

INCORPORATED UNDER THE COMPANIES ACT, 2013
(COMPANY LIMITED BY SHARES)
MEMORANDUM OF ASSOCIATION OF
SAI LIFE SCIENCES LIMITED

- I. The name of the Company is **SAI LIFE SCIENCES LIMITED**.
- II. The Registered Office of the Company will be situated in the State of Telangana.

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

1. To carry on the business of manufacturers of and dealers in Chemicals, Fine Chemicals Synthetics, Finished Drugs and Pharmaceuticals, Fine Pharmaceuticals, Bulk Drugs and Cosmetics and to establish laboratory facilities for the Company's own or others' use.
2. To carry on the business as chemical engineers, analytical chemists, importers, exporters, manufacturers of and dealers in heavy chemicals, acids, alkalis, chemical compounds and chemicals of all kinds (solid, liquid and gaseous), drugs, medicines, pharmaceuticals, antibiotics and pharmaceutical, medical, sizing, bleaching, photographic and other preparations and articles.
3. To carry on and to acquire or invent any secret formula, know-how manufacturing process and or design of plant, equipment for the manufacture of Chemicals, Drugs, Pharmaceuticals, Food Products and install, erect the plant and run the plant for the Company's use.

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

1. To negotiate, enter in agreements and contracts with Companies, Firms and individuals for technical assistance, knowhow, secret formula, design and technical and financial assistance in the manufacturing, marketing importing and exporting of any or all of the aforesaid lines.
2. To apply for and assistance either technical or financial from Government and other organizations. Companies, Firms or Individuals, National or International for developing all or any of the business of the Company, upon such terms and conditions as are provided in the Articles of Association of the Company.
3. To apply for, purchase of otherwise acquire or develop, any patents, brevetted, invention, licences, concessions and the like, conferring and exclusive or limited rights to use or any secret or other information to any invention which may seem capable of being used for any of the purposes of the Company, the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to use, exercise, develop or grant licences in respect of or otherwise turn to account the property, rights or information so acquired and to spend money in experimenting upon testing or improving any such patents, inventions or rights.
4. To manufacture, formulate, process, import, export, purchase, market, sell, barter in, carry on business and otherwise deal in, all kinds of pesticides, insecticides, acaricides, weedicides, herbicides, fungicides, nematocides, rodenticides, biological insecticides, bactericides, molluscicides, insect hormones, plant growth chemicals and nutrients, anit-feed-ants, anti-bacterial, repellent, attractants, chemosteril-nts.
5. To manufacture, formulate, process import, export, market sell barter in, carry on business as whole salers and retailers and otherwise deal in all kinds of fertilizers, micronutrients, inhibitors and initiators, hormones, antibiotics, vaccines, animal health chemicals and medicines, feed products and supplements, petroleum

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products and by-products including but not restricted to phenols and phenolic derivatives alcohol phosphorous and phosphorous compounds, naphthols, benzene, xylene, toluene and derivatives, gases such as carbon monoxide, phosgene, oxygen, nitrogen, hydrogen and ammonia and products used in the manufacture and / or formulations of pesticides, insecticides, acaricides, weedicides, herbicides, fungicides, nematocides, bactericides etc. as described above.

