with the conditions for continuous listing of Equity Shares as specified in the Listing Agreement with the Stock Exchanges;
- iv. The Company has obtained the Permanent Account Number of WSH;
- v. WSH has not sold Equity Shares of the Company during the 6 (six) months preceding the Relevant Date; and
- vi. As on date, WSH does not hold any Equity Shares of the Company.

None of the Directors of the Company are deemed to be concerned or interested in the Resolution, except to the extent of their shareholding, if any, in the Company.

The Board recommends the resolution at Item No. 1 for adoption as a special resolution.

Item No. 2

WSH proposes to acquire upto 27.5% of the emerging voting capital of the Company by way of a preferential allotment of Equity Shares. The Company, the Existing Promoter, WIL and WSH, *inter alia*, have entered into a Joint Venture Agreement dated February 20, 2014. Accordingly, the Board has proposed to modify the existing Articles of Association of the Company to reflect the terms of the Joint Venture Agreement. The details of the proposed Articles of Association are set out in Annexure-1 to the Notice.

Accordingly, it is proposed to seek the approval of the Members as per the proposed resolution. The Board recommends the resolution for your approval.

None of the Directors of the Company are deemed to be concerned or interested in the Resolution except to the extent of their shareholding, if any, in the Company and the rights mentioned in the JVA.

Item No. 3

As stated in Item No. 1, it is proposed to make a preferential allotment of Equity Shares to WSH under the provisions of ICDR Regulations to widen its capital base, and hence it is proposed to increase the authorised share capital of the Company to the extent as stated in Item No. 3 above.

None of the Directors of the Company is concerned or interested in the said resolution.

The Board recommends the resolution for approval of the shareholders.

By Order of the Board of Directors
For Shree Renuka Sugars Limited

Mumbai,
February 20, 2014

D. V. Iyer
Company Secretary

SHREE RENUKA SUGARS LIMITED
BC-105, Havelock Road,
Camp, Belgaum - 590 001



Annexure-1

Company limited by Shares - under the Companies Act, 1956

ARTICLES OF ASSOCIATION OF
SHREE RENUKA SUGARS LIMITED

“TABLE A EXCLUDED”

Table “A” not to apply

1. The regulations contained in Table A, in the First Schedule to the Companies Act, 1956, shall not apply to this Company, but the regulations for the management of the company and for the observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of, or addition to, its regulations by Special Regulations, as prescribed by the said Companies Act, 1956, be such as are contained in these Articles.

INTERPRETATION
INTERPRETATION CLAUSE

2. In the interpretation of these Articles of following expression shall have the following meaning unless repugnant to the subject or context.

“**The Act**” or the “**Said Act**” means the (Indian) Companies Act, 1956 and the (Indian) Companies Act, 2013, as may be applicable, and any rules, regulations, notifications and clarifications made thereunder by a Governmental Authority;

“**Acquisition**” (including the term “acquire” or “acquired”) means, direct or indirect, acquisition pursuant to a subscription, merger or scheme of arrangement, transfer, sale, assignment, relinquishment, extinguishment, pledge, hypothecation, creation of security interest in or lien or enforcement of an Encumbrance on, placing in trust (voting or otherwise), exchange, gift or transfer by operation of law or in any other way, whether or not voluntarily;

“**Adjourned Board Meeting**” has the meaning set out in Article 176;

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

- (i) being a corporate entity, shall mean any Person, which Controls, is Controlled by, or is under the common Control of such Person;
- (ii) being an individual, shall mean any Person, which is Controlled by such individual or a Relative (the term “Relative” would have the meaning as ascribed to it under the Act) of such individual;
- (iii) in any other case, shall mean any Person, which Controls, is Controlled by or is under the common Control of such Person;

“**Agreement**” means the joint venture agreement dated as of the Execution Date entered into by the Company, WSH and the Existing Promoters, and as amended from time to time, and shall include all the schedules, annexures and exhibits, if any, attached thereto;

“**Alternate Directors**” has the meaning set out in Article 130 of these Articles;

“**Articles**” means these Articles of Association of the Company as may be amended from time to time;

“**Assets and Properties**” means all assets and properties of every kind, nature, character and description (whether real, personal or mixed, whether tangible or intangible, absolute, accrued, contingent, fixed or otherwise and wherever situated), including the goodwill related thereto, operated, owned or leased, including without limitation cash, cash equivalents, investment assets, equity or other interests in subsidiaries, joint ventures or other associate companies, accounts and notes receivable, chattel paper, general intangibles, real estate, equipment, inventory, goods and intellectual property;

“**The Board**” or the “**Board of Directors**” means the board of Directors of the Company as constituted from time to time;

“**Beneficial Owner**” means a person whose name is recorded with a Depository;

“**Bye Laws**” means the bye-laws made by a Depository under section 26 of the Depositories Act;

“**Board Meeting Quorum**” has the meaning set out in Article 175 of these Articles;

“**Business**” means the business of (i) refining of raw sugar, (ii) the production of sugar and ethanol derived from sugarcane, (iii) sale, distribution, trading and/or branding of sugar and ethanol, and (iv) generation, distribution, sale and trading of electricity/ power;

“**Business Day**” means a day, not being a Saturday or a Sunday, on which commercial banks are open for business in Mumbai, Singapore and New York in the context of a payment being made to or from a commercial bank in a place other than Mumbai, Singapore and New York, in such other place;

“**BSE**” means the BSE Limited;

“**Call Option**” has the meaning set out in Article 63;

“**The Company**” or “**This Company**” means SHREE RENUKA SUGARS LIMITED;

“**Chairman**” has the meaning set out in Article 170 of these Articles;

“**Charter Documents**” means the Memorandum and Articles of the Company, as amended from time to time;

“**Company Preferential Allotment Resolutions**” has the meaning ascribed to such term under the PAA;

“**Consent**” means any permit, permission, license, approval, authorization, consent, clearance, waiver, no objection certificate or other authorization of whatever nature and by whatever name called, which is required to be granted by the Government, the creditors or any other person or authority or under any applicable Law;

“**Control**” includes the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner;

“**Current Promoter Group**” shall mean the Persons set out in Schedule 2 of these Articles;

“**Depository**” means a “**Depository**” as defined under the Depositories Act;

“**Depositories Act**” means Depositories act 1996 and shall include any statutory modification thereto;

“**Director**” means a director on the Board or the Material Subsidiary Board, as the case may be;

“**Dividend**” includes bonus;

“**Drop Dead Date**” has the meaning set out in Article 189;

“**Effective Date**” shall mean the date of completion of (a) the Transaction Open Offer if the Company Preferential Allotment Resolutions is not approved by the shareholders of the Company or (b) the date of allotment of Subscription Shares as per the terms of PAA, whichever is earlier;

“**Emerging Voting Capital**” means 935,237,242 Equity Shares, being the total shares of the Company calculated in the manner as set out in Regulation 7(1) of the SEBI (SAST) Regulations) and assuming the issue and allotment of the Subscription Shares and as set out in Schedule 3 of the Agreement;

“**Encumbrance**” means any encumbrance including but not limited to any, claim, mortgage, pledge, charge, hypothecation, lien, deposit by way of security, option or right of pre-emption, right of first offer, right of first refusal, or any other transfer restrictions, conditional sales contract, title retention agreement, voting agreement, beneficial ownership (including usufruct and similar entitlements), exercise of any other attribute of ownership, any arrangement (for the purpose of, or which has the effect of, granting security), any provisional or executory attachment and any other interest held by a third party or any agreement, whether conditional or otherwise, to create any of the foregoing;

“**Equity Securities**” means Equity Shares of the Company and any options, warrants, convertible debentures, convertible preference shares, bonds, loans or any other securities, that are directly or indirectly convertible into, or exercisable or exchangeable for Equity Shares of the Company, whether or not then currently convertible, exercisable or exchangeable but does not include a loan from bank or financial institution that can be converted into equity shares upon the occurrence of an event of default clause under the terms of such loan agreements;



“**Equity Shares**” means equity shares in the issued, subscribed and paid up share capital of the Company having a face value of INR 1 (Rupee One) each;

“**Excluded Subsidiaries**” shall mean (i) Revati S.A - Acucar e Alcool having its registered offices at CRD-339 Local Road, Coroados-Brejo Alegre, no number, Rural Areal, Zip Code: 16.265-000, in the city of Brejo Alegre/SP, (ii) Revati Agropecuaria Ltda having its registered offices at CRD-339 Local Road, Coroados-Brejo Alegre, no number, Rural Areal, Zip Code: 16.265-000, in the city of Brejo Alegre/SP. CNPJ: 08.196.233/0001-13, (iii) Renuka Geradora de Energia Eletrica Ltda having its registered offices at CRD-339 Local Road, Coroados-Brejo Alegre, no number, Rural Areal, Zip Code: 16.265-000, in the city of Brejo Alegre/SP, (iv) Ivaicana Agropecuaria Ltda having its registered offices at Marisa Road, Km 03, Rural Zone, Zip Code 86945000, in city of São Pedro do Ivaí/PR, (v) Revati Geradora de Energia Ltda having its registered offices at CRD-339 Local Road, Coroados-Brejo Alegre, no number, Rural Areal, Zip Code: 16.265-000, in the city of Brejo Alegre/SP; (vi) Renuka Cogeração Ltda having its registered offices at Marechal Rondon Road, Km 455 - Bairro Patos, Água Branca Farm, Zip Code: 16.370-000 CP 01, in the city of Promissão/SP, (vii) Shree Renuka Do Brasil Participacoes Ltda having its registered offices at Nove de Julho Avenue, 5519, 8° Floor, Rooms 81anda 82, Jardim Paulista, Zip Code 01407-200, in city of São Paulo/SP; (viii) Shree Renuka Sao Paulo Participacoes Ltda having its registered offices at Nove de Julho Avenue, 5519 , 5th floor, Jardim Paulista, Zip Code: 01.406-200, in the city of São Paulo/SP, (ix) Renuka Trading Limited having its registered offices at Maples Corporate Services Limited, PO BOX 309 Uglan Housa, South Church Street, George Town, Grand Cayman KYI 1104, (x) Biovale Comércio de Leveduras Ltda having its registered offices at Marisa Road, Km 03, Rural Zone, Zip Code 86945-000, in city of São Pedro do Ivaí/PR and (xi) Ivaí Logística Ltda having its registered offices at Road BR 376 - Rodovia Melo Peixoto, KM 4,5, Zip Code 86900-000, in city of Jandaia do Sul/PR; and (xii) Apoena Logística E Comercio De Productos Agrícolas Ltda having its registered offices at Nove de Julho Avenue, 5519 , 5th floor, Jardim Paulista, Zip Code: 01.406-200, in the city of São Paulo/SP, and such other Subsidiaries of the Company that are agreed in writing between the WSH and the Existing Promoters to be added to or removed from the list of the Excluded Subsidiaries as set out above, from time to time;

“**Execution Date**” shall mean February 20, 2014;

“**Existing Promoters**” shall mean the Current Promoter Group and the Promoter Holding Company. However, if the Promoter Holding Company ceases to be under the Control of the Current Promoter Group or their Affiliates at anytime, then the Promoter Holding Company shall automatically cease to be included in the definition of the term “Existing Promoters” for the purposes of these Articles;

“**Existing Promoter Nominee Director**” means each Director on the Board nominated by Existing Promoters other than the Independent Directors nominated in accordance with Article 126;

“**Financial Year**” means the financial year of the Company commencing on April 1 every year and ending on March 31 of the following year, or such other financial year of the Company as the Company may from time to time legally designate as its financial year;

“**Fully Diluted Basis**” means that the calculation is to be made assuming that all outstanding convertible Equity Securities (whether or not by their terms then currently convertible, exercisable or exchangeable), have been so converted, exercised or exchanged or issued, as the case may be;

“**Gender**” word importing the masculine gender, also include the feminine gender;

“**General Meeting**” means any meeting of the Shareholders of the Company;

“**Government**” or “**Governmental Authority**” means any government or quasi-government authority, ministry, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation-making entity having or purporting to have jurisdiction on behalf of or representing the Government of India, Singapore, and/or any other relevant jurisdiction, or any state, municipality, district or other subdivision or instrumentality thereof;

“**Immediate Rights Issue**” shall have the meaning assigned to such term under the Agreement;

“**Independent Director**” shall mean a Director fulfilling the criteria of an 'independent director' under Clause 49 of the Listing Agreement and the Act;

“**INR**” or “**Rs.**” means Indian Rupees, the currency of the Republic of India for the time being in force;

“**Key Management Team**” shall have the meaning assigned to such term under the Agreement;

“**Law**” includes all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, circulars, policies, directions, directives, transfer pricing norms and orders of any

Government, statutory authority, tribunal, board, court or recognized stock exchange and, if applicable, international treaties, having jurisdiction over the matter in question and having the force of law;

“**Listing Agreement**” means the listing agreement entered into by the Company with BSE and NSE;

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

“**Material Subsidiary Board**” means the board of directors of the Material Subsidiary as constituted from time to time;

“**Material Subsidiary(ies)**” means the Subsidiaries of the Company set out in Schedule 6 of the Agreement and any other Subsidiary of the Company or of any of its Subsidiaries that has had or may have, on a standalone basis, after the Financial Year 2012-13:

- (a) Net Assets of more than USD 15 million;
- (b) Income or revenue from sales of more than USD 15 million; or
- (c) Profit After Tax of more than USD 15 million.

For the purposes of this clause:

“**Income**” means all income of such Subsidiary from whatever source derived (i) that is received or deemed to be received by such entity (ii) that has accrued or arisen or deemed or have accrued or arisen, in the previous four (4) quarters immediately preceding the quarter in which such determination is made;

“**Net Assets**” means the book value of all assets of such Subsidiary net of all liabilities (excluding shareholder funds) of such Subsidiary relating to the previous four (4) quarters immediately preceding the quarter in which such determination is made;

“**Profit After Tax**” means the profit after tax based on the audited financial statements of such Subsidiary relating to the financial year immediately preceding the financial year in which such determination is made;

It is clarified that once an entity qualifies to be a Material Subsidiary, it will continue to be a Material Subsidiary notwithstanding that subsequent to such qualification, it ceases to meet the thresholds set out above;

“**Memorandum**” means the Memorandum of Association of the Company, as amended from time to time;

“**Month**” means a calendar month;

“**New Promoter Group**” shall mean the Existing Promoters and WSH;

“**NSE**” means the National Stock Exchange of India Limited;

“**Office**” means the Registered Office for the time being of the Company;

“**Open Offer**” means an open offer referred to in regulation 3, regulation 4 and regulation 6 of the SEBI (SAST) Regulations;

“**PAA**” means the preferential allotment agreement dated the Execution Date executed between WSH, WIL, Company and the Existing Promoters;

“**PAC**” means ‘person acting in concert’ as defined under regulation 2 (q) SEBI (SAST) Regulations;

“**Participant**” means a person registered as such under section 12 (a) of the Securities and Exchange Board of India Act, 1992;

“**Person**” includes an individual, proprietorship, partnership, corporation, company, unincorporated organization or any association, trust or other entity, whether incorporated or not;

“**Plural Number**” words importing the plural number also include the singular number;

“**Profits**” means, in respect of any Financial Year, the audited post-tax freely distributable profits of the Company as shown in the audited profit and loss account of the Company for that Financial Year;

“**Promoter Holding Company**” shall mean SRS Investments Pte. Ltd., a company incorporated under the laws of Singapore, having its registered office at 79 Robinson Road, #16-01 CPF Building, Singapore - 068897;

“**Public Shareholders**” means the shareholders and beneficial owners (registered or otherwise) of Equity Shares, other than New Promoter Group;



“**Record**” includes the records maintained in the form of books or stored in Computer or in such other form as may be determined by regulations made by SEBI in relation to the Depositories Act;

“**Register and Index of Members and Debenture Holders**” means the Register and Index of Members and Debenture Holders maintained by the Company under the Act, and shall include the register of beneficial owners of shares and debentures maintained by a depository;

“**Related Party(ies)**” means any of the following: (i) any employee, officer, Director, shareholder of the Company and respective Relative(s) of the directors and shareholders of the Company (as the term “Relative” is defined under the Act and Accounting Standard (AS) 18); (ii) any Affiliate and any associated enterprise (as defined under Section 92A of the Income Tax Act, 1961) of any of the foregoing Persons in (i) above including the Company, whether incorporated/ resident in India or outside India;

“**Related Party Transaction**” means the any transaction, arrangement, agreement, understanding between Related Parties;

“**Reserved Matters**” has the meaning set out in Article 180;

“**Required Independent Directors**” has the meaning set out in Article 126;

“**Required Shareholding**” shall mean 15% (fifteen) per cent of the voting rights in the Company on a Fully Diluted Basis;

“**SCRR**” means the Securities Contracts (Regulation) Rules, 1957;

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

“**SEBI**” means the Securities and Exchange Board of India, a body established under the provisions of the Securities and Exchange Board of India Act, 1992;

“**SEBI (ICDR) Regulations**” means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;

“**SEBI (SAST) Regulations**” means the Securities Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;

“**Shareholders**” means the shareholders of the Company as reflected in the statutory registers of the Company as shareholders of the Company;

“**Stock Exchanges**” means the NSE and the BSE;

“**Strategy Committee**” shall have the meaning set out in Article 186;

“**Subscription Shares**” has the meaning ascribed to the term under the PAA;

“**Subsidiary**” has the same meaning as assigned to it under the Act;

“**Third Party**” in relation to a Person (“Subject Person”), means any other Person other than the Subject Person and its Affiliates;

“**Transaction Open Offer**” means the open offer made by WSH and Promoter Holding Company along with PACs to the Public Shareholders of the Company to acquire 243,161,683 Equity Shares representing 26% of the Emerging Voting Capital pursuant to regulation 3(1), regulation 3(2) and regulation 4 of the SEBI (SAST) Regulations on the terms and conditions set out in the Transaction Open Offer Documents;

“**Transaction Open Offer Documents**” shall mean the public announcement, detailed public statement, draft letter of offer, letter of offer, offer opening advertisement, escrow agreements and any corrigendum thereto issued in relation to the Transaction Open Offer;

“**Transfer**” (including the terms “transferred”, “transferring” and “transferability”) means, any, direct or indirect, transfer, sale, assignment, relinquishment, extinguishment, pledge, hypothecation, creation of security interest in or lien or Encumbrance on, placing in trust (voting or otherwise), exchange, gift or transfer by operation of law or in any other way, whether or not voluntarily;

“**WIL**” shall mean Wilmar International Limited, a company organized under the laws of Singapore, having its registered office at 56 Neil Road, Singapore - 088830;

“WSH” shall mean Wilmar Sugar Holdings Pte. Ltd., a company registered under the laws of Singapore, having its registered office at 56 Neil Road, Singapore-088830;

“WSH Nominee Directors” means the Directors on Board nominated by WSH other than the Independent Directors nominated in accordance with Article 126;

Expressions in the Act to bear the same meaning in Articles;

Subject as aforesaid any words or expression defined in the Act shall except where the subject or context forbids bear the same meaning in these articles.