6. To manufacture, formulate process, import, export, market, sell, barter in, carry on business or otherwise deal in all kinds of aromatic chemicals, flavours and flavouring substances, essentials oils, whether natural or synthetic, perfumes, perfumery intermediates and perfumery raw materials, essences, lemongrass oils, lonones, in particular alpha, beta and pseudo lonones, coumarin and its derivatives.
7. To carry on the business as manufacturers, formulators, processors, producers, growers, fermenters, distillers, refiners, makers, importers, exporters, buyers, sellers, suppliers, stockists, agents, merchants, distributors and concessioners of an dealers in basic and generic drugs. Anti-Tuberculosis and Anti-Infectious Agents, Timans, Agrochemicals, Biological chemicals and all inorganic and Organic chemicals and compounds of any kind, character and property which has been developed or known, or which may be invented or developed in future as a result of any research or studies made in any part of the World.
8. To carry on the business or chemists druggists, importers exporters, manufacturers and dealers in carbide, calcium and other pharmaceutical medicinal, industrial and other preparations and articles and compounds, proprietary articles of all kinds, chemical, photographic, surgical and scientific apparatus and materials
9. To draw, make accept, endorse, discount, execute and issue promissory notes, cheques, bills of exchange, bills of lading warrants, debentures and other negotiable or transferable instruments but not to do any banking business as defined in the Banking Regulations Act, 1949.
10. To amalgamate, enter into partnership, or into any arrangement for sharing profits, union of interest, co-operation, joint ventures or reciprocal concession or for limiting competition with any person or Company carrying on or engaged in (about to carry on engage in) any business or transactions which the Company is authorized to carry on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as to directly or indirectly benefit the Company.
11. To purchase or otherwise acquire, sell dispose off or let on hire, and deal in movable and immovable property of all kinds, and in particular lands, buildings, machinery, plant, warehouse, workshops, hereditaments, business concerns and undertakings, mortgages, charges, annuities, patents copyrights, licences, shares, stocks, debentures, securities concessions, options, produce policies and book debts and claims and any interest in immovable or movable property and claims against such property or any person or Company and to carry on any business concern or undertaking so acquired.
12. To acquire, buy, sell, hire, let on hire or otherwise deal in any movable or immovable property which the Company may think fit favourable by way of investment with a view or resell or otherwise
13. To enter into any arrangements with any Governments or Authorities (supreme, municipal, local panchayat or otherwise) or any Corporations, Companies or persons that may seem conducive to the attainment of the Company's objects or any of them or persons any charters, contracts, decrees, rights, privileges and concessions which the Company may think desirable and to carryout exercises, and comply with such charters, contracts, decrees, rights privileges and concessions any imposition or alteration or cancellation of any taxes or duties or tariff which may seem or be calculated directly or indirectly to prejudice the Company's interest.
14. To promote any Company or Companies for the purpose of acquiring all or any of the property, rights and liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit this Company.

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15. To facilitate and encourage and assist in the creation, issues or conversion of debentures, bonds, obligated shares, stock and securities and to act as trustees in connection with any securities and take part in the conversion of business concerns and undertaking into Companies to carry on all kinds of promotion of business concerns and undertaking into Companies, to carry on all kinds of promotion of business and in particular to form, constitution, float, assist and control any Companies, Associations or Undertakings whatsoever.
16. To undertake and execute any trusts the undertaking whereof may seem desirable and also undertake the office of the executor, administrator, receiver, treasurer, registrar, and to keep for any Company, Government Authority or Body any register relating to any stocks, funds or share or securities or to undertake and duties any relation to the register of transfers the issue of certificates otherwise.
17. To amalgamate with any other Company whose objects include objects similar to those of this Company whether by sale or purchase (for full or partly paid up shares or otherwise) off the undertaking subject to the liabilities of this or any such other Company as aforesaid, with or without winding up by sale or purchase (for full or partly paid up shares or otherwise) of all or a controlling interest in the shares or stock of this or any such other Company as aforesaid or by partnership or any arrangement of the nature of the partnership or in any other manner.
18. To sell, exchange, mortgage, charge, develop, let on hire, or dispose of the undertaking property and assets of the Company or any part thereof in such manner and for such consideration as the Directors think fit, and in particular for shares (whether fully or partly paid-up) debentures or securities of any other Company having objects altogether or in part similar to those of this Company.
19. To pay all the costs, charges and expenses of and incidental to the promotion formation, registration and establishment of the Company and the issue of its capitals including undertaking or other commissions Broker's fees and charges in connection therewith and to remunerate or make donations by cash or other assets or by the allotment of fully or partly paid up shares or by a call or option on shares, debentures, debenture stocks or security of this or any other Company or in any other manner out of Company's capitals or profits or otherwise to any person or persons or services rendered or to be rendered in introducing any property or business to the Company or in placing or assisting to place or Guaranteeing the subscription of any shares, debentures, debenture stock or other securities of any other Company or for any other reason which the Company may think proper.
20. Subject to the provisions of Act, to borrow or raise money or receive money on deposit merely for the purpose of financing the business of the Company either without security or secured by liquid or fixed assets perpetual or terminable and payable or otherwise and issue at par or at a premium or discount or by mortgage, hypothecation, pledge or other security charges on the undertaking or on all or any of the assets present or future of the Company including uncalled capital.
21. To provide for the welfare of the Directors, ex-Directors and employees or ex-employees of the Company or its predecessors in business and wives, widow and families or the dependents or relations of such persons by building or contributing for the building of house, dwellings, or by grants of money pensions, allowances, bonus, payments towards insurance or other payment or by creating and from time to time contributing or subscribing or aiding or conveniences and by providing or subsidizing towards places or instruction, recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit and subscribe or contribute or otherwise assist or to guarantee money to charitable benevolent, religious scientific, national or other institution or objects or objects or for any public, general or useful objects.
22. To obtain in India or from foreign countries, any plant and machineries and other fixed or circulation assets and land and building for the Company on payment in cash and partly on credit or on cash and to enter into an agreement for acquiring the same on such terms of credit as or considered suitable undertaking therein to pay in differed lumpsums or installments. The cost together interest; if necessary and to arrange for