MARGINAL NOTES

3. The Marginal notes hereto shall not affect the construction hereof.

COPIES OF MEMORANDUM AND ARTICLES TO BE GIVEN TO MEMBERS

4. Copies of the Memorandum and Articles of Association and other documents in Section 39 of the Act shall be furnished by the company to any member at his request within 7 days of the requirement subject to the payment as prescribed under the Act.
5. The Authorised Share Capital of the Company is as reflected in Clause V of the Memorandum of Association, from time to time.

EQUITY SHARES CAPITAL WITH DIFFERENTIAL RIGHTS

6. Subject to these Articles, the Company may issue Equity share capital with differential rights as to dividend, voting or otherwise in accordance with such rules and subject to such conditions as may be prescribed.

SHARES UNDER THE CONTROL OF THE DIRECTORS

7. Subject to the provisions of the Act and these Articles, the shares in the capital of the company for the time being (including any shares forming part of any increased capital of the company) shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (Subject to compliance with the provisions of Section 79 of the Act) at a discount and at such times as they may from time to time think fit and proper, and with full power with the sanction of the Company in General Meeting to give to any person the option to call for or be allotted shares of any class of the Company either at par or at a premium or subject as aforesaid at a discount such option being exercisable at such times and for such considerations as the Directors think fit.

POWER OF GENERAL MEETING TO OFFER SHARES TO SUCH COMPANY MAY RESOLVE

8. In addition to and without derogating from the powers for that purpose conferred on the Directors under Article 7 the Company in General Meeting may, subject to Article 180 and Article 181, determine to issue further shares of the authorized but unissued Capital of the Company and may determine that any shares (whether part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not) in such proportion and on such terms and conditions and either at a premium or at part or, subject to compliance with the provisions of Section 79 of the Companies Act, at a discount, as such general meeting shall determine and with full power to give to any person (whether a member or holder of the debentures of the company or not) the option to call for or be allotted shares of any class of the Company either at a premium or at par or (subject to compliance with the provisions of the Section 79 of the Act) at a discount, such option being exercisable at such time and for such consideration as may be directed by such general meeting or the company in general meeting may make any other provision whatsoever for the issue, allotment or disposal of the shares. Subject to any direction given by general meeting as aforesaid the provisions of Article 10 hereof shall apply to any issue of new shares.

INCREASE OF CAPITAL

9. (1) The Company may from time to time in General meeting increase its authorized share capital by the creation of new shares of such amount as it thinks expedient subject to the provisions of these Articles and the Act
- (2) Subject to the provisions of the Act and these Articles, the new shares shall be issued upon such terms and conditions and with such rights, and privileges annexed thereto as by the General Meeting creating the same shall be directed and if no direction be given as the Directors shall determine, and in particular such shares may be issued with a



preferential or qualified right to dividends and in distribution of assets the Company and any preference shares may be issued on the terms that they are or at the option of the Company are to be liable to be redeemed.

RIGHTS OF ORDINARY SHAREHOLDERS TO FURTHER ISSUE OF CAPITAL

10. Where it is proposed to increase the subscribed capital of the Company by allotment of further shares, then such further shares shall be offered to the persons who, at the date of the offer, are holders of the ordinary shares of the Company, in proportion, as nearly as circumstances admit to the capital paid up on those shares at that date, and such offer shall be made in accordance with the provisions of Section 81 of the Act.

Provided that the further shares may be offered to any persons, whether or not those persons include the persons who, at the date of the offer, are holders of the ordinary shares of the Company in any manner whatsoever.

- (a) Subject to the provisions of this Articles, if a Special Resolution to that effect is passed by the Company in General Meeting, or
- (b) Where, on such special Resolution is passed, 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 the 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 and voting and the Central Government is satisfied on an application made by the Board of Directors in that behalf, that the proposal is most beneficial to the Company.

For avoidance of doubt, it is clarified that a rights issue to the shareholders of the Company shall not require the approval of the shareholders of the Company at a General Meeting.

11. Provided however that offer as mentioned in Article 10 above to the existing shareholders shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person, however the directors may decline to allot any shares to any such person without assigning any reason thereof.

12. (1) Subject to the provisions of the SEBI (ICDR) Regulations, as may be applicable from time to time and other applicable laws, these Articles and with the consent of the members of the Company by Special Resolution at a General meeting or by postal ballot, the Board of Directors of the Company or a Committee thereof duly authorised by the Board of Directors may issue and allot Warrants convertible into Equity Shares or Preference Shares or Depository Receipts evidenced by Equity Shares/Preference Shares at such rate and on such terms and conditions as may be determined at the sole discretion of the Board/Committee, to one or more persons, including existing shareholders, general public, or on preferential basis to the promoters, directors, bodies corporate, unincorporated entities, banks, financial institutions, trusts, NRIs, or such other persons from time to time, as it may think fit, on receipt of such amount as may be decided by the Board/Committee, subject to applicable laws. The Board of Directors of the company shall be authorised to make provisions as to the allotment and issue of Warrants and in particular may determine to whom the same shall be offered whether at par or at premium subject to the provisions of the Companies Act, 1956 and all the applicable laws.
- (2) The Company may by special resolution authorise the Board to convert warrants into equity shares at such rates (including premium), terms and conditions as may be determined by the Board and in accordance with the guidelines issued by the SEBI, Stock Exchange, Central Government and other applicable laws either in a single tranche or otherwise as per the discretion of the Board.

DEMATERIALIZATION OF SECURITIES

13. Either the company or the member / investor may exercise an option to issue, deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized pursuant to the Depositories Act in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto, shall be governed by the provisions of the Depositories Act, as amended from time to time or any statutory modification thereto or re-enactment thereof.

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing securities, rematerialize its securities held in the Depositories and/or offer its fresh securities in a dematerialized form pursuant to the Depositories Act, and the rules framed there under, if any.

- (a) Notwithstanding anything to the contrary contained in any other law or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.

- (b) Save as otherwise provided in (a) above, and notwithstanding anything contained in these Articles, the Depository as the registered owner of the securities shall not have voting rights or any other rights in respect of the security held by it.
- (c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of a Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a Depository.
- (d) Except as ordered by a Court of Competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register and index of Members and Debentures Holders as the holders of any shares or where the name appears as the Beneficial Owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equitable, contingent, future or partial interest in any share or (except only as is by these Articles otherwise expressly) provided any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has express or implied notice thereof, but the Board shall be entitled at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors thereof.
- (e) Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the Bye-Laws and the Company in that behalf.
- (f) Upon receipt of certificates of securities on surrender by a person who has entered into an agreement with the Depository through a depository participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities.
- (g) If a beneficial owner seeks to opt out of a Depository in respect of any security, then the Company shall, in the manner and time prescribed in this behalf, issue the certificate of securities to the beneficial owner or the transferee as the case may be.
- (h) Except as specifically provided in these Articles, the provisions relating to joint holder of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares in physical form subject to the provisions of the Depositories Act.
- (i) Notwithstanding anything 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.
- (j) The Company shall cause to keep a Register and Index of Members and Debenture holders in accordance with section 151 and 152 of the Act, respectively, and Depositories Act, with details of shares and debentures held in physical and dematerialized forms in any media as may be permitted by law including in electronic media. The Company shall have the power to keep any State or Country outside India a branch, Register and Index of Members and Debenture holders Resident in that State or Country.

For the purpose of this Article and other Articles having reference to Depository or dematerialization, security shall mean such security as may be specified by the Securities and Exchange Board of India for the purposes of the Depositories Act.

PROVISION IN CASE OF REDEEMABLE PREFERENCE SHARES

14. On the issue of Redeemable Preference shares under the provision of Article 9 the following provision shall take:
- (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 purposes of the redemption.
 - (b) No such shares shall be redeemed unless they are fully paid.
 - (c) The premium, if any, payable on redemption shall be provided for out of the profits of the company or out of the company's share premium account before the shares are redeemed.
 - (d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend be transferred to a Reserve Account to be called "The Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares re-deemed and the provisions of the Act relating to the reduction of the share capital of a Company shall except as provided under Section 80 of the Act or herein apply as if the Capital Redemption Reserve Account were paid up share capital of the



- Company.
- (e) Subject to the provisions of Section 80 of the Act and this Article the redemption of Preference Shares hereunder may be effected in accordance with the terms and conditions of their issue and failing that in such manner as the Directors may think fit.

SAME AS ORIGINAL CAPITAL

15. Except so far as otherwise provided by the conditions of issue or by these Presents any capital raised by the creation of new shares shall be considered part of the original ordinary capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

RESTRICTIONS ON PURCHASE BY COMPANY OF ITS OWN SHARE

16. (1) The Company shall not have the power to buy its own shares unless that of its consequent reduction of capital is effected and sanctioned in pursuance of Article 17 in pursuance of Sections 100 to 104 or Section 402 or other applicable provisions (if any) of the Act read with Article 180 and Article 181.
- (2) Except to the extent permitted by Section 77 or other applicable provisions (if any) of the Act the company shall not give whether by means of a loan, guarantee, the provisions of security, or otherwise any financial assistance for the purpose of, or in connection with the purchase or subscription made or to be made by any person or for any shares in the Company.
- (3) Nothing in this Article shall affect the right of the Company to redeem any redeemable Preference Shares issued under Article 9 or under Section 80 or other relevant provisions (if any) of the Act or of any previous Companies Law.

BUYBACK OF SHARES

17. Subject to the provisions as contained in Article 180 and Article 181, the Company may buy-back its own shares or other securities as may be notified by the Central Government subject to the provisions of section 77A, 77AA and 77B of the Act.

REDUCTION OF CAPITAL

18. Subject to the provisions as contained in Article 180 and Article 181, the Company may from time to time by Special Resolution reduce its share capital in any way authorized by law and in particular may pay off any paid-up share capital upon the footing that it may be called up again or otherwise and may if any so far as is necessary alter its Memorandum by reducing the amount of its share capital and of its shares accordingly.

CONSOLIDATION DIVISION AND SUBDIVISION

19. Subject to the provisions as contained in Article 180 and Article 181, the Company may in General Meeting alter the conditions of its memorandum as follows:
- (a) Consolidate and divide all or any of its share capital into shares of larger amounts than its existing shares.
- (b) Sub-divide its shares or any of them into shares of smaller amounts than originally fixed by the Memorandum subject nevertheless to the provisions of the Act and of these Articles.
- (c) Cancel shares which at the date of such general Meeting 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.

***ISSUE OF FURTHER PARI PASSU SHARES NOT TO AFFECT THE RIGHTS OF SHARES
ALREADY ISSUED***

20. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of the issue of the shares of that class be deemed to be varied by the creation or issued of further shares ranking pari passu therewith.

***NOTIFICATION OF CLASS RIGHTS
POWER TO MODIFY CLASS RIGHTS***

21. If at any time the share capital by reason of the issue of Preference Shares or otherwise, is divided into different classes of

shares, all or any of the rights and privileges attached to each class may, subject to the provision of Sections 106 and 107 of the Act, and whether or not the company is being wound up, be varied, modified, abrogated or dealt with, subject to the provisions as contained in Article 180 and Article 181, the consent in writing of the holders of not less than three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class and all the provisions contained in these Articles as to General Meetings (including the provisions relating to quorum at such meetings) shall mutates mutandis apply to every such meetings.

SHARES

SHARES TO BE NUMBERED PROGRESSIVELY AND NO SHARE TO BE SUBDIVIDED

22. The Shares in the capital of the Company progressively shall be numbered and no share to progressively according to be sub-divided their several denomination and, except in the manner herein before mentioned, no shares will be sub-divided.

DIRECTORS MAY ALLOT SHARES AS FULLY PAID-UP

23. Subject to the provisions of the Act and Article 180 and Article 181, the Directors may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.

ACCEPTANCE OF SHARES

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

DEPOSITS

25. The Money (if any), which the Directors, shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the 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.

INSTRUMENTS ON SHARES TO BE DULY PAID

26. If by the conditions of allotment of any shares the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.

LIABILITY OF MEMBERS

27. Every member, his executors, administrators or other legal representatives shall pay to the Company the proportion 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 Directors shall from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.

COMPANY NOT BOUND TO RECOGNIZE ANY INTEREST IN SHARES OTHER THAN THAT OF THE REGISTERED HOLDERS

28. Except as required by law no person shall be recognized by the company as holding any share upon any and he shall not be bound by, or be compelled in any way, to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any functional part of a share, or (except only as by these article or as ordered by a court of competent jurisdiction or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

UNDERWRITING AND BROKERAGE COMMISSION FOR PLACING SHARES, DEBENTURES, ETC.

29. The company may subject to the provisions of section 76 and other applicable provisions (if any) of the act at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or his procuring or agreeing to procure subscription, whether absolutely or conditionally, for any shares in or any debentures of the company, but so that the amount or rate of commission does not exceed in the case shares 5 percent of the price at which the share are issued and in case of debentures 2.5 percent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly in the one way and partly in the other. The company may also on any on any



issue shares or debentures pay such brokerage as may be lawful.

CERTIFICATES

CERTIFICATES OF SHARES

30. (a) The Certificate of title to shares shall be issued under the seal of the company which shall be affixed in the presents of and signed by (i) two Directors or persons acting on behalf of the Directors under a duly registered Power of Attorney, and (ii) the Secretary or some other person appointed by the Board for the purpose, provided that atleast one of the aforesaid two Directors shall be a person other than a Managing Director. A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal of lithography.

Provided always that notwithstanding anything contained in this Article the certificate of title to shares may be executed and issued in accordance with such other provisions of the Act or the Rules made thereunder, as may be in force for the time being and from time to time.

MEMBER'S RIGHTS TO CERTIFICATES

- (b) Every member shall be entitled without payment to one certificate for all the shares of each class or denomination registered in his name or if the Directors so approve (upon paying such fee or fees or at the discretion of the Directors without payment of fees as the Directors may from time to time determine) to several certificates each for one or more shares of each class. Every certificate of shares shall specify the number and denoting numbers of the shares in respect of which it is issued and the amount paid thereon and shall be in such form as the Directors shall prescribe or approve.

LIMITATION OF TIME FOR ISSUE OF CERTIFICATES

31. The Company shall within the time prescribed after the allotment of any of its shares or debentures and within two months after the application for the registration of the transfer of any such shares or debentures complete and have ready for delivery the certificates of all shares and debentures allotted or transferred, unless the conditions of issue of the shares or debentures otherwise provide and the company shall otherwise comply with the requirements of Section 113 and other applicable provisions (if any) of the Act.

AS TO ISSUE OF NEW CERTIFICATES IN PLACE OF ONE DEFACED, LOST OR DESTROYED

32. If any certificate be decrepit, worn out, defaced, torn or be otherwise mutilated or rendered useless from any cause whatsoever, or if there be no space on the back thereof for endorsement of transfers, then upon production thereof to the Directors, they may order the same to be cancelled, and may issue a new certificate in lieu thereof, and if any certificate be lost or destroyed, then upon proof thereof to the satisfaction of the Directors and on such indemnity as the Directors deem adequate being given a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate on payment, if any, of such sum not exceeding Re. 1/- as the Directors may in their discretion determine. The Directors may in their discretion waive payment of such fee in the case of any certificate or certificates.

CALLS

BOARD MAY MAKE CALLS

33. The Board of Directors may from time to time, but subject to the conditions hereinafter mentioned, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the Company or where payable to a person other than the Company to the persons and at the time or times appointed by the directors.

CALLS ON SHARES OF SAME CLASS TO BE MADE ON

34. Where after the commencement of the Act, any calls for future share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

UNIFORM BASIS

35. Fifteen days' notice at the least of every call otherwise than on allotment shall be given specifying the time of payment and if payable to any person other than the Company the name of the person to whom the call shall be paid, provided that before the time for payment of such call the Directors may by notice in writing to the members revoke the same.

NOTICE OF CALL

36. A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorizing such call was passed and may be payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Directors.

DIRECTORS MAY EXTEND TIME

37. The Directors may from time to time, at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who from residence at a distance or other cause, Directors may deem entailed to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.

AMOUNT PAYABLE AT FIXED TIME OR BY INSTALLMENTS AS CALLS

38. If by the terms of any share or otherwise any amount is made payable at any fixed time or by installments at fixed times (whether on account of the amount of shares or by way of premium) every such amount or installments payable as if it were a call duly made the Board of Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall relate to such amount or installment accordingly.

WHEN INTEREST ON CALLS OR INSTALLMENTS PAYABLE

39. If the sum payable in respect of any call or installments be not paid on or before the day appointed for payment thereof the holder for the time being or allottee of the share in respect of which a call shall have been made or the installment shall be due shall pay interest to the same at such rate not exceeding 9 percent per annum as the Directors shall fix from the day appointed for the payment thereof to the time of actual payment but the Directors may waive payment of such interest wholly or in part.

JUDGMENT DECREE OR PARTIAL PAYMENT NOT TO PRECLUDE FORFEITURE

40. Neither a Judgment nor a decree in favour of the Company for calls or other money due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the company in respect of the payment of any money shall preclude the forfeiture of such shares as herein provided.

PROOF ON TRIAL OF SUIT FOR MONEY DUE ON SHARES

41. Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any 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 of the shares in respect of which such money is sought to be recovered, that the resolution making the call is duly recorded. In the minute book and that notice of such call was duly given in pursuance of these presents and it shall not be necessary to prove the appointment of the Directors who made such call nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.

PAYMENT IN ANTICIPATION OF CALLS MAY CARRY INTEREST

42. The Director may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys due upon the shares, held by him beyond the sums actually called for; and upon the moneys so paid in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which, such advance has been made the Company may pay interest at such rate as the member paying such sum in advance and the Directors agree upon the Company may at any time repay the amount so advanced upon giving to such member three months notice in writing.

PAYMENT IN ANTICIPATION OF CALLS MAY CARRY INTEREST

43. However such payment as mentioned in Article 42 shall not confer a right to participate in profits or dividend nor shall the member be entitled to any voting rights in respect of the money so paid by him until the same would but for such payment, become presently payable. The Directors may at any time repay the amount so advance.

44. The Board may from time to time subject to the terms on which any warrants convertible in to equity shares or preference shares or depository receipts evidenced by equity shares or preference shares may have been issued, make call on the warrant holders in respect of the balance amount unpaid on the warrants held by them respectively in accordance with the



terms of issue of warrants, and in case the terms of warrants do not provide for the same, the Board or any Committee thereof duly empowered may determine such terms, provided that all payments must be made on or before the date of conversion of the warrants into equity shares/preference shares/depository receipts evidenced by equity shares or preference shares. In case of failure to make payment thereof in accordance with the terms of issue of warrants, or in absence of such terms, in accordance with the terms as may have been determined by the Board or any Committee thereof, duly empowered, the amount so deposited at that time of allotment of the warrant(s) shall be forfeited by the Board or any committee thereof, duly empowered.

FORFEITURE, SURRENDER AND LIEN
IF CALL OR INSTALLMENTS NOT PAID NOTICE MUST BE GIVEN

45. If any member fails to pay the whole or any part of any call or installment or, any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same the Directors may at any time thereafter during such time as the call or the installment or any part thereof or other moneys remain unpaid or judgment or decree in respect thereof remains unsatisfied in whole, in part serve a notice on such member or on the person if (if any) entitled to the share by transmission requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with, any interest that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such non-payment.

TERMS OF NOTICE

46. The notice shall name a day (not being less than 14 days from the date of the notice) on or before which such call, installment or such part or other moneys as aforesaid and such interest and expenses as aforesaid are to be paid and if payable to any person other than the Company the person to whom such payment is to be made. The notice shall also state in the event of non-payment at or before the time (if payable to any person other than the Company) to the person appointed the shares in respect of which the call was made or installment is payable will be liable to be forfeited.

IN DEFAULT OF PAYMENT SHARES TO BE FORFEITED

47. If the requirement of any such notice as aforesaid shall not be complied with, any of the 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 or other moneys due in respect thereof. Be forfeited by, a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

ENTRY OF FORFEITURE IN REGISTER OF MEMBERS

48. When any share shall have been so forfeited, as forfeiture with the date thereof shall be made in the Register of Members.

FORFEITED SHARES TO BE PROPERTY OF THE COMPANY AND MAY BE SOLD ETC.

49. Any share so forfeited shall be deemed to be the property of the company and may be sold, re-allotted or otherwise disposed of either to the original holder thereof, or to any other person, upon such terms and in such manner as the Board shall think fit.

POWER TO ANNUL FORFEITURE

50. The Directors 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 they think fit.

MEMBER STILL LIABLE TO PAY MONEY OWING AT

51. Any member whose shares have been forfeited shall standing the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest, expenses and other moneys owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from time to time of forfeiture until payment at such rate not exceeding 9 percent per annum as the Directors may determine and the Directors may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture shall not be under any obligation to do so.

EFFECT OF FORFEITURE

52. The forfeiture of a share shall involve the exemption at the time of the forfeiture of all interest in and also of all claims and demands against the Company in respect of the share, and all other rights incident to the shares, except only such of these rights as by these presents are expressly saved.

SURRENDER OF FORFEITURE

53. The Directors may subject to the provisions of the Act, accept surrender of any share from or by any member desirous of surrendering on such terms as the Directors may think fit.

COMPANY'S LIEN ON SHARES

54. The Company shall have no lien on its fully paid shares. In the case of partly paid-up shares the Company shall have a first and paramount lien only for all moneys called or payable at a fixed time in respect of such shares. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer to shares shall operate as a waiver of the Company's lien, if any, on such shares. The Directors may at any time declare any shares to be wholly or in part exempt from the provisions of this Article.

AS TO ENFORCING LIEN BY SALE

55. For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but 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 the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment or discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as aforesaid, the certificate in respect of the shares sold stand cancelled and become null & void and be of no effect, and the Directors shall be entitled to issue a new certificate or certificates in lieu thereof to the purchaser or purchasers concerned.

APPLICATION OF PROCEEDS OF SALE

56. The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards the satisfactions of the said debts, liabilities or engagements of such member and the residue (in any) paid to such member or the person (in any) entitled by transmission to the shares so sold.

CERTIFICATE OF FORFEITURE

57. A certificate in writing under the hands of two Directors, that the call in respect of a share was made, and notice thereof given, and that default in payment of the call was made, and that the forfeiture of the share was made, by a resolution of the Directors to that effect, shall be conclusive evidence of the fact stated therein as against all persons entitled to such share.

TITLE OF

58. The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, re-allotment or other disposal of the share.

TRANSFER AND TRANSMISSION OF SHARES REGISTER OF TRANSFERS

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

RESTRICTIONS ON THE TRANSFER OF SHARES

60. Other than any permitted transfer agreed between WSH, Existing Promoters and the Company under the Agreement, for a period of 3 (three) years from the Effective Date ("Restricted Period"), neither WSH nor the Existing Promoters shall be entitled to directly or indirectly Transfer any Equity Securities to any person or acquire any Equity Securities without the prior written consent of the other party.
61. Other than any permitted transfer agreed between WSH, Existing Promoters and the Company under the Agreement, at any time after the Restricted Period, transfer of Equity Shares by either WSH and/ or the Existing Promoters shall be subject to such restrictions and conditions (including right of first refusal and tag along rights of the party which is not transferring the shares) as agreed between WSH, the Existing Promoters and the Company under the Agreement. The detailed mechanics and procedures related to such restrictions and conditions are provided in the Agreement. The Company, WSH and the Existing Promoters recognize that such restrictions and process for the Transfer are reasonable and shall be specifically enforceable.



62. Under the circumstances/events and subject to the terms and conditions agreed under the Agreement, WSH shall have the right but not the obligation (“Call Option”) to purchase all (but not less than all) the Equity Securities held by the Promoter Holding Company in the manner and price agreed between WSH and Existing Promoters in writing.

GENERAL POWER TO REFUSE TRANSFER

63. The Directors may at their absolute and uncontrolled discretion, decline to register or acknowledge any transfer of shares, and shall not be bound to give any reason for such refusal, and in particulars may so decline in respect of shares upon which the Company has a lien. This Article shall apply notwithstanding that the proposed transferee may be already a member. Notwithstanding anything contained in these Articles, Transfer of Equity Shares by either WSH and/ or the Existing Promoters shall be subject to such restrictions as may be mutually agreed in writing between WSH, the Existing Promoters and the Company. The Company, WSH and the Existing Promoters recognize that such restrictions on Transfer are reasonable and shall be specifically enforceable.
64. The Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of such transfer shall not be refused on the ground of the transferor being, either singly or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has exercised its right of lien on the shares.

FORM OF TRANSFER

65. (a) Shares in the Company may be transferred by an instrument in writing in such form and by such procedure as from time to time may be prescribed by law. Subject thereto the Directors may prescribe a common form for instruments of transfer, which may from time to time be altered by the Directors.

CUSTODY OF TRANSFER

- (b) The instrument of transfer shall after registration be retained by the company and shall remain in their custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as they may determine.

NO FEE OR TRANSFER OF SHARES

- (c) The Company shall not charge any fee for registration of transfer, transmission, probate, succession certificate and letter of administration, certificate of marriage or death, power of attorney or similar other documents.

TITLE TO SHARES

66. The executors or administrators of a deceased member or a holder of a succession Certificate or other legal representation in respect of share of a deceased member where he was a sole or only surviving holder shall be the only person whom the Company shall be bound to recognize as having any title to the shares registered in the name of such member and the Company shall not be bound to recognize such executors, administrators or holder unless such executors or administrators shall have first obtained Probate or Letters of Administration or such holder is the holder of a Succession Certificate or other legal representation as the case may be, from a duly constitute Court in India provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with production of Probate or Letters of Administration of Succession Certificate or other legal representation and under the next Article, register the name of any person who claims to be absolutely entitled to the share standing in the name of a deceased member as a member.

***REGISTRATION OF PERSONS ENTITLED TO SHARES OTHERWISE THAN BY TRANSFER,
(TRANSMISSION CLAUSE)***

67. Any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any member or by any lawful means other than by a transfer in accordance with these presents may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Directors shall require either be registered as a member in respect of such shares and may, subject to the regulations as to transfer hereinbefore contained, transfer such shares. This Article is herein referred to as the Transmission Clause.



REFUSAL TO REGISTER NOMINEES

68. The Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominees if he were the transferee named in an ordinary transfer presented for registration.

BOARD MAY REQUIRE EVIDENCE OF TRANSMISSION

69. Every transmission of share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same to so verified or until an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

THE COMPANY NOT LIABLE

70. The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of share made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the some share notwithstanding that the Company have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred there to 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 them 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 Directors shall so think fit.

JOINT HOLDERS

71. Where two or more persons are registered as the holders tenants with benefits or survivorship subject to the following and other provision contained in these Articles:

COMPANY MAY REFUSE TO REGISTER MORE THAN SIX PERSONS

- (a) The Company shall be entitled to decline to register more than 4 person as the Joint holder of any share.

JOINT AND SEVERAL LIABILITY FOR ALL PAYMENTS IN RESPECT OF SHARES

- (b) The Joint holders of any share shall be liable severally as well as jointly for in respect of all calls and other payments which ought to be made in respect of such share.

TITLE OF SURVIVORS

- (c) On the death of any such joint holder the survivor or survivors shall be the only person or person recognized by the Company as having title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

RECEIPTS OF ONE SUFFICIENT

- (d) Any one of such joint holders may give effectual receipts of any dividends or other moneys payable in respect of such share.

DELIVERY OF CERTIFICATE AND GIVING OF NOTICES TO FIRST NAMED HOLDERS

- (e) Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive document from the Company and any documents served on or sent to such person shall be deemed service on all the joint holders.

VOTES OF JOINT HOLDERS

- (f) Any one of two or more joint holders may vote at any meeting either personally or by an attorney duly authorized under a power of attorney or by proxy in respect of such share as if he were solely entitled thereto and of more than one such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on register in respect of such share shall alone be entitled to vote in respect, but the other or others or the joint holders shall be entitled to be present at the meeting; provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint



holder present by an attorney duly authorized under the power of attorney or by proxy although the name of such stands first or higher (as the case may be) in the Register in respect of such Several executors or administrators of a deceased member in whose (deceased member's) sole name any share stands shall for purposes of this sub-clause be deemed joint holders.

BORROWING POWERS
POWER TO BORROW

72. Subject to the provisions of the Act and these Articles and without prejudice to the other powers conferred by these Articles, the Directors shall have the power from time to time at their discretion to borrow any sum or sums of money for the purposes of the Company provided that the total amount borrowed at any time 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) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say reserves not set apart for any specific purpose.

CONDITIONS ON WHICH MONEY MAY BE BORROWED

73. Subject to the provisions of the Act and these Articles the Directors may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage or charge 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.

BONDS, DEBENTURES, ETC., TO BE SUBJECT TO CONTROL OF DIRECTORS

74. Any bonds, debentures, debentures-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may, subject to the provisions as contained in Article 180 and Article 181, issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

SECURITIES MAY BE ASSIGNABLE FREE FROM EQUITIES

75. Debentures, Debenture-stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

ISSUE AT DISCOUNT, ETC., OR WITH SPECIAL PRIVILEGES

76. Subject to the provisions of the Act and these Articles, any bonds, debenture, debentures stock or other securities may be issued at a discount, premium otherwise and with any privileges and conditions as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise.

Provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the consent of the Company in General Meeting.

MORTGAGES OF UNCALLED CAPITAL

77. If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed or if permitted by the Act may by instrument under the seal authorize the person in whose favour such mortgage or security is executed or any other person in trust for him to make calls on the member in respect of such uncalled capital and the provision hereinbefore contained in regard to call shall mutatis mutandis apply to call made under such authority and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Director's power or otherwise and shall be assignable if expressed to be so.

INDEMNITY MAY BE GIVEN

78. Subject to the provisions of the Act and of these Articles, if the other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company and Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

GENERAL MEETING
ANNUAL GENERAL MEETING

79. (1) The company shall, in addition to any meetings, hold a general meeting (herein called “Annual General Meeting”) at the intervals and in accordance with the provisions herein specified. The Annual General Meeting of the Company shall be held within six months after the expiry of each financial year; provided however, that if the Registrar of Companies shall have for any special reason extended the time within which any Annual General Meeting shall be held by a further period not exceeding three months, the Annual General Meeting may be held within the additional time fixed by the Registrar. Except the cases where the Registrar has given an extension of time as aforesaid for holding any Annual General Meeting, not more than fifteen months shall lapse between the date of an Annual General Meeting and that of the next.
- (2) Every Annual General Meeting shall be called for a time during business hours and on such a day (not being a public holiday) as the Directors may from time to time determine and it shall be held either at the Registered office of the Company or at some place within the city of Belgium. The notice calling the meeting shall specify it as the Annual General Meeting.

EXTRAORDINARY GENERAL MEETING

80. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

DIRECTORS MAY CALL EXTRAORDINARY GENERAL MEETING

81. The Board of Directors may call an Extraordinary General Meeting whenever they think fit.

CALL OF EXTRAORDINARY GENERAL MEETING ON REQUISITION

82. (1) The Board of Directors shall, on the requisition of members of the Company as holding regard to any matter at the date of deposit of requisition, not less than one-tenth of the paid-up capital of company as at that date carries the right of voting in regard to that matter, forthwith proceed duly to call an Extraordinary General Meeting of the Company and the provisions of Section 169 of the Act (including the provisions below) shall be applicable.
- (2) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists, and shall be deposited at the registered office of the Company.
- (3) The requisition may consist of several documents in like form, each signed by one or more requisitionists.
- (4) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (1) above shall apply accordingly in regard to each such matter and the requisition shall accordingly be valid only in respect of those matters in regard to which condition specified in that sub-clause is fulfilled.
- (5) If the Board of Directors does not, within twenty-one days of the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition the meeting may be called by the requisitionists themselves or by such of the requisitionists as represent either a majority in value of the paid-up share capital held by all of them of not less than one-tenth of such of the paid-up share capital of the Company as if referred to in sub-clause (1) above whichever is less.
- (6) A meeting called under sub-clause (5) above by the requisitionists or any of them shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board, but shall not be held after the expiration of three months from the date of the deposit of the requisition.
- (7) Any reasonable expenses incurred by the requisitionists by reason of failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors, as were in default.

NOTICE OF MEETINGS

83. (1) A General Meeting of the Company may be called after giving not less than 21 days notice in writing.
- (2) However, a General Meeting may be called after giving shorter notice than 21 days, if the consent is accorded thereto.



- i. In the case of an Annual General Meeting by all the members entitled to vote thereat; and
- ii. In the case of any other meeting by members of the Company 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 that meeting.

PROVIDED THAT where any members of the Company are entitled to vote only on some Resolution or Resolutions to be moved at the meeting and not on the others, those members shall be taken into account for the purpose of this sub-clause in respect of the former Resolutions but not in respect of the latter.

84. Without prejudice to the aforesaid, written notice of all General Meetings shall be given to all the shareholders at their usual address whether in India or abroad, with an explanatory statement containing all relevant information relating to the agenda for the General Meeting.

CONTENTS OF NOTICE

85. (1) Every notice of a meeting of the Company shall specify the place, the date and hour of the meeting, and shall contain a statement of the business to be transacted thereat.
- (2) In every notice there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy or, where allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member of the Company.
- (3) The written notice shall specify and provide all the details of the action proposed to be undertaken as would reasonably enable a Shareholder to arrive at a decision with respect to such matter.

SPECIAL BUSINESS

86. (1) In the case of an Annual General Meeting all business to be transacted at the meeting shall be deemed special with the exception of business relating to:
- i. The consideration of the Accounts Balance Sheet and Profit and Loss Account and the Report of the Board of Directors and of the Auditors;
 - ii. The declaration of dividend;
 - iii. The appointment of Directors in the place of those retiring;
 - iv. The appointment of and the fixing of the remuneration of the Auditors;
- (2) In the case of any other meeting all business shall be deemed special.
- (3) Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, 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 the concern or interest if any, therein of every Director.