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requisite security or guarantee thereof for the supplies of such plants and machineries and fixed and circulating assets.

23. Subject to provisions of the Act, to indemnify members, officers, managers, secretaries, auditors, servants and menials of the Company against proceedings, costs, damages claims and demands in respect of any thing done or ordered to be done by them for and in the interest of the Company, or for any loss or misfortune whatever which shall all happen in the evacuation of the duties are their officers in the relation thereto.
 24. To mortgage and charge the undertaking and all or any of the real and personal property and assets present or future and all or any of the uncalled capital for the time being of the Company and to issue at par or at a premium or discount and for such consideration and with such rights powers and privileges as may be thought fit, debentures or mortgage debentures and either permanent or redeemable or repayable and collaterally or further to secure any securities of the Company by a trust deed or other assurance.
 25. Subject to the provisions of the Companies Act, 2013 remunerate any persons including Directors or any firm or corporation or any employee of the Company whether by cash payment or by giving to him or them a commission on the profits of any particular transaction of a share in general profits of the Company or by allotment to him or them of shares or securities of the Company credited as paid up in full or part of otherwise for any service rendered to the Company.
 26. To receive money on deposit at interest or otherwise and to lend money with or without security to such persons, firm or Company on such terms as may seem expedient and in particular to customers and others having dealings with the Company and to guarantee the performance of contracts by any such persons, firm or Company but the Company shall not do any banking business, as defined in the Banking Regulation Act, 1949.
 27. To distribute in species any properties of the Company among the members as may be permissible in law upon winding up.
 28. To carry on business of consultancy for establishing in the field of management, finance, marketing and sales.
 29. To establish training centres for scientific, technical and management courses to develop skill and efficiency in the industry.
- IV. The liability of the members of the Company is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.
- **V. The Authorised Share Capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty Five crores only) divided into 23,90,00,000 (Twenty Three crore Ninety lakhs only) equity shares of INR 1/- (Rupees One only) each, aggregating to INR 23,90,00,000 (Twenty Three crore Ninety lakhs only), 6,00,000 (Six lakh only) optionally convertible preference shares of INR 10 each (Rupees ten only) aggregating to Rs. 60,00,000 (Rupees sixty lakh only) and 5,00,000 (Five lakh) compulsorily convertible preference shares of INR 10 each (Rupees ten only) aggregating to Rs. 50,00,000 (Rupees fifty lakh only) with powers to increase or to reduce the same from time to time, subject to the provisions of the Companies Act, 2013. Upon any increase of capital other than the authorized capital, the Company is at liberty to issue any new shares with any preferential, qualify or special rights privileges conditions attached thereto.