Provided, however, that any item of special business as aforesaid to be transacted at a Meeting of the Company, relates to, or affects, any other Company, the extent of shareholding interest in that other Company of every Director of the Company shall also be set out in the explanatory statement, the extent of such shareholding interest is not less than 20 percent of the paid-up capital of that other Company.

- (4) Where any item of business to be transacted at the meeting of the Company consists of according the approval of the meeting to any document, the time and place where the document can be inspected shall be specified in the explanatory statement.

SERVICE OF NOTICE

87. Notice of every meeting shall be given to every member of the Company in any manner authorized by sub-section (1) to (4) of Section 53 of the Act and by this Article, it shall be given to the persons entitled to a share in consequence of the death or insolvency of the member, by sending it through the post in a pre-paid letter addressed to them by name or by the title of the representatives of the deceased, or assignees 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 giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; provided that where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighborhood of the Registered office of the Company under sub-section (3) of Section 53 of the Act, the explanatory statement need not be annexed to the notice as required by Section 173 of the said Act, but it shall be mentioned in the advertisement that the Statement has been forward to the members of the Company.

NOTICE TO BE GIVEN TO THE AUDITORS

88. Notice of every meeting of the Company shall be given to the Auditor or Auditors for the time being of the Company, in any manner authorized by Section 53 in the case of any member or members of the Company.

AS TO OMISSION TO GIVE NOTICE

89. The accidental omission to give notice of any meeting to or the non-receipt of any notice by, any member or other person to whom it should be given shall not invalidate to proceedings at the meeting.

RESOLUTIONS REQUIRING SPECIAL NOTICE

90. (1) Where, by any provision contained in the Act or in these Articles special notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it so to be moved, exclusive of the day on which the notice is served or deemed to be served and the day of the meeting.
- (2) The Company shall, immediately after the notice of the intention to move any such resolution has been received by it, give its member notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable shall give, them thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by the Articles not less than seven days before the meeting.

**PROCEEDINGS AT GENERAL MEETING
QUORUM AT GENERAL MEETING**

91. Five members entitled to vote at present in person shall be the quorum for a General Meeting and no business shall be transacted at any General Meeting unless the quorum requisite be present at the commencement of the business.

PROCEEDINGS WHERE QUORUM NOT PRESENT

92. If within half an hour after the time appointed for the holding of a General Meeting a quorum be not present the meeting if convened on the requisition of shareholders shall be dissolved and in every other case shall stand adjourned to the same day in the next week at the time and place or to such other day, time and place as the Directors may by notice to the shareholders appoint. If at such adjourned meeting a quorum be not present those members present shall be a quorum and may transact the business for which the meeting was called.

BUSINESS AT ADJOURNED MEETINGS

93. No business shall be transacted at adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place.

CHAIRMAN OR A DIRECTOR TO BE CHAIRMAN OF GENERAL MEETING

- (1) The Chairman (if any) of the Board of Directors shall, if willing, preside as Chairman at every General Meeting, whether Ordinary or Extraordinary but if there be no such Chairman, or in case of his absence or refusal, some one of the Directors (if any be present) shall be chosen to be Chairman of the meeting.
- (2) The Chairman shall not have a casting vote.

IN CASE OF THEIR ABSENCE OR REFUSAL A MEMBER ACT

- (3) If at any meeting a quorum of members shall be present, and the chair shall not be taken by the Chairman of the Board or by a Director at the expiration of half an hour from the time appointed for holding the meeting or if before the expiration of that time all the Directors shall decline to take the chair, the members present shall choose one of their own number to be Chairman of the meeting.

BUSINESS CONFINED TO ELECTION OF CHAIRMAN WHILST CHAIR VACANT

94. (1) No business shall be discussed at any General Meeting whilst the Chair is vacant except the election of a Chairman.
- (2) If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and these Articles, the Chairman so elected on a show of hands exercising all the powers of the Chairman under the Act and these Articles.
- (3) If some other person is elected Chairman as a result of the poll he shall be chairman for the rest of the meeting.



CHAIRMAN WITH CONSENT MAY ADJOURN MEETINGS

95. The Chairman with the consent of any meeting at which a quorum is present, may adjourn any meeting from time to time and from place to place in Belgaum.

NOTICE TO BE GIVEN WHERE AT MEETING ADJOURNED FOR 30 DAYS OR MORE

96. When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting.

WHAT WOULD BE THE PROOF

97. At any General Meeting, a resolution put to the vote of the meeting shall, unless a poll demanded, be decided on a show of hands. A declaration by the Chairman that on a show of hands a resolution has or has not been carried, or had or has not been carried either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the meeting or proportion of the votes cast in favour of or against such resolution.

DEMAND FOR POLL

98. Before or on the declaration of the results of the voting or any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf, by at least five members having the right to vote on the resolution and present in person or by proxy or by any member/members present in person or by proxy and having not less than one tenth or the total voting power in respect of the resolution or by any member or members present 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 which is not less than one-tenth of the total sum paid up on all the shares conferring that right. The demand for a poll may be withdrawn at any time by the person or persons who make the demand.

TIME AND MANNER OF POLLING

99. A poll demanded on any question (other than the election of the Chairman or on a question of adjournment which shall be taken forthwith) shall be taken at such place in Belgaum and at such time not being later than forty-eight hours from the time when the demand was made, as the chairman may direct. Subject to the provisions of the act the Chairman of the meeting shall have the power to regulate the manner in which a poll shall be taken and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

SCRUTINIZERS AT POLL

100. Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutinizers to scrutinize the votes given on the poll and to report thereon to him. The Chairman shall have power, at any time before the result of the poll is declared to remove a scrutinizer from office and to fill vacancies in the office of scrutinizers arising from such removal or from any other cause. Of the two scrutinizers appointed under this Article, one shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed.

DEMAND FOR POLL NOT TO PREVENT TRANSACTION OF OTHER BUSINESS

101. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question of which the poll has been demanded.

REPORTS, STATEMENTS, REGISTERS TO BE LAID ON THE TABLE

102. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and audited statement of Accounts, Auditors' Report (if not already incorporated in the audited statement of Accounts), the Proxy Register with proxies and the Register or Directors holdings maintained under Section 307 of the Act. The Auditors' Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

REGISTRATION OF CERTAIN RESOLUTIONS

103. A copy of the following resolutions (together with a copy of the statement of material facts annexed under section 173 to the notice of the meeting in which such resolution has been passed) or agreements shall, within thirty days after the passing or making thereof, be printed or typewritten and duly certified under the signature of an officer of the Company and filed with the Registrar.

- (a) Special Resolutions;
- (b) Resolutions which have been agreed to by all the members of the Company but which, if not so agreed to, would not have been effective for their purpose unless they had been passed as special resolution;
- (c) Resolutions of the Board or agreements relating to the appointment, re- appointment or the renewal of the appointment or variation of the terms of appointment of a managing Director;
- (d) Any agreement relating to the appointment, re-appointment or renewal of the appointment of a managing agent or secretaries and treasurers of the Company, or varying the terms of any such agreement executed by the Company;
- (e) Resolutions or agreements which have been agreed to by all the members of any class of shareholders but which, if not so agreed to, would not have been effective for their purpose unless they had been passed by some particular majority or otherwise in some particular manner; and all resolutions or agreements which effectively bind all the members of any class of shareholders though not agreed to by all those members;
- (f) Resolutions requiring the Company to be wound up voluntarily passed pursuant of sub-section (1) of Section 484 of the Act;
- (g) Resolutions passed by the Company according consent to the exercise by its Board of Directors of any of the powers under clause (a) clause (d) and clause (e) of sub- section (1) of Section 293 of the Act; and
- (h) Resolutions passed by the Company approving the appointment of sole selling agents under Section 294 Section 294 of the Act. A copy of every resolution which has the effect of altering the Articles of Association of the Company and a copy of every agreement referred to in the above sub-clauses (c), (d) and (e) shall be embodied in and annexed to every copy of the Articles issued after the passing of the resolution or the making of the agreement.

MINUTES OF GENERAL MEETING

104. The Company shall cause minutes of all proceedings of every General Meeting to be kept in accordance with the provisions of Section 193 of the Act, by making within thirty days of the conclusion of each such meeting entries thereof in books kept for that purpose with their pages consecutively numbered. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meetings 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 inability of the Chairman within that period, by a Director duly authorized by the Board for that purpose. In no case the minutes of the proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise. Any such minutes kept as aforesaid, shall be evidence of the proceedings recorded therein.

INSPECTION OF MINUTE BOOKS OF GENERAL MEETING

105. The book containing the aforesaid minutes shall be kept at the Registered Office and be open during business hours to the inspection of any member without charge subject to such reasonable restrictions as the Company may by these Articles or in general meeting impose in accordance with Section 196 of the Act. Any member shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a company of the minutes on payment of thirty-seven paise for every one hundred words or fractional part thereof required to be copied.

PUBLICATION OF REPORTS OF PROCEEDINGS OF GENERAL MEETINGS

106. No report of the proceedings of any general meeting of the company shall be circulated or advertised at the expenses of the company unless it includes the matters required by these Articles or Section 193 of the Act and to be contained in the minutes of the proceedings of such meeting.

VOTES OF MEMBERS

VOTES MAY BE GIVEN BY PROXY OR ATTORNEY

107. Subject to the provisions of the Act and these Articles, votes may be given either personally or by a representative duly authorized under Section 187 of the Act and Article 118.

NUMBER OF VOTES TO WHICH MEMBERS ARE ENTITLED

108. (1) Subject to the provisions of the act and these Articles upon a show of hands every member entitled to vote and present in person (including a body corporate present by a representative duly authorized in accordance with the provisions of Section 187 of the Act and Article 116) or by attorney or in the case of a body corporate by proxy shall have one vote;



- (2) Subject to the provisions of the Act, and these Articles, upon a poll every member entitled to vote and present in person (including a body corporate present as aforesaid) or by attorney or by proxy shall be entitled to vote and shall have the following voting right namely.

In respect of every ordinary share his-voting right shall be in the same proportion as the capital paid up on such ordinary share bears to the total paid up ordinary capital of the Company.

NOT VOTING BY PROXY ON SHOW OF HANDS

109. No member not personally present shall be entitled to vote on a show of hands unless such members is present by an attorney or unless such member is a body corporate present by a representative duly authorized under Section 187 of the Act or by a proxy in which case such attorney or representative or proxy may vote on a show of hands as if he were a member of the Company.

VOTES IN RESPECT OF SHARES OF DECEASED MEMBERS

110. Any person entitled under the Transmission Article to transfer any shares may vote at any General Meeting in respect thereof as if he was the registered holder of such shares provided that at least 48 hours 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 unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

NO MEMBER TO VOTE UNLESS CALLS ARE PAID UP

111. Subject to the provisions of the Act no member shall be entitled to be present or to vote at any General Meeting either personally or by proxy or attorney or as a proxy or attorney for any other member or be reckoned in quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member, for more than one month.

RIGHT OF MEMBER TO USE HIS VOTES DIFFERENTLY

112. On a poll taken at a 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 uses.

PROXIES

113. Any member entitled to attend at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself; but a proxy so appointed shall not have right to speak at the meeting.

APPOINTMENT OF PROXY

114. Every proxy shall be appointed by an instrument in writing signed by the appointer or his attorney duly authorized in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.

DEPOSIT OF INSTRUMENT

115. (1) 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 thereof shall be deposited at the office of the Company not less 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 appointing a proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of such time. An attorney shall not be entitled to vote unless the power of attorney or other instrument appointing him or notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time of holding the meeting at which the attorneys proposes to vote or is deposited at the office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the member or the attorney given at least fourteen days before the meeting require him to produce the original power of attorney of authority and unless the same is thereon deposited with the Company not less than forty-eight hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and Deposit.

INSPECTION OF PROXIES

- (2) Every member entitled to vote at a meeting of the Company according to the provisions of these Articles on any resolution to be moved thereat shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company provided not less than three days' notice in writing of the intention so to inspect is given to the Company.

FORM OF PROXY

116. The instrument appointing a proxy shall be as per the form prescribed under Act.

VALIDITY OF VOTES INSTRUMENT

117. If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company. It shall remain permanently or for such time as the Directors may determine, in the custody of the Company.

VALIDITY OF VOTES GIVEN BY PROXY NOTWITHSTANDING DEATH OF MEMBER, ETC.

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

TIME FOR OBJECTIONS TO VOTES

119. Subject to the provisions of the Act and these Articles, no objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy or by any means hereby authorized and not disallowed at such meeting or poll shall be deemed valid for all purpose of such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

CHAIRMAN OF ANY MEETING TO BE THE JUDGE OF ANY VOTE

120. Subject to the provisions of the Act and these Articles, the Chairman of any meeting shall be sole judge of the validity of every vote tendered at such meeting, and subject as aforesaid the Chairman present at the taking of a poll shall be sole judge of the validity of every vote tendered at such poll.

DIRECTORS

RIGHT TO NOMINATE

121. The Existing Promoters and WSH shall at all times have the right to nominate equal number of representatives on the Board and any committee formed thereunder and the Material Subsidiary Board and any committee formed thereunder which, unless otherwise agreed by the Existing Promoters and WSH. In furtherance of this right, the Existing Promoters and WSH shall have the right to nominate and cause to be appointed such number of directors as set out in Article 131 (i) and (ii) respectively.
122. The Existing Promoters and WSH's right to nominate a Director (including an Alternate Director) shall be deemed to include the right to nominate, replace or remove such Director in accordance with applicable Laws and the provisions of these Articles. Any such representative appointed in place of the outgoing Director shall have the same status, and same rights as those enjoyed by the outgoing Director. In such an event the New Promoter Group shall exercise their rights in such manner so as to cause the appointment of such representative as a Director.
123. If any of the Existing Promoter Nominee Directors or WSH Nominee Directors dies, resigns, vacates or is removed from office before his term expires, the resulting casual vacancy may be filled by a nominee of the Existing Promoters or WSH (as the case may be) who originally nominated the Director vacating office.
124. Upon the appointment of any Director, the Company shall ensure compliance with the provisions of the Act and other applicable Laws including filing necessary forms with the appropriate Registrar of Companies and the Stock Exchanges.
125. WSH and the Existing Promoters will ensure that the Directors they nominate to the Board in discharging their duties as directors are committed to act in good faith and for the benefit and interests of the Company.



126. The directors nominated by WSH and the Existing Promoters shall be persons of good repute and not liable to be disqualified to be a director under the provisions of the Act and other applicable Laws. Such person should not have been declared as a “wilful defaulters” by any Governmental Authority and should not be a director on the board of or an employee of a competitor of the Company or its Material Subsidiaries. It is hereby clarified that WSH, WIL and/or any of its Affiliates shall not be deemed to be competitors of the Company and/or its Subsidiaries for the purposes of this Article.
127. The Directors shall sign confidentiality agreement with the Company in a form acceptable to WSH and the Existing Promoters, undertaking not to disclose any information, plans or proposals that come to their knowledge during the course of the meetings of the Board or otherwise, to any Third Party other than the Existing Promoters and WSH, prior to being permitted to attend any meeting of the Board. Further, the Directors shall comply at all times with their terms of appointment.

INDEPENDENT DIRECTORS

128. The Board, the Material Subsidiary Board and the committees formed thereunder shall consist of such number of Independent Directors as may be required under the Listing Agreement and/or any other applicable Law (“**Required Independent Directors**”). For the appointment of the Required Independent Directors, WSH and Existing Promoters shall each have the right to recommend half the number of individuals required to act as Required Independent Directors. To the extent the total Required Independent Directors is an odd number, 1 (one) individual shall be jointly recommended by the New Promoter Group, failing which such appointment shall be decided by the majority of the Board. All such Independent Directors shall be appointed by the Board in accordance with the applicable Law.

COMPOSITION OF THE BOARD

129. The Board of the Company shall comprise of 12 (twelve) Directors which shall be constituted as follows:-
- i. 3 (Three) Existing Promoter Nominee Directors;
 - ii. 3 (Three) WSH Nominee Directors; and
 - iii. 6 (Six) Independent Directors.
130. Till such time that the Managing Director is a member of the Existing Promoters, the Existing Promoters shall have the right and not the obligation to nominate an employee or officer of the Company on the Board as Existing Promoter Nominee Director (“**Executive Director**”). The Executive Director nominated by the Existing Promoters shall not be considered to be a part of the Key Management Team of the Company and may only be nominated, removed or reappointed by the Existing Promoters in accordance with the Existing Promoters' rights under Article 120 of these Articles. However, the Existing Promoters shall not expand the scope of the duties and role of the Executive Director (whilst acting in his capacity as a member of the Key Management Team and not as a Director) beyond the scope of the duties and role performed by such individual prior to his nomination as an Existing Promoter Nominee Director, without the prior permission of the Board.
131. Any increase in the number of Directors on the Board from that specified in Article 131 shall require the consent of WSH and the Existing Promoters, respectively and shall be subject to the provisions of Article 123 to Article 130.

ALTERNATE DIRECTORS

132. The Board may appoint another Director for and in place of the Existing Promoter Nominee Director(s) and/or the WSH Nominee Director(s) if so requested by the respective Existing Promoter Nominee Director(s) and/or the WSH Nominee Director(s) respectively, as the case may be (“**Alternate Directors**”). In such case, the Board shall appoint only such Alternate Directors that are nominated by the Existing Promoters or WSH, as the case may be. The Alternate Directors shall vacate office if and when the Existing Promoter Nominee Director(s) and/or the WSH Nominee Director(s), as the case may be, return to the state in which meetings of the Board are ordinarily held. The Alternate Director(s) shall be entitled to receive notices of all meetings and to attend and vote at such meetings in place of the Existing Promoter Nominee Director(s) or the WSH Nominee Director(s), as the case may be, and generally to perform all functions of the Existing Promoter Nominee Director(s) or the WSH Nominee Director(s), as the case may be, in their absence.
133. Subject to above, the Board of Directors of the Company 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 of Karnataka and such appointment shall effect and such appointee, whilst he hold office as an Alternate Director, shall be entitled to notice of meetings of the Directors and to attend and vote thereat accordingly. An Alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to the original Director in whose place he has been appointed and shall vacate if and when the Original Director returns to the State of Karnataka. If the terms of Office of the Original Director is determined before he so returns to the State of Karnataka any provision in the reappointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.

APPOINTMENT OF NOMINEE DIRECTOR

134. (1) Notwithstanding anything to the contrary contained in these Articles, so long as any monies remain owing by the Company to Industrial Finance Corporation of India (IFCI), Life Insurance Corporation of India (LIC) or to any other Financial Institution / Bank / Corporation / Credit Corporation / Finance Company / Body Corporate (hereinafter in this Article referred to as “the Corporation”) or so long as the Corporation continue to hold debentures in the Company as a result of underwriting or by direct subscription or private placement, or so long as the Corporation holds shares in the Company as a result of underwriting or by direct subscription or so long as any liability of the company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint, from time to time, any person or persons as a Director or Directors wholetime or non-wholetime (which Director or Directors is/are hereinafter referred to as “Nominee Director/s”) on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their places.
- (2) The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.
- (3) The Nominee Director/s so appointed shall hold the said office only so long as any monies remain owing by the Company to the Corporation or so long as the Corporation holds debentures in the Company as a result of direct subscription or private placement or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of any guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the monies owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any guarantee furnished by the Corporation.
- (4) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/ are member/s as also the minutes of such meetings. The Company shall pay to the Nominee Director/s sitting fees and expenses which the other Directors of the Company are entitled but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or by such nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s.

Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fee in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

Provided also that in the event of the Nominee Director/s being appointed as wholetime Director/s such Nominee Director/s shall exercise such powers and duties as may be approved by the Lenders and have such rights as are usually exercised or available to a wholetime Director, in the management of the affairs of the Borrower. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Lenders.

CASUAL VACANCY

135. Subject to the provisions of Sections 262 and 284 (6) and other applicable provisions (if any) of the Act and these Articles, any causally vacancy occurring in the office is liable to determination by retirement by rotation may be filled up by the Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office, if the vacancy had not occurred.

APPOINTMENT OF ADDITIONAL DIRECTORS

136. Subject to the provisions of Sections 260 and 284(6) and other applicable provisions (if any) of the Act and these Articles, the Directors shall have powers at any time from time to time to appoint a person as an additional Director. The Additional Director shall retire from office at the next Annual General Meeting, but shall be eligible for re-election.

NO QUALIFICATION SHARES

137. A Director of the Company shall not be required to hold any qualifying shares.



REMUNERATION OF DIRECTORS

138. The Directors shall be paid remuneration by way of sitting fees for attending each meeting of the Board or Committee thereof as may be determined by the Board of Directors from time to time within the limits specified in Rule 10B of Companies (Central Government's) General Rules and Forms, 1956". Subject to the limitation provided by the Act such Additional remuneration as may be fixed by the Directors for services rendered by him or them; and the Directors shall be paid such further remuneration (if any) as the Company in General Meeting shall from time to time determine, and such further remuneration shall be divided among the Directors in such proportion and manner as the Directors may from time to time determine and in default of such determination within the year equally. Such remuneration and/or additional remuneration may be by way of commission on dividends, profits or turnover or by participation in profits or by any or all of those modes.
139. Other than the sitting fees payable by the Company to the Directors nominated by WSH and the Existing Promoters, the Company shall not pay any other expenses including any travelling, accommodation expenses or any other expenses incurred by such Directors for attending any meeting of the Board or committee of the Board. For the avoidance of any doubt, it is clarified that nothing contained herein shall restrict the Company and/or the Subsidiaries from paying for or reimbursing travelling, accommodation expenses or any other expenses incurred by their respective executive directors and independent directors on the Board and/or nominees of the Company on boards of its Subsidiaries (including any nominees of the Existing Promoters and WSH).

DIRECTORS NOT BONAFIDE RESIDENTS OF THE PLACE WHERE MEETINGS, HELD MAY RECEIVE EXTRA COMPENSATION

140. Subject to Article 140, the Directors may allow and pay to any Director who is not a bonafide resident of the place where a meeting is to held and who shall come to such place from within India for the purpose of attending a meeting such sum as Directors expenses, in addition to his fee for attending such meeting as above specified, and the Directors may from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the Directors in terms of these Articles, and may pay the same.

SPECIAL REMUNERATION TO DIRECTORS ON COMPANY'S BUSINESS OR OTHERWISE PERFORMING EXTRA SERVICES

141. If any Director, being willing, shall be called upon to perform extra services, or to make any special exertions in going or residing out of Belgaum or otherwise for any of the purposes of the Company, the Company shall, subject to Article 140, remunerate such Director either by a fixed sum or by a percentage of profits or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution of his remuneration above provided.

DIRECTORS MAY ACT NOTWITHSTANDING VACANCY

142. The continuing Directors may act notwithstanding any vacancy in their body, but so that subject to the provisions of the Act if the number falls below the minimum number above fixed and not notwithstanding the absence of a quorum the Directors may act for the purpose of filling up vacancies or for summoning a General Meeting of the Company or in emergencies.

WHEN OFFICE OF DIRECTOR TO BECOME VACANT

143. Subject to the provisions of Section 283(2) of the Act the office of a Director shall become vacant if :-
- (a) he is found to be of unsound mind by a court of competent jurisdiction; or
 - (b) he applies to be adjudicated an insolvent; or
 - (c) he is adjudged and insolvent ; or
 - (d) he fails to pay any call made on him 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 unless the central Government has, by notification in the official Gazette, removed the disqualification incurred by such failure; or
 - (e) any office or place of profit under the Company or any subsidiary thereof is held by him in contravention of Section 314(1) of the Act; or
 - (f) he absents himself from three consecutive meetings of the Board of Directors for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board of Directors; or

- (g) he becomes disqualified by an Order of the Court under Section 203 of the Act; or
- (h) he is removed in pursuance of Section 284 of the Act ; or
- (i) he (whether by himself or by his benefit or on his account) or any firm in 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
- (j) he is convicted by a Court of any offence, involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or otherwise, and subject to the provisions of the Act and these Articles, no such Director shall be accountable for any benefits received as Director or member of such company.

RESIGNATION

144. Subject to the provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Company or to the Board of Directors.

DIRECTORS MAY CONTRACT WITH COMPANY

145. (1) Subject to the provisions of Clauses (2), (3), (4) and (5) of this Article and the other Articles hereof and the Act and the observance and fulfilment thereof, no Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract, or any contract or arrangement entered into by on behalf of the Company in which any Director shall be in any way interested by avoided not shall any Director so contracting or being so interested be liable to account to the company for any profit realized by any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relation thereby established, but it is declared that the nature of his interest must be disclosed by him as provided by clauses (2), (3) and (4) hereof.

DISCLOSURE OF INTEREST

- (2) Every Director who is in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into by or no behalf of the company shall disclose the nature of his concern or interest at a meeting of the Board of Directors or as provided by clause (4) hereof.
- (3) (a) In the case of any other contract or arrangement, the disclosure required to be made by a Director under clause (2) above, shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of the meeting concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he becomes so concerned or interested.

(b) In the case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.
- (4) For the purpose of this Article, a general notice given to the Board of Directors by a Director 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 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 further periods 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. The general notice aforesaid and any renewal thereof shall be given at a meeting of the Board of Directors or the Director concerned shall take reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.
- (5) Nothing in Clauses (2), (3) and (4) hereof shall apply to any contract or arrangement into or to be entered into or to be entered between the Company and any other company where any one of the Directors of the Company or two or more of them together holds or hold not more than 2 percent of the paid-up share capital in the other company.

INTERESTED DIRECTOR NOT TO PARTICIPATE OR VOTE IN BOARD'S PROCEEDINGS

- (6) An interested Director shall not take any part in the discussions of, or vote on, any contract or arrangement entered into, or to be entered to, by or no behalf of the Company, if he is in any way directly or indirectly, concerned or interested in the contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussions or vote, and if he does vote, his vote shall be void;

Provided that this prohibition shall not apply:

- (i) to 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.

- (ii) to any contract or arrangement 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 in his being a Director of such company and the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such director by the Company or in his being a member holding not more than two percent of the paid-up share capital of such Company.
- (iii) In case a notification is issued under sub-section (3) of Section 300 of the Act to the extent specified in the notification.

REGISTER OF CONTRACTS IN WHICH DIRECTORS ARE INTERESTED

146. (1) The Company shall keep one or more Register in which shall be entered separately particulars of all contracts or arrangements to which Section 297 or Section 299 of the Act applies, including the following particulars to the extent they are applicable in each case, namely:
- (a) the date for the contract or arrangement;
 - (b) the names of the parties thereto;
 - (c) the principal terms and conditions thereof;
 - (d) in the case of a contract to which Section 297 of the Act applies or in the case of a contract or arrangement to which sub-section (2) of Section 299 of the Act applies, the date on which it was placed before the Board;
 - (e) The names of the directors voting for and against the contract or arrangement and the names of those remaining neutral.
- (2) Particulars of every such contract or arrangement to which Section 297 of the Act or, as the case may be, sub-section (2) of Section 299 of the Act applies, shall be entered in the relevant Register aforesaid.
- (a) In the case of a contract or arrangement requiring the Board's approval within seven days (exclusive of public holidays) of the meeting of the Board at which the contract or arrangement is approved;
 - (b) In the case of any contract or arrangement, within seven days of the receipt at the registered office of the Company of the particulars of such other contract or arrangement or within thirty days of the date of such other contract or arrangement, whichever is later; and the register shall be placed before the next meeting of the Board and shall then be signed by all the Directors present at the meeting.
- (3) The Register aforesaid shall also specify, in rotation to each Director of the Company, the names of the firms and bodies corporate of which the notice has been given by him under sub-section (3) of Section 299 of the Act.
- (4) Nothing in the foregoing Clauses (1), (2) and (3) shall apply to any contract or arrangement for the sale, purchase or supply of any goods, materials and services, if the value of such goods and materials or the cost of such services does not exceed one thousand rupees in the aggregate in any year.

DIRECTORS MAY BE DIRECTORS OF COMPANIES PROMOTED BY THE COMPANY

147. A Director of this may be or become a Director of any Company promoted by this Company, or in which it may be interested as a vendor, member or otherwise, and subject to the provisions of the Act and these Articles, no such Directors shall be accountable for any benefits received as Director or member of such Company.

DISCLOSURE BY DIRECTOR OF APPOINTMENTS

148. A Director shall within twenty days of his appointment to or relinquishment of his office as Director, Managing Director, Manager or Secretary, in any other body corporate disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under Section 303(1) of the Act. The Company shall enter the aforesaid particulars in a register kept for that purpose in conformity with Section 303 of the Act.

DISCLOSURE OF HOLDINGS

149. A Director shall give notice writing to the Company of his holding of shares and debentures of the Company or its subsidiary together with such particulars as may be necessary to enable the Company to comply with the provisions of Section 307. If such notice be not given at a meeting of the Board, the Director shall take all reasonable steps to secure that it is given. The

Company shall enter particulars of a Director's holdings of shares and debentures as aforesaid in a register kept for that purpose in conformity with Section 307 of the Act.

DIRECTORS NOT TO HOLD OFFICE OR PLACE OF PROFIT

150. (1) Except with the previous consent of the Company accorded by a special resolution.
- (a) no Director of the Company shall hold any office or place of profit, and
 - (b) no partner or relative of such a Director, no firm in which such a Director or relative is a partner, no private company of which such a Director is a Director or a member, and no Director, or Manager of such a private company shall hold any office or place of profit carrying a total monthly remuneration of 500 rupees or more, except that of Managing Director, Managing Agent, Secretaries and Treasurers, Managers, Legal or Technical Advisor, bankers or Trustee for the holders of debentures of the Company ;
 - (i) under the Company ; or
 - (ii) Under any subsidiary of the Company, unless the remuneration received from such subsidiary in respect of such office or place of profit is paid over to the Company or its holding Company.

Provided that it should be sufficient if the Special Resolution according the consent of the Company is passed at the general meeting of the Company held for the first time after the holding of such office or place of profit;

Provided further that where a relative of a Director, or a firm in which such relative is a partner, is appointed to an office or place of profit under the Company or a subsidiary thereof without the knowledge of the director's consent of the company may be obtained either in the general meeting aforesaid or within three months from the date of the appointment, whichever is later.

Explanation: For the purpose of this Clause a Special resolution according consent shall be necessary for every appointment in the first instance to an office or place of profit and to every subsequent appointment to such office or place of profit on a higher remuneration not covered by special resolution, except where an appointment on a time scale has already been approved by the special resolution.

- (2) Nothing in Clause (1) above shall apply where a relative of a Director or a firm in which such relative is a partner holds any office or place of profit under the Company or a subsidiary thereof having been appointed to such office or place before such Director becomes a Director of the Company.
- (3) If any office or place of profit is held in contravention of the provisions of Clause (1) above or except as provided by Clause (2) above, the Director, partner, relative, firm, private company, managing agent, secretaries and treasurers or the manager, concerned shall be deemed to have vacated his or its office as such on and from the date next following the date of the general meeting of the Company referred to in the first provision to Clause (1) above or, as the case may be, the date of the expiry of the period of three months referred to in the second provision to Clause (1) above, and shall also be liable to refund to the Company any perquisites or advantage enjoyed by him or it for the period proceeding the date aforesaid in respect of such office or place of profit.
- (4) Every individual firm, private company or other body corporate proposed to be appointed to any office or place of profit to which this Article applies shall, before or at the time of such appointment, declare in writing whether he or it is or is not connected with the Director of the Company in any of the ways referred to clause (1) hereof.

LOANS TO DIRECTORS

151. The Company shall observe the restrictions imposed on the Company with regard to grant of loans to Directors and other persons as provided in Section 295 and other applicable provisions. (if any) of the Act.

BOARD RESOLUTION AT A MEETING NECESSARY FOR CERTAIN CONTRACTS

152. (1) Except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is a partner, any other partner in such a firm, or a private company of which the Director is a member or director shall not enter into any contract with the Company.
- (a) for the sale, purchase or supply of any goods, materials or services;
 - (b) for underwriting the subscription of any shares in or debentures of the company.



- (2) Nothing contained in the foregoing Clause (1) shall effect:
- (a) the purchase of goods and material form the Company or the sale of goods and materials to the Company, by any Director, relative firm, 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 for sale, for purchase or supply of any goods, materials and services in which either the Company or the Director or the Director, relative, firm, partner or private company as the case may be, regularly trades or does business.

Provided that such contract or contracts do not relate to goods and materials the value of which, or services the cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of contract or contracts.

- (3) Notwithstanding anything contained in the foregoing Clauses (1) and (2), a Director, relative, firm, partner or private company as aforesaid may, in circumstances of urgent necessity, enter, without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of services exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract; but in such a case, the consent of the Board shall be obtained at a meeting within three months of the date on which the contract was entered into.
- (4) Every consent of the Board required under this Article shall be accorded by a resolution cast at a meeting of the Board required under Clause (1) above shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into.
- (5) If consent is not accorded to any contract under this Article anything done in pursuance of the contract shall be voidable at the option of the Board at the option of the Board.
- (6) The Directors, so contracting or begin so interested shall not be liable to the Company for any profit realized by any such contract or the fiduciary relationship thereby established.

RETIREMENT AND ROTATION OF DIRECTORS

RETIREMENT BY ROTATION

153. (1) Not less than two-thirds of the total number of Directors of the Company shall be persons whose period of office is liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the Act and these Articles, be appointed by the company in General Meetings.
- (2) The remaining Directors shall be appointed in accordance with the provisions of these Articles.

DIRECTORS TO RETIRE ANNUALLY HOW DETERMINED

154. At the Annual General Meeting each year one-third of the Directors for the time as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office.

ASCERTAINMENT OF DIRECTORS RETIRING BY ROTATION

155. Subject to the provisions of the Act and these Articles, the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between person 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. Subject to the provisions of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his reappointment is decided or his successor is appointed.

ELIGIBILITY FOR REAPPOINTMENT

156. Subject to the provisions of the Act and these Articles a retiring Director shall be eligible for reappointment.

COMPANY TO FILL UP VACANCY

157. Subject to the provisions of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by election the retiring Director or some other person thereto.

PROVISIONS IN DEFAULT OF APPOINTMENT

158. If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday till the next succeeding day which is not a public holiday at the same time and place.

DEEMED REAPPOINTMENT AT THE ADJOURNED MEETING

159. If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless or;
- (a) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost; or
 - (b) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;
 - (c) he is not qualified or is disqualified for appointment ; or
 - (d) a resolution whether special or ordinary, is required for the appointment or re- appointment by virtue of any provisions of the Act ; or
 - (e) Article 151 or sub-section (2) of Section 263 of the Act is applicable to the case.

NOTICE OF CANDIDATURE FOR OFFICE OF DIRECTORS

160. Subject to the provisions of the Act and these Articles, any person who is not a retiring Director shall be eligible for appointment to the office of Director at any General Meeting if he or some member intending to propose him as at least fourteen clear days before the meeting left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office as the case may be, along with the prescribed fee / deposit, if any.

CONSENT TO ACT AS DIRECTOR

161. 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 signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the company his consent in writing to act as a Director if appointed.