Note:

**V. The Authorised Capital is substituted as per the Ordinary resolution passed by the Shareholders of the Company in the Extra-Ordinary General Meeting held on 11th June, 2024 to increase Authorized Share Capital.

The deleted clause is passed by the Shareholders of the Company as they had approved the subdivision of the Equity shares as the Capital Clause(V) updated by Virtue of Passing Special Resolution for subdivision of every

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existing ordinary share of Rs.10/- each into 10 ordinary shares of Re.1/- each in the same Extra-Ordinary General Meeting of the Company held on 11th June, 2024 before increasing the authorized capital and thereby the existing Clause V was substituted by new clause *V by passing Ordinary Resolution and later after passing the resolution for increase in the Authorised capital new clause **V is adopted.

The deleted clause *V is as below:

*V. The Authorised Share Capital of the Company is Rs. 21,40,00,000/- (Rupees Twenty one crores forty lakhs only) divided into 20,30,00,000 (Twenty crore thirty lakhs) equity shares of INR 1/- (Rupees One only) each, aggregating to INR 20,30,00,000 (Rupees twenty crore thirty lakh only), 6,00,000 (Six lakh only) optionally convertible preference shares of INR 10 each (Rupees ten only) aggregating to Rs. 60,00,000 (Rupees sixty lakh only) and 5,00,000 (Five lakh) compulsorily convertible preference shares of INR 10 each (Rupees ten only) aggregating to Rs. 50,00,000 (Rupees fifty lakh only) with powers to increase or to reduce the same from time to time, subject to the provisions of the Companies Act, 2013. Upon any increase of capital other than the authorized capital, the Company is at liberty to issue any new shares with any preferential, qualify or special rights privileges conditions attached thereto.

The earlier deleted clause in place of Capital Clause *V is read as below:

V. The Authorised Share Capital of the Company is Rs. 21,40,00,000/- (Rupees Twenty one crores forty lakhs only) divided into 2,03,00,000 (Two crore three lakhs only) equity shares of INR 10/- (Rupees Ten only) each, aggregating to INR 20,30,00,000 (Rupees twenty crore thirty lakh only), 6,00,000 (Six lakh only) optionally convertible preference shares of INR 10 each (Rupees ten only) aggregating to Rs. 60,00,000 (Rupees sixty lakh only) and 5,00,000 (Five lakh) compulsorily convertible preference shares of INR 10 each (Rupees ten only) aggregating to Rs. 50,00,000 (Rupees fifty lakh only) with powers to increase or to reduce the same from time to time, subject to the provisions of the Companies Act, 2013. Upon any increase of capital other than the authorized capital, the Company is at liberty to issue any new shares with any preferential, qualify or special rights privileges conditions attached thereto.

The previous history of Changes in Capital is as below:

"The Authorised Capital of the Company has been increased from Rs. 25,00,000/- (Rupees Twenty Five lakhs only) divided into 2,50,000 (Two Lakhs Fifty Thousand only) Equity Shares of Rs.10/- each (Rupees ten only) to Rs. 50,00,000/- (Rupees Fifty lakhs only) divided into 5,00,000(Five Lakhs only) Equity Shares of Rs.10/- each (Rupees ten only) after obtaining the approval of members in the Extra-Ordinary General Meeting held on 18th September, 1999.

The Authorised Capital of the Company has been increased from Rs. 50,00,000/- (Rupees Fifty lakhs only) divided into 5,00,000(Five Lakhs only) Equity Shares of each Rs. 10/- each (Rupees ten only) to Rs. 1,00,00,000/- (Rupees One Crore only) divided into 10,00,000 (Ten Lakhs only) Equity Shares of Rs.10/- each (Rupees ten only) after obtaining the approval of members in the Extra-Ordinary General Meeting held on 28th August, 2001.