CONSENT TO BE FILED WITH REGISTRAR

162. A person other than:
- (a) a Director re-appointed after retirement by rotation or immediately on the expiry of his terms of office; or
 - (b) an Additional or Alternative Director, or a person filling a casual vacancy in the office of a Director or re-appointed as an Additional or Alternative Director, immediately on the expiry of his terms of office; or
 - (c) a person named as a Director of the Company under its Articles as First registered 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.

INDIVIDUAL RESOLUTION FOR DIRECTORS' APPOINTMENTS

163. At a General Meeting of the Company, a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. A resolution moved in contravention of this Article shall be void whether or not objection was taken at the time to its being so moved; Provided that where a resolution so moved is passed no provisions for the automatic re-appointment of retiring Directors by virtue of these Articles or the Act in default of another appointment shall apply.

INCREASE OR REDUCTION IN THE NUMBER OF DIRECTORS AND ALTERATION IN THEIR QUALIFICATION

THE COMPANY MAY INCREASE OR REDUCE NUMBER OF DIRECTORS AND ALTER THEIR QUALIFICATION

164. Subject to the provisions of the Act and these Articles, the Company may by Ordinary Resolution from time to time increase or reduce the number of Directors and alter their qualification; Provided that any increase in the number of Directors exceeding twelve shall not have any effect unless approved by the Central Government and shall become void if and so far as it is disapproved by that Government.



PROCEEDINGS OF BOARD OF DIRECTORS

165. Subject to the provisions of these Articles and applicable Laws, the Board and any committee formed thereunder shall be responsible for the management, supervision and direction of the Company.

MEETINGS OF THE BOARD

166. Unless otherwise required by applicable Law in which case those requirements will apply, the Board shall meet at least once in every three months and at least four meetings shall be held in a calendar year.
167. Each Director shall be entitled to receive all notices, agenda and other relevant material and to attend all Board meetings and meetings of any committees of the Board of which such Director is a member.
168. Without prejudice to the provisions of Article 168, a meeting of the Board may be called by any Director by providing a written notice to the company secretary of the Company or the relevant Person nominated by the Board in this regard with a copy to the Chairman and the members of the Strategy Committee. The company secretary or the relevant Person nominated by the Board in this regard shall promptly upon receipt of any such notice from any Director give a copy of such notice to all Directors of such meeting, accompanied by a written agenda specifying the business of such meeting and copies of all papers / supporting documents relevant for a Director to take a decision on matters enlisted on the agenda for such meeting in accordance with the provisions of Article 168 to Article 174.
169. Written notice of at least 7 (Seven) calendar days of every meeting of the Board and that of its committees shall be given to every Director that is on the Board or on such committee at their usual address whether in India or abroad, provided that:
- (i) a meeting may be convened by a shorter notice of less than 7 (Seven) calendar days with written consent of all the Directors for the time being on the Board; and
 - (ii) a meeting may be convened by shorter notice of 5 (five) calendar days if the agenda for such meeting includes the approval of the quarterly financial results of the Company.

Notwithstanding anything contained herein the Board shall have the power to prescribe a shorter notice period for the Strategy Committee.

170. The notice of each Board or committee meeting shall provide the date and time for the proposed meeting, and shall include a detailed agenda setting out the business proposed to be transacted at the meeting.
171. Unless waived by all the Directors for the time being on the Board in writing, any item not included in the agenda of a meeting circulated to the Directors shall not be considered or voted upon at that meeting of the Board or the committee, as the case may be.
172. All meetings of the Board shall be presided by the chairman of the Board (“Chairman”). If the Chairman is not present at a Board meeting within 30 minutes of the appointed time, the Board shall be entitled to nominate a person to act as the Chairman of that meeting. Provided that, during the term of the Chairman (as on the Effective Date), in case of absence of the Chairman for any meeting of the Board, the meetings of the Board shall be chaired by an Existing Promoter Nominee Director (or his /her Alternate Director), if such a Director is present and willing to take up chairmanship of such a meeting. However, after the term of the Chairman (as on the Effective Date), the meetings of the Board and/or committees shall be chaired by such person as may be appointed by the Board in this behalf. The Chairman shall not have a casting vote. The meeting of any committees of the Board shall be presided by a Director that is a member of such committee, who shall be the chairman of such committee for the purposes of these Articles, provided however that if the Chairman (as on the Effective Date) is a member of any committee of the Board, she shall be the chairman of such committee during her term as the Chairman.

MINUTES OF A MEETING

173. Unless otherwise required by applicable Law, the Chairman shall ensure that the following process is followed with regards to the minutes of any meeting of the Board or a committee thereof:
- a) The draft minutes of the meeting shall be circulated among all the Directors within 7 (seven) days of the meeting either in writing or in electronic mode as may be decided by the Board.
 - b) Every Director who attended the meeting, whether personally or through video conferencing or other audio visual means, shall confirm or give his comments, about the accuracy of recording of the proceedings of that particular meeting in the draft minutes, within 7 (seven) days after receipt of the draft minutes failing which his approval shall be presumed. Notwithstanding the above, in case of any disagreement between the Directors regarding the minutes

of the meeting, the decision of the Chairman of such meeting shall be final, provided however (i) the Chairman shall be required to give due consideration to all comments received on the draft minutes (ii) if any comments received on the draft minutes are not incorporated into the final minutes, the Chairman shall inform the Director whose comments have not been incorporated of the same with an explanation as to why the same have not been incorporated (iii) any disagreement on the form or content of the draft minutes shall also be recorded as a part of the final minutes.

- c) Thereafter, the minutes shall be entered in the minute book as prescribed.

DECISIONS AND VOTES

174. Subject to Article 180 and Article 181, all decisions of the Board and/or the committee of the Board shall be taken:
- (a) at a meeting, by the majority vote of the Directors or members, as the case may be, present and voting at the meeting; and
- (b) in the event of no meeting, by the majority vote of the Directors or members, as the case may be.
175. Each Director is entitled to cast 1 (One) vote in respect of each of the resolution being discussed in the Board meeting.
176. A resolution by circulation shall, subject to provisions of the Act, be as valid and effectual as a resolution duly passed at a meeting of the Directors called and held provided it has been circulated in draft form, together with the papers / supporting documents relevant for a Director to take a decision on matters enlisted on the agenda, if any, to all the Directors, in India and abroad.

QUORUM

177. Unless otherwise required by applicable Laws, a valid quorum shall only be deemed to have been constituted at a meeting of Board or any of its committees when at least 1 (One) WSH Nominee Director or its Alternate Director and at least 1 (One) Existing Promoter Nominee Director or its Alternate Director are present at such a Board or committee meeting, unless such presence is specifically waived in writing by the WSH Nominee Directors or the Existing Promoter Nominee Directors, with respect to themselves respectively (“Board Meeting Quorum”) at least 3 (three) days prior to such meeting. In the event of any such waiver, the company secretary of the Company shall inform the relevant party that has nominated such Director on the Board of the same within 1 (one) day of receipt of such waiver but prior to the date of such meeting.
178. In the absence of a Board Meeting Quorum at a meeting of the Board or a committee, the meeting shall be adjourned to a date which is 7 (Seven) Business Days from the date of the scheduled Board meeting (“**Adjourned Board Meeting**”). The agenda of the Adjourned Board Meeting shall remain unchanged. Notice of the Adjourned Board Meeting shall be given to all the Directors or their Alternate Directors, in writing, within 48 (Forty Eight) hours after such adjournment. The quorum for any such Adjourned Board Meeting shall be as provided in Article 175. If there is no Board Meeting Quorum at such Adjourned Board Meeting within 30 (Thirty) minutes from the scheduled time of the Adjourned Board Meeting, then subject to applicable Law, the Directors present at such Adjourned Board Meeting shall constitute a valid quorum, and shall be entitled to proceed with the Adjourned Board Meeting notwithstanding the absence of any WSH Nominee Director or Existing Promoter Nominee Director at such Adjourned Board Meeting. It is hereby clarified that at any such Adjourned Board Meeting, no item shall be discussed or voted upon, and no action shall be taken in respect of the Reserved Matters, unless an affirmative vote is obtained from the WSH Nominee Director and Existing Promoter Nominee Director in the manner prescribed under these Articles.

WHO TO PRESIDE AT MEETINGS OF BOARD

179. All meetings of the Directors shall be presided over by the Chairman, if present but if at any meeting of Directors the Chairman be not present then such meeting shall be conducted in accordance with Article 174.

RESERVED AND OTHER MATTERS

180. Notwithstanding anything in these Articles, no action shall be taken by the Company in respect of any items or matters set out in **Schedule 1** of these Articles (“**Reserved Matters**”), either at the Board, committee of the Board, Shareholders' level or otherwise, without having first received the written consent of at least 1 (one) WSH Nominee Director and at least 1 (one) Existing Promoter Nominee Directors with respect to Reserved Matters discussed or to be discussed at the Board or at a committee of the Board or the representative of WSH and the Existing Promoters with respect to Reserved Matters discussed or to be discussed at a General Meeting or otherwise, as the case may be, which consent shall be received in the form of an affirmative vote by (i) at least 1 (one) the WSH Nominee Director/ Alternate Director and at least 1 (one) Existing Promoter Nominee Director/Alternate Director with respect to a resolution passed at a meeting of the Board or a committee of the Board, as the case may be; or (ii) WSH's authorized representative and at least 1 (one) of Existing Promoters / authorized representative of the Existing Promoters, on a resolution passed at a General Meeting or otherwise.

181. WSH, the Existing Promoters, the WSH Nominee Director and/or the Existing Promoter Nominee Director, as the case may be, shall be entitled to grant or refuse its affirmative consent (whether in a General Meeting or a meeting of the Board or its committees or otherwise) in respect of any Reserved Matter specified in Article 180 in its sole discretion. It is further clarified that WSH and the Existing Promoters shall be entitled to grant or refuse their affirmative consent (whether in a meeting of the Shareholders or otherwise) in respect of any matter specified in Article 180 and Article 181, notwithstanding the WSH Nominee Director or the Existing Promoter Directors grant or refusal of such affirmative consent in a meeting of the Board or a committee thereof.
182. Any failure to reach a consensus by WSH/WSH Nominee Director or the Existing Promoter Nominee Director on any of the Reserved Matters shall be resolved in the manner agreed by WSH and the Existing Promoters under the Agreement.

MEETINGS OF COMMITTEES HOW TO BE GOVERNED

183. Subject to the provisions of Section 292 of the Act and these Article, the Directors may delegate any of their powers of Committees consisting of such member or members of their body as they think fit and they may from time to time revoke and discharge any such committee either wholly or in part, and either as to persons or purposes; but every Committee so formed shall, in the exercise of the powers so delegated conform to any regulations that may from time be imposed on it by the Directors. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have then like force and effect as if done by the Board. Subject to the provisions of the Act the Board may from time to time fix the remuneration to be paid to any member or members of their body constituting a Committee appointed by the Board in terms of these Articles, and may pay the same.
184. Without foregoing the generality of the above Article 184, the Board shall on the Effective Date set up a committee (“**Strategy Committee**”) comprising of equal number of directors nominated by WSH and Existing Promoters to inter alia formulate, develop and recommend to the Board of Directors new investment and growth opportunities and general business strategy.

ACTS OF BOARD OR COMMITTEES VALID NOTWITHSTANDING DEFECT OF APPOINTMENT

185. Subject to the Act and these Articles, all acts done by any meeting of the Directors or by a Committee of Directors or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid, or that they or any of them were or was disqualified, be as valid as if every such person had been duly appointed and was qualified to be a director.

POWERS OF DIRECTORS

GENERAL POWERS OF THE DIRECTORS

186. (i) Subject to the provisions of the Act and these Articles, the Board of Directors of the Company shall be entitled to exercise all such powers, and to do all such acts and things, as the Company is authorized to exercise and do; Provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by the Act or any other Act or by the Memorandum or these Articles or otherwise, to be exercised or done by the Company in General meeting; Provided further that in exercising any such Act or thing the board shall be subject to the provisions contained in that behalf in the Act or nay other Act or in the Memorandum or in these Articles or in any regulations not inconsistent therewith duly made there under including regulations made by the Company in General Meeting.
- (ii) 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.
187. All matters relating to institution of or settlement by any of the Company of any (a) litigation, (b) quasi-legal, administrative, arbitration or other proceedings, (c) claims, (d) actions or (e) Government investigations of any nature having a financial implication of an amount being equal to or more than USD 2 million individually or in aggregate or having a criminal / penal liability shall be brought to the attention of the Board and discussed at the Board. The Board shall be constantly upraised of these matters.

CERTAIN POWERS OF THE BOARD

188. Subject to Article 180 and Article 181, it is hereby declared that the Directors shall have the following powers, that is to say, power :
- (1) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 76 and 208 of the Act.

- (2) Subject to the provisions of the Act and these Articles to purchase or otherwise acquire for the Company any property rights or privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they 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.
- (3) At their discretion and subject to the provisions of the Act, to pay for any property or rights acquired by or services rendered to the Company, either wholly or partially in cash, or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credit as paid up thereon as may be agreed upon, and such bonds, debentures, stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
- (4) To insure and keep insured against loss or damage by fire or otherwise for such period and to such an extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company either separately or conjointly; also to insure all or any portion of the goods produced, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue and policies of assurance effected in pursuance of its power.
- (5) To open accounts with any bank or bankers or with any Company, firm or individual and to pay money into and draw money from any such account from time to time as the Directors may think fit.
- (6) To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they think fit.
- (7) To attach to any such shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit.
- (8) To accept from any member on such terms and conditions as shall be agreed a surrender of his shares or stock or any part thereof, so far as may be permissible by law.
- (9) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.
- (10) 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, or if any claims or demands by or against the Company.
- (11) To refer any claim or demand by or against by or against the Company or any differences to arbitration and observe and perform any awards made thereon.
- (12) To act on behalf of the Company in all matters relating to bankruptcy and insolvency.
- (13) To make and give receipts, release and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- (14) To determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, and documents and to give the necessary authority for such purposes.
- (15) Subject to the provisions of the Act and these Articles, to invest and deal with any money of the Company not immediately required for the purposes thereof; upon such security and other investments (not being shares of this Company), or without security and in such manner as they may think fit, and from time to time to vary or realize such investments, provided that, save as permitted by Section 49 of the Act, all investments shall be made and held in the Company's own name.
- (16) 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 of the Company whether as principal or as surety for the benefit such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, covenants provisions and agreements as shall be agreed upon.
- (17) Subject to the provisions of the act to give to any director, officer or other person employed by the company an interest in any particular business or transactions either by way of commission on the company, and such interest, commission or share of profits shall be treated as a part of the working expenses of the company.

- (18) (a) To provide for the welfare of the directors, employees or ex-employees of the company or its predecessors in business and the wives, windows and families or the dependents of the connections of such persons by building or contribution to the building of houses, dwellings or quarters, bonuses or by grants of money, pensions, gratuities, allowances, bonuses or profit sharing bonuses or benefits or any other payments or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, profit sharing or other schemes or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the company shall think fit.
- (b) To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, political or any other institutions, objects or purposes, or for any exhibition such sums as they may think proper for depreciation, to a Depreciation Fund, General Reserve Fund, Sinking Fund or any special or other fund or fund or account or account to meet contingencies to pay redeemable preference shares, debentures or debenture- stock, for special dividends, for equalizing dividends, for repairing improving, extending and maintaining any part of the property of the company, and/or for such other purposes (including the purpose referred to in the last two preceding sub-clauses), as the Directors may, in their absolute discretion think conducive to the interest of the company, and to invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject to the restrictions imposed by the Act) as the Directors may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the company, in such manner and for such purposes as the Directors (subject to such restrictions, as aforesaid) in their absolute discretion think conducive to the interest of the company notwithstanding that the matters to which the Directors apply or upon which they expend the same or any part thereof may be matters to or upon which the capital money so the Company might rightly be applied or expended and to divide the Reserve, General Reserve, or the Reserve Fund, into such special funds as the directors may think fit, and to employ the assets constituting all or any of the above funds or account, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of redeemable preference shares, debentures or debenture-stock and that without being bound to keep the same separate from the other assets, and without being bound to pay or allow interest on the same, with power however to the Directors at their discretion to pay or allow to the credit of such funds, interest at such rates as the Directors may think proper.
- (19) To appoint and at their discretion remove or suspend such managers, secretaries, officers, clerks, agents and employees for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instalments and to such amounts as they may think fit. And also without prejudice as aforesaid, from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India such manner as they think fit and the provisions contained in Sub-Clauses 22, 23, 24, and 25 following shall be without prejudice to the general powers conferred by the Sub-clause.
- (20) To comply with the requirements of any local law which in their opinion shall in the interests of the Company be necessary or expedient to comply with.
- (21) From time to time and at any time to establish any Local Board for managing any of the affairs of such Company in any specified locality in India or elsewhere and to appoint any persons to be members of such Local Boards, or any managers or agents, and to fix their remuneration.
- (22) Subject to the provisions of the Act and these Article, from time to time and at any time to delegate to such Local Board, or any member or members thereof or any managers or agents so appointed and of the powers, authorities and discretions for the time being vested in the Board of Directors, and to authorize the members for the time being or any such appointment or delegation under Sub-clause (22) of this Article may be made on such terms, and subject to such conditions on the Board as the Directors may think fit, and the Board of Directors may at any time remove any person so appointed, and may annul or vary such delegation.
- (23) At any time and from time to time by power of Attorney to appoint any person or persons to be Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board of Directors under these presents and excluding the powers which may be exercised only by the Board of Directors under the Act or these Articles and for such period and subject to such conditions as the Board of Directors may think fit) be made in favour of the members or any of the members of any Local Board, established as aforesaid or in favour of any Company, or the members, directors, nominees or managers if any company or firm or otherwise favour of any fluctuating body or persons whether nominated directly or indirectly by the Board of Directors and any such power of attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board of Directors may think fit and may contain powers enabling any such powers for the protection or convenience of persons dealing with such attorneys as the Board of Directors 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.

- (24) Generally subject to the provisions of the Act and these Articles to delegate the powers, authorities and discretions vested in the Directors to any person, firm, company or fluctuating body of persons as aforesaid.
- (25) Subject to the provisions of the Act and these Articles, for or in relation any of the matters aforesaid or otherwise for the purposes of the Company, enter into all such negotiations land contracts and rescind and vary all such contracts and execute and do all such acts, deeds and thinks in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

REGISTERS, BOOKS AND DOCUMENTS
REGISTERS, BOOKS AND DOCUMENTS

- 189. (1) The Company shall maintain Registers, Books and Documents as required by the Act or these Articles.
- (2) The said Registers, Books and Documents shall be maintained in conformity with the applicable provisions of the Act and shall be kept open inspection by such persons as may be entitled thereto respectively, under the Act, on such days and during such business hours as may, in that behalf be determined in accordance with the provisions of the Act, or these Articles and extracts shall be supplied to the persons entitled thereto in accordance with the provisions of the Act or these Articles.
- (3) The Company shall keep a Foreign Register of Members in accordance with Sections 157 and 158 of the Act. Subject to the provisions of Sections 157 and 158 the Directors may from time to time make such provisions as they may think fit in respect of the keeping of such Branch Registers of Members and/or Debentures Holders.

MANAGING DIRECTOR OR WHOLE-TIME DIRECTOR
POWER TO APPOINT MANAGING DIRECTOR OF WHOLE-TIME DIRECTOR

- 190. Subject to the provisions of Sections 197A, 198, 267, 268, 269, 309, 311, 316 and 317 and other applicable provisions of the Act and of these Articles, the Managing Director or Managing Directors, shall not, while he or they continue to hold that office, be subject to retirement by rotation but he or they shall be subject to the provision of any contract with him or them and the Company be subject to the same provisions as to resignation and removal as the other Directors of the Company and he or they shall ipso facto and immediately cease to be a Managing Director or Managing Directors or whole-time Directors if he or they cease to hold that office of Directors from any cause.

REMUNERATION OF A MANAGING DIRECTOR OR WHOLE-TIME DIRECTOR

- 191. The remuneration of a Managing Director or Managing Directors or whole-time Directors (subject to Sections 209 and other applicable provisions of the Act and these Articles and of any contract between him or them and the Company) shall be in accordance with the terms of his or their contract with the Company.

POWER AND DUTIES OF MANAGING DIRECTOR OR WHOLE-TIME DIRECTOR

- 192. Subject to the provisions of the Act and to the terms of any contract with him or them the Managing Director or Managing Directors or whole-time Director or whole time Directors shall have the whole or substantially the whole of the management of the affairs of the Company.

RIGHTS FALLING AWAY

- 193. All the rights and obligation of WSH under these Articles shall automatically fall away, if following the completion of 12 (twelve) months from the Effective Date (“**Drop Dead Date**”), the Equity Securities held by WSH in the Company constitutes less than 15% (fifteen) per cent of the voting rights in the Company on a Fully Diluted Basis, provided that all efforts are made by the Company and the Existing Promoter Group in regards to undertaking the Immediate Rights Issue. Notwithstanding anything contained in these Articles, if the Company fails to receive the approval of the shareholders under Section 81(1A) of the Act in respect of allotment of Subscription Shares to WSH, then WSH shall be entitled to Acquire in any manner such number of Equity Shares (taken together with Equity Shares already held by it) which results in WSH holding the Required Shareholding within the Drop Dead Date.
- 194. Other than as set out in Article 189 above, if at any time WSH or the Existing Promoters hold Equity Securities of the Company constituting less than the Required Shareholding, the rights and obligation under these Articles will terminate with respect to WSH or the Existing Promoters (as the case may be) that holds less than the Required Shareholding.
- 195. If the Company proceeds with the Immediate Rights Issue having obtained all necessary Consents and corporate approvals for such Immediate Rights Issue and, WSH fails to subscribe to the Immediate Rights Issue for reasons attributable solely to WSH, then all the rights of WSH under these Articles, but none of WSH's obligation shall automatically fall away without requirement of any further act or deed. However, the rights of the Existing Promoters as against WSH shall continue to vest. Further, all obligations of Existing Promoters and the Company qua WSH and all restrictions imposed on the Existing Promoters and the Company under these Articles shall automatically lapse. For the avoidance of doubt it is hereby clarified that the rights available to WSH under applicable Law shall continue to survive and nothing contained herein shall be interpreted to mean a waiver by WSH of its rights available under applicable Law.



196. Upon the occurrence of a default by the Company as envisaged under the Agreement, the rights of the Existing Promoters under Article 60 and Articles 61 shall be suspended till such time the default that triggered the suspension is cured.

THE SEAL

SEAL

197. Directors shall provide a 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 Directors shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by the authority of the Directors or a Committee of Directors previously given and in the presence of any one Director or a person duly authorized by the Board.

DEEDS HOW EXECUTED

198. 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 of the Company be signed by one Director at least provided nevertheless that Certificates of Debentures may be signed by one Director only or by an Attorney of the Company duly authorized in this behalf, and Certificates of shares shall be signed as provided in Article 30(a).

SEALS ABROAD

199. The Company may exercise the powers conferred by Section 50 of the Act and such powers shall accordingly be vested in the Directors.

DIVIDENDS

DIVISION OF PROFITS

200. The profits of the Company subject to any special rights relating thereto created or authorized to be created by the memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of capital paid upon the shares held by them respectively. Provided always that (subject as aforesaid) any capital paid up on a share during the period in respect of which a dividend is declared, shall unless the Directors otherwise determine only entitle the holder of such share to an apportioned amount of such dividend as from the date of payment.

CAPITAL PAID UP IN ADVANCE AT INTEREST NOT TO EARN DIVIDEND

201. Where the capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.

DIVIDEND POLICY

202. The Company shall, to the extent permitted by Law and subject to the Company's cash requirements and commitments, distribute by way of dividend in respect of each Financial Year such percentage of the Profits of the Company for that Financial Year as approved by the Board.

DIVIDEND IN PROPORTION TO AMOUNT PAID-UP

203. The Company may pay dividends in proportion to the amount paid up or credited as paid up on each share where a larger amount is paid up or credited as paid up on some shares than on others.

THE COMPANY IN GENERAL MEETING MAY DECLARE A DIVIDEND

204. The Company in General Meeting may subject to Section 205 of the Act and Article 197 and Article 180 declare a dividend to be paid to the members according to their respective rights and interests in profits and subject to the provisions of the Act may fix the time for payment. When a dividend has been so declared, the warrant in respect thereof shall be posted within forty-two days from the date of declaration to the share-holders entitled to the, payment, of the same. The Company in General Meeting may declare such dividend as may be deemed necessary or expedient in respect of any financial year of the Company.
205. All the dividends, if recommended by the Board and declared by the members, shall be appropriated and paid in proportion to the amount paid or credited as paid on the shares, on all shares which are allotted and in existence on or prior to the record date for determination of members entitled to dividend, even though they may not have been allotted and in existence in the financial year / period for which the dividend is recommended and declared."

POWER OF DIRECTORS TO DECLARE DIVIDENDS

206. No larger dividend, shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend. No dividend shall be payable except out of the profits of the year or any other undistributed Profits or otherwise than in and no dividend shall carry interest as against the Company. The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.

UNPAID OR UNCLAIMED DIVIDEND

207. Any unpaid and unclaimed dividend shall be dealt with in accordance with the provisions of section 205(A) and 205(B) and any other provisions of the Act. No unclaimed dividend shall be forfeited.

INTERIM DIVIDEND

208. As subject to the provisions of the Act, the Directors may, from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.

RETENTION OF DIVIDENDS

209. Subject to the provisions of the Act, the Directors may retain the dividends payable upon share in respect of which any person is, entitled to become a member of which any person under that Article shall become a member in respect of such shares or shall duly transfer the same.

NO MEMBER TO RECEIVE DIVIDEND WHILST INDEBTED TO THE COMPANY AND COMPANY'S RIGHT OF REIMBURSEMENT THEREOUT.

210. Subject to the provisions of the Act, no member shall be entitled to receive payment of any interest or dividend in respect of his shares or of shares whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever either alone or jointly with any other person or persons and the Directors may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.

TRANSFER OF SHARES MUST BE REGISTERED

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

DIVIDEND, HOW REMITTED

212. Unless otherwise directed any dividend may be paid by cheque or warrant sent through 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 holding. Every such cheque shall be made payable to the order of the person to whom it is sent the company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means.

DIVIDEND AND CALL TOGETHER

213. Any General Meeting declaring a dividend may make a call on the members for such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend, and the dividend, may, if so arranged between the Company and the members, be set off against the calls.

CAPITALIZATION

214. (1) Subject to these Articles, any General Meeting may resolve that any amounts standing to the credit of the Share Premium Account or the Capital Redemption Reserve Account or any moneys, investments or other assets forming part of the undivided profits (including profits or surplus money arising from the realization and where permitted, by law, from the appreciation in value of any capital assets of the Company), standing to the credit of the General Reserve or any Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividend be capitalized;
- (a) by the issue and distribution of fully paid up shares of the Company;
- or
- (b) by crediting shares of the Company which may have been issued and are not fully paid up, with the whole or any part of the sum remaining unpaid thereon.

- (2) Such issue and distribution under 1 (a) and such payment to credit of unpaid share capital under (1) (b) above shall be made to, among and in favour of the members or any class of them or any of them entitled thereto and in accordance with their respective rights and interests and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under (1) (a) or payment under (1) (b) above shall be made on the footing that such members become entitled thereto as capital.
- (3) The Directors shall give effect to any such resolution and apply such portion of the profits, General Reserve or Reserve Fund or any other Fund or account as aforesaid as may be required for the purpose of making payment in full for the shares of the Company so distributed under (1) (a) above or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up under (1) (b) above provided that no such distribution or payment shall be made unless recommended by the Directors and if so recommended such distribution and payable shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalized sum.
- (4) or the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise with regard to the distribution they may issue fractional certificates and fix the value for distribution of any specific assets and may determine that cash payment be made, to any members on the footing of the value so fixed and may vest any such cash or shares in trustees upon such trusts for the persons entitled thereto as may seem expedient to the Directors and generally may make such arrangements for the acceptance, allotment and sale of such shares and fractional certificates or otherwise as they may think fit.
- (5) When deemed requisite a proper contract shall be filed in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

CAPITALIZATION IN RESPECT OF PARTLY PAID UP SHARES

215. Subject to the provisions of the Act and these Articles, in cases where some of the shares of the Company are fully paid and others are partly paid, only such capitalization may be effected by the distribution of further shares in respect of fully paid shares, and by crediting partly paid shares with the whole or part of the unpaid liability thereon but so that as between the holders of fully paid shares, and partly paid shares the sums so applied in the payment of such further shares and in the extinguishments or diminution of the liability on partly paid shares shall be so applied pro rata in proportion to the amount, then already paid or credited as paid on the existing fully paid and partly paid shares respectively.

ACCOUNTS

BOOKS OF ACCOUNT TO BE KEPT

216. (1) The company shall keep at its registered office proper books of account with respect to:
- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
 - (b) all sales and purchases of goods by the Company; and
 - (c) the assets and liabilities of the Company;

Provided that all or any of the books of account as aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decided, 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.

- (2) If the Company shall have a branch office, whether in or outside India, proper books of account relating to the transactions effected at that office shall be kept at that office, and proper summarized returns, made up-to-date at intervals of not more than three months, shall be sent by the branch office to the Company at its registered office or other place in India, as the Board thinks, fit, where the main books of the Company are kept.
- (3) All the aforesaid books shall give a fair and true view of the affairs of the Company or its branch office, as the case may be, with respect of the matters aforesaid, and explain its transactions.
- (4) The books of account and other books and papers shall be open to inspection by any Director during business hours.

INSPECTION BY MEMBERS OF ACCOUNTS AND BOOKS OF THE COMPANY

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

STATEMENT OF ACCOUNT

218. The Board Directors shall lay before each Annual General Meeting a Profit and Loss Account for the financial year of the company and a Balance Sheet made up as at the end of the financial year which shall be date which shall not precede the day of the meeting by more than six months or where an extension of time has been granted by the Registrar under the provisions of the Act by more than six months and the extension so granted.

BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

219. (1) Subject the Provisions of Section 211 of the Act, every Balance Sheet and Profit and Loss Account of the Company shall be in the forms set out in Parts I and II respectively of Schedule VI of the Act, or as near thereto as circumstances admit.
- (2) There shall be annexed to every Balance Sheet a statement showing the bodies corporate in the same group within the meaning of Section 372(1) of the Act in the shares of which investments have been made by it (including all investments, whether existing or not, made subsequent to the date as at which the previous Balance Sheet was made out) and the nature and extent of the investments so made in each body corporate.
- (3) So long as the Company is a holding Company having a subsidiary, the Company shall conform to Section 212 and other applicable provisions of the Act.
- (4) If in the opinion of the Board, any of the current assets of the Company have not a value on realization in the ordinary course of business at least equal to the amount at which they are stated; the fact that the Board is of that opinion shall be stated.

AUTHENTICATION

220. (1) Every Balance Sheet and every profit and Loss Account of the Company shall be signed on behalf of the Board of Directors by the Manager or Secretary (if any) and by not less than two Directors of the Company, one of whom shall be a Managing Director.
- (2) Provided that when only one Director is for the time being in India, the Balance Sheet and Profit and Loss Account shall be signed by such Director and in such a case there shall be attached to the Balance Sheet and the Profit and Loss Accounts Statement signed by him explaining the reason for non-compliance with the provisions of Sub- clause (1).
- (3) The Balance Sheet and the Profit and Loss Account shall be approved by the Board of Directors before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.

Profit and Loss Account to be annexed and Auditor's report to be attached to the balance sheet.

- (4) The profit and Loss Account shall be annexed to the Balance Sheet and the Auditor's Report (including the Auditor's to be attached to the separate, special or supplementary Reports, if any) shall be attached thereto.
221. (1) Every Balance Sheet laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the state of the Company's affairs; the amounts, if any, which it proposes to carry to any Reserve in such Balance Sheet; and the amount, if any which it recommends to be paid by way of dividend and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the Report.
- (2) The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members, and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the business in the Company's subsidiaries or in the nature of the business carried on by them and generally in the Classes of business in which the Company has an interest.
- (3) The board shall also give the fullest information and explanations in its report or in cases falling under the proviso to Section 222 of the Act in an addendum to the report, on every reservation, qualification on adverse remark contained in the Auditor's Report.
- (4) The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorized in that behalf by the Board until the next succeeding day which is not a public holiday, and where he is not so authorized shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit and Loss Account of the Company by virtue of these Article.



- (5) The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Clauses (1) to (3) of this Article are complied with.

RIGHT OF MEMBERS TO COPIES OF BALANCE SHEET AND AUDITOR'S

222. The Company shall comply with the requirements of Section 219 of the Act.

ANNUAL RETURNS

ANNUAL RETURNS

223. The Company shall make the requisite annual returns in accordance with Sections 159 and 161 of the Act, and shall file with Registrar three copies of the Balance Sheet and Profit and Loss Account in accordance with Section 220 of the Act.

AUDIT

ACCOUNTS TO BE AUDITED

224. Every Balance Sheet and Profit and Loss Account of the Company shall be audited by one or more Auditors to be appointed as hereinafter mentioned.

APPOINTMENT OF AUDITORS

225. (1) The Company at Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting, and shall within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.
- (2) At any Annual General Meeting, a retiring Auditor, by whatsoever authority appointed shall be reappointed, unless:
- (a) he is not qualified for reappointment;
 - (b) he has given the Company notice in writing of his unwillingness to be reappointed;
 - (c) a resolution has been passed at that Meeting appointing somebody instead of him or providing expressly that he shall be appointed; or
 - (d) where, notice has been given of an intended resolution to appoint person or persons in the place of a retiring Auditor and by reason of the death, incapability or disqualification of that person or of all those person, as the case may be, the resolution cannot be proceeded with.
- (3) Where at an Annual General Meeting no Auditors are appointed or reappointed, the Central Government may appoint a person to fill the vacancy.
- (4) The Company shall, within seven days of the Central Government's power under clause (3) becoming exercisable, give notice of that fact to that Government.
- (5) The Directors may fill any casual vacancy in the office of Auditor, but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act, but where such vacancy shall only be filled by the Company in General Meeting.
- (6) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a resolution for appointment of that person to the office of Auditor has been given by a member of the Company not less than fourteen days before the meeting in accordance with Section 190 of the Act, and the Company shall send a copy of any such notice to the retiring Auditor or shall give notice thereof to the members in accordance with Section 190 of the Act, and all the other provisions of Section 225 of the Act shall apply in the matter. The provisions of this Clause shall also apply to a resolution that retiring auditor shall not re-appointed.

QUALIFICATION AND DISQUALIFICATION OF AUDITORS

226. The persons qualified for appointment as Auditors shall be only those referred to in Section 226 of the Act.
227. None of the persons mentioned in Section 226 of the Act as not qualified for appointment as Auditors, shall be appointed as Auditors of the Company.

AUDITOR OF BRANCH OFFICES

228. The Company shall comply with the provisions of Section 228 of the Act in relation to the Audit of the Accounts of Branch offices of the Company except to the extent to which any exemption may be granted by the Central Government in that behalf.

REMUNERATION OF AUDITORS

229. The remuneration of the Auditors of the Company shall be fixed by the Company in General Meeting except that the remuneration of an Auditor appointed to fill any casual vacancy may be fixed by the Directors.

RIGHTS AND DUTIES OF AUDITORS

230. (1) Every Auditor of the Company shall have the right of access at all times to the books and vouchers of the Company and shall be entitled to require from the Directors and Officers of the Company such information and explanations as may be necessary for the performance of the duties of the auditors.
- (2) All notices of, and other communication relating to, any General Meeting of a company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor of the Company, and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.
- (3) The Auditor shall make a Report to the members of the Company on the accounts examined by him and on every Balance Sheet and Profit and Loss Account declared by the Act to be part of or annexed to the Balance Sheet and Profit and Loss Account, which are laid before the Company in General Meeting during his tenure of office, and the Report shall state, whether, in his opinion and to the best of his information and according to the explanations given to him, the said accounts given the information required by the Act in the manner so required and give a true and fair view:
- (i) in the case of the Balance Sheet, of the State of the Company's affairs as at the end of its financial year; and
- (ii) in the case of the Profit and Loss Account, of the Profit and Loss for its financial year.
- (4) The Auditor's Report shall also state:
- (a) whether he has obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit;
- (b) whether, in his opinion, proper books of account required by law have been kept by Company so far as appears from his explanation of these books, and proper returns adequate for the purposes of his audit have been received from branches not visited by him;
- (c) whether the report on the accounts of any branch office audited under Section 228 by a person other than the Company's Auditor has been forwarded to him as required by clause (c) of sub-section (3) of that Section and how he has dealt with the same in preparing the Auditor's Report.
- (d) Whether the Company's Balance Sheet and Profit and Loss Account dealt with to the REPORT are in agreement with the books of account and returns.
- (5) Where any of the matters referred to in clauses (i) and (ii) of sub-section (2) of Section 227 of the Act, or in Clauses (a), (b) and (c) or sub-section (3) of Section 227 of the Act, or sub-clauses 4 (a), (b), (c) and (d) hereof is answered in the negative or with a qualification, the Auditor's Report shall state the reason for the answer.
- (6) The accounts of the Company shall not be deemed as not having been, and the Auditor's report shall not having been, and the Auditor's Report shall not state that those accounts have not been properly drawn up on the ground merely that the Company has not disclosed certain matters if:
- (a) those matters are such as the Company is not required to disclose by virtue of any provisions contained in the Act or any other Act; and
- (b) those provisions are specified in the Balance Sheet and Profit and Loss Account of the Company.

**ACCOUNTS WHEN AUDITED AND APPROVED TO BE CONCLUSIVE EXCEPT AS TO ERRORS
DISCOVERED WITHIN THREE MONTHS**

231. Every account when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected, and thenceforth shall be conclusive.



DOCUMENT AND SERVICE OF DOCUMENTS
HOW DOCUMENT TO BE SERVED ON MEMBERS

232. (1) A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, requisition, process, order, judgment or any other document in relation to or in the winding up of the Company) may be served or sent by the Company on or to any member either personally or by sending it by post to him his registered address or (if he has no registered address in India) to the address if any within India specified by him to the Company for the giving of notices to him.
- (2) Where document is sent by post;
- (a) service thereof shall be deemed to be effected by properly addressing pre-paying and posting a letter containing the notice provided that where a member has intimated to the Company in advance that document should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document shall not be deemed to be effected unless it is sent in the manner intimated by the member; and
- (b) such shall be deemed to have been affected.
- i. In the case of a notice of a meeting at the expiration of forty-eight hours after the letter containing the notice is posted; and
- ii. in any other case; at the time at which the letter would be delivered in this ordinary course of post.

SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS

233. If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighborhood of the registered office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.

SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF MEMBER

234. A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a member by sending it through the post in a prepaid letter addressed to 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 so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have served if the death or insolvency had not occurred.

PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS

235. Subject to the provisions of the Act and these Articles, notice of General Meetings shall be given:
- i. to member of the Company as provide by Article 84 in any manner authorized by under these Articles or as authorized by the Act;
- ii. to the persons entitled to a share in consequence of the death or insolvency of a member as provided under these Articles or as authorized by the Act;
- iii. to the Auditor or Auditors for the time being of the Company, in any manner authorized under these Articles or the Act in the case of any member or members of the Company.

ADVERTISEMENT

236. Subject to the provisions of the Act any document required to be served or sent by the Company on the members, or any of them, and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised once in one daily English and one daily vernacular newspaper circulating in Belgaum.

MEMBERS SHOULD BUY DOCUMENT GIVEN TO PREVIOUS HOLDERS

237. Every person, who by operation of law, transfer, or other means whatsoever, shall become entitled to any share shall be bound by every document in respect of such shares which, previously to his name and address being entered on the Register, shall be duly served on or sent to the person from whom he derives his title to such share.

NOTICE VALID

238. Subject to the provisions of the Act any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these presents shall notwithstanding such member be then deceased and whether or not the Company have notice of his decease be deemed to have been duly served in respect of any registered share whether held solely or jointly with other person by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these present be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators and all persons, if any, jointly interested with him or her in any such shares.

NOTICE BY COMPANY AND SIGNATURE THERETO

239. Any notice to be given by the Company shall be signed by the Managing Director or by such Officer as the Directors may appoint and such signature may be written printed or lithographed.

SERVICE OF NOTICE BY MEMBERS

240. All notice to be given on the part of the members to the Company shall be left at or sent by registered post to the Registered Office of the Company.

AUTHENTICATION OF DOCUMENTS AND PROCEEDINGS

241. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director one of the Managing Director or an authorized officer of the Company and need not be under its seal.

WINDING UP

DISTRIBUTION OF ASSETS

242. If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, at the commencement of the winding up, on the share held by them respectively. And if in a winding up the assets available for distribution among the members shall be more than the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up paid up for which ought to have been paid up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

DISTRIBUTION IN SPECIE OR KIND

243. (1) If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may with the sanction of an Extra-ordinary Resolution, divide amongst the contributories, in specie or in kind, any part of the assets of the Company and may, with the like sanction vest any part of the assets of the Company in Trustees upon any of them, as the liquidators, with the like sanction shall think fit.
- (2) if though expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributory who would be prejudiced thereby shall have a right to dissent and ancillary rights as if such determination were a special Resolution passed under pursuant to Section 494 of the Act.
- (3) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within then days after the passing of the Extraordinary Resolution by notice in writing direct the liquidators to sell his proportion and pay him the net proceeds and the liquidators shall if practicable act accordingly.

RIGHT OF SHAREHOLDERS IN CASE OF SALE

244. A Special Resolution sanctioning a sale to any other company duly passed pursuant to Section 494 of the Act may subject to the provisions of the Act in same manner as aforesaid determine that any shares or other consideration receivable by the liquidators be distributed amongst the members otherwise than in accordance with their existing rights and any such, determination shall be binding upon all the members subject the rights of dissent and consequential rights conferred by the said sanction.



SECRECY CLAUSE

245. No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or the Managing Director or to require discover of or any information respecting any detail of the Company's trading on any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors or the Managing Director it will be expedient in the interest of the members of the Company to communicate to the public.

INDEMNITY AND RESPONSIBILITY

DIRECTOR'S AND OTHERS RIGHT TO INDEMNITY

246. (a) Subject to the provisions of the Section 201 of the Act, every Director, Managing Director, Secretary and other Officer or employee of the Company shall be indemnified by the Company against and it shall be the duty of the Directors out of the funds of the Company to pay all costs losses and expenses (including traveling expenses) which any such Director, Managing Director, Officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, Officer, servant or in any way in the discharge of his duties.
- (b) Subject as aforesaid every Director, Managing Director, Manager, secretary, or other officer or employee of the Company shall be indemnified against any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is given to him by the Court.

NOT RESPONSIBLE FOR ACTS OF OTHERS

247. Subject to the provisions of Section 201 of the Act no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any respect or other act for conformity, or for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency or any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency, or tortuous acts of any person, company or corporation, with whom any moneys securities or effects shall be entrusted or deposited, or for any loss accusant by any error of judgment or oversight on his part, or for any other loss or damage or duties of his office or in relation thereto, unless the same happens through his own dishonesty.

SCHEDULE 1

RESERVED MATTERS

- i. Any action or decision for commencement or undertaking of any new / additional business by the Company and/or the Material Subsidiaries different from the Business and/or Material Subsidiary Business respectively as of the Execution Date; For the purposes of this clause, the term "Material Subsidiary Business" shall mean the business of (i) cultivation of sugar cane; (ii) refining of raw sugar, (iii) the production of sugar and ethanol derived from sugarcane, (iv) sale, distribution, trading and/or branding of sugar, ethanol and power, and (v) generation, distribution, sale and trading of electricity/ power;
- ii. Any action or decision for dissolution and/or winding-up and/or insolvency of any of the Company and/or the Material Subsidiaries or stopping/ ceasing of the business conducted by the Company and/or the Material Subsidiaries for a continuous period exceeding [6] months;
- iii. Any action or decision for any merger, amalgamation or demerger, spin-off, consolidation or any other similar form of corporate restructuring or arrangement by any of the Company and/or its Material Subsidiaries;
- iv. Any action or decision for divestment, sale of any Asset or Property of the Company and/or its Material Subsidiaries, acquisition of business (whether by way of acquisition of securities, Assets, Properties) by the Company and/or its Material Subsidiaries, the consideration for which exceeds USD 2 million whether by way of a single transaction or a series of related transactions in a Financial Year.
- v. Any action or decision for creation of any subsidiary, joint venture or partnership or firm whether by formation, acquisition or otherwise,
- vi. Any action or decision for amendments to the Charter Documents;
- vii. Any action or decision to change the capital structure of any of the Company and/or Material Subsidiaries whether by way of (i) further issuance of securities, (ii) buy-back of capital, or (iii) reduction of capital, or (iv) variation of the rights of any classes of its shares, or (v) otherwise; except for (i) the issuance of shares under an employees stock option scheme(s) in force and effect as on the Execution Date (ii) Immediate Rights Issue at a price not higher than

INR 16 per Equity Share (iii) Transfers of Equity Securities subject to the terms of these Articles;

- viii. Any action or decision for entering into, terminating or amending (i) any Related Party Transaction between the Company or its Subsidiaries, on one hand and the New Promoter Group and/or their Affiliates on the other hand having a financial value of more than USD 1 million; or (ii) any Related Party Transaction between the Company and any of its Subsidiaries or inter se the Subsidiaries [(except inter se the Excluded Subsidiaries)], having a financial value individually of more than USD 5 million in financial year or in a series of related transactions an aggregate financial value of more than [USD 20 million] per financial year;
- ix. Any action or decision for creation or modification of an Encumbrance over all or a substantial part of the Assets of any of the Company and/or the Material Subsidiaries having a financial value of USD 5 million or more, other than for borrowings permitted under sub-clause xi below.
- x. Any action or decision for incurring any capital expenditure including without limitation acquisition of Assets, Properties (other than Assets and Properties referred to in sub-clause (iv) above), undertaking construction or lease or such expenditure which are in excess of USD 5 million in any one financial year, whether by way of a single transaction or through a series of transactions.
- xi. Any borrowings whether by way of loans, trade guarantees or in any other form where the moneys to be borrowed (which expression shall include all contingent liabilities represented by long term guarantee or letter of credit, not being guarantee/ letters of credit given in the ordinary course of business which forms part of working capital), buyers credit,) over and above with the moneys already borrowed by the Company and/ or Material Subsidiaries (including any buyer's credit) in excess of USD 10 million per Financial Year or any restructuring or modification of the existing loan(s) or borrowing(s) of Company and/or the Material Subsidiaries involving an amount in excess of USD 10 million;
- xii. any prepayment or restructuring of any existing loan(s) or borrowing(s) of Company and/or the Material Subsidiaries on which the penalty for such prepayment or restructuring exceeds USD 1 million,
- xiii. Appointing or changing the internal and statutory auditors of the Company and/or the Material Subsidiaries;
- xiv. Any change to the dividend policy as set out in these Articles and declaration or payment of dividend by the Company in excess of that specified in these Articles.
- xv. Any change in the composition (including strength) of the Board or committees of the board or delegation of board authority or powers of any of the Company and/or the Material Subsidiaries to any individual or committee other than as provided for under these Articles;
- xvi. Entering into any contract, guarantee/indemnity obligation, arrangement, binding obligation, business relationship or other form of agreement or modifying or amending or revising or terminating any existing contract, arrangement, binding obligation, business relationship or other form of agreement, (i) other than in the ordinary course of business and (ii) having a financial implication on the Company and/or the Material Subsidiaries of an amount being equal to or more than USD 2 million (in aggregate or individually in a financial year); and
- xvii. Settlement by any of the Company / Material Subsidiaries of any (a) litigation, (b) quasi-legal, administrative, arbitration or other proceedings, (c) claims, (d) actions or (e) Government investigations of any nature having a financial implication of an amount being equal to or more than [USD 2 million] individually or in aggregate, or having a criminal / penal liability.

SCHEDULE 2
LIST OF PROMOTERS

Sr. No.	Name of the Shareholder
1.	Murkumbi Investments Private Limited
2.	Khandepar Investments Private Limited
3.	Agri Venture Trading And Investment Private Limited
4.	Narendra Madhusudan Murkumbi
5.	Supriya Shailesh Rojekar
6.	Inika Narendra Murkumbi
7.	Malvika Narendra Murkumbi
8.	Anuradha Ravindra Kulkarni
9.	Vidya Madhusudan Murkumbi
10.	Dilip Vasant Rao Deshpande
11.	Apoorva Narendra Murkumbi

Sl. No.	Name and Address, Description and Occupations of the Subscribes	Signature of the Subscriber	Signature, name, Address Description and occupation of the Witness
1.	S. B. SIDNAL S/o. Basappa Sidnal Malmaruti Extension Belgaum Business	Sd/-	Sd/- K.N. Prabhashankar S/o. Sri K.N. Narayana Rao SF 7, Business Point 137, Brigade Road, Bangalore – 560 025. Chartered Accountant
2.	VIDYA M. MURKUMBI W/o. Madhusudhan R. Murkumbi 1438/2, Kalmath Road, Belgaum Business	Sd/-	
3.	SHASHIKANT SIDNAL S/o. Shanmukhappa B. Sidnal Malmaruti Extension, Belgaum Business	Sd/-	
4.	SHANTABAI DESHPANDE W/o. Vasant Rao Deshpande 29, Court Street, Camp, Belgaum-1 Social Worker	Sd/-	
5.	NANDAN V. YALGI S/o. Vithal K. Yalgi 1970, Kadolkar Galli, Belgaum - 590 002 Business	Sd/-	
6.	BABANNA M. MUGABASAV S/o. Mudakappa B. Mugabasav At Post : Hosur Tq: Savadathi Dist. Belgaum Agriculture	Sd/-	
7.	DR. B. PRABHAKARA BALIGA S/o. Late B. Raghava Baliga B/2, 774 Shyam Nivas, 3rd Road, Khar, Bombay - 400 052 Tech. Consultant	Sd/-	

Dated this 6th day of October, 1995 at Bangalore



Shree Renuka Sugars Limited

Regd. Off.: BC 105, Havelock Road, Camp, Belgaum - 590 001.

Extra-Ordinary General Meeting

FORM OF PROXY

DP Id No. _____

Folio No. _____

Client Id _____

No. of Shares _____

I/We _____ of _____ in the district of _____ being a member/members of Shree Renuka Sugars Limited, hereby appoint _____ of _____ in the district of _____ or failing him/her _____ of _____ in the district of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the Extra-Ordinary General Meeting of the Company to be held on Friday, the 21st day of March, 2014 at 11:00 a.m. at The Theosophical Society Belgaum Lodge, Gogte Rangmandir Hall, (School of Culture) 185, Ramghat Road, Camp, Belgaum - 590 001 and any adjournment thereof.

Affix Re. 1/-
Revenue
Stamp

Signed this _____ day of _____ 2014. Signature: _____

Note: The Proxy in order to be effective should be duly stamped, completed, signed must be deposited at the Registered Office of the Company, not later than 48 hours before the commencement of the meeting. The proxy need not be a member of the Company.



Shree Renuka Sugars Limited

Regd. Off.: BC 105, Havelock Road, Camp, Belgaum - 590 001.

Extra-Ordinary General Meeting

ATTENDANCE SLIP

DP Id No. _____

Folio No. _____

Client Id _____

No. of Shares _____

Name of the Shareholder _____ holding _____ shares of the Company, hereby record my/our presence at the Extra-Ordinary General Meeting of the Company held on Friday, the 21st day of March, 2014 at 11:00 a.m. at The Theosophical Society Belgaum Lodge, Gogte Rangmandir Hall, (School of Culture) 185, Ramghat Road, Camp, Belgaum - 590 001.

Name of the member/proxy (in BLOCK Letters)

Signature of the Shareholder/Proxy*

* Strike out whichever is not applicable.

Note:

1. Please fill this Attendance Slip and hand over at the entrance of the Meeting Hall.
2. Duplicate slips will not be issued at the entrance of the Hall.
3. Shareholders are requested to bring their copy of the Notice.

BOOK - POST

If undelivered please return to:

SHREE RENUKA SUGARS LIMITED
BC-105, Havelock Road,
Camp, Belgaum - 590 001
Ph: 0831 - 240 4000
www.renukasugars.com

"Permitted to post on pre-payment of postage in cash at Belgaum Ho, under PMG Dharwar License No. NK/BM/REL/100000/2014/period-23-02-2014 to 08-03-2014. Postage Rs. 7/- (Rupees Seven Only) Prepaid in cash at Belgaum HO".