The Authorised Capital of the Company has been increased from Rs. 1,00,00,000/- (Rupees One Crore only) divided into 10,00,000 (Ten Lakhs only) Equity Shares of Rs.10/- each (Rupees ten only) Rs. 2,00,00,000/- (Rupees Two Crore only) divided into 20,00,000(Twenty Lakhs only) Equity Shares of Rs.10/- each (Rupees ten only) after obtaining the approval of members in the Extra-Ordinary General Meeting held on 28th June, 2002.

The Authorised Capital of the Company has been increased from Rs. 2,00,00,000/- (Rupees Two Crore only) divided into 20,00,000(Twenty Lakhs only) Equity Shares of Rs.10/- each (Rupees ten only) Rs. 2,10,00,000/- (Rupees Two Crore Ten Lakhs only) divided into 20,10,000(Twenty Lakhs Ten Thousand only) Equity Shares of Rs.10/- each (Rupees ten only) after obtaining the approval of members in the Extra-Ordinary General Meeting held on 18th March, 2003.

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The Authorised Capital of the Company has been increased from Rs. 2,10,00,000/- (Rupees Two Crore Ten Lakhs only) divided into 20,10,000 (Twenty Lakhs Ten Thousand only) Equity Shares of Rs.10/- each (Rupees ten only) to Rs. 3,00,00,000/- (Rupees Three Crores only) divided into 30,00,000 (Thirty Lakhs only) Equity Shares of Rs.10/- each (Rupees ten only) after obtaining the approval of members in the Extra-Ordinary General Meeting held on 30th March, 2004.

The Authorised Capital of the Company has been increased from Rs. 3,00,00,000/- (Rupees Three Crores only) divided into 30,00,000 (Thirty Lakhs only) Equity Shares of Rs.10/- each (Rupees ten only) to Rs. 6,00,00,000/- (Rupees Six Crores only) divided into 60,00,000 (Sixty Lakhs only) Equity Shares of Rs.10/- each (Rupees ten only) after obtaining the approval of members in the Extra-Ordinary General Meeting held on 13th September, 2004.

The Authorised Capital of the Company has been increased from Rs. 6,00,00,000/- (Rupees Six Crores only) divided into 60,00,000 (Sixty Lakhs only) Equity Shares of Rs.10/- each (Rupees ten only) to Rs. 8,00,00,000/- (Rupees Eight Crores only) divided into 80,00,000 (Eighty Lakhs only) Equity Shares of Rs.10/- (Rupees ten only) each after obtaining the approval of members in the Extra-Ordinary General Meeting held on 2nd March, 2005.

The Authorised Capital of the Company has been increased from Rs. 8,00,00,000/- (Rupees Eight Crores only) divided into 80,00,000 (Eighty Lakhs only) Equity Shares of Rs.10/- each (Rupees ten only) to Rs. 12,00,00,000/- (Rupees Twelve Crores only) divided into 1,20,00,000 (One Crore Twenty Lakhs only) Equity Shares of Rs.10/- each (Rupees ten only) after obtaining the approval of members in the Annual General Meeting held on 15th September, 2005.

The Authorised Capital of the Company has been increased from Rs. 12,00,00,000/- (Rupees Twelve Crores only) divided into 1,20,00,000 (One Crore Twenty Lakhs only) Equity Shares of Rs.10/- each (Rupees ten only) to Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,50,00,000 (One Crore Fifty Lakhs only) Equity Shares of Rs.10/- each (Rupees ten only) after obtaining the approval of members in the Annual General Meeting held on 25th August, 2007.

The Authorised Capital of the Company has been increased from Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,50,00,000 (One Crore Fifty Lakhs only) Equity Shares of Rs.10/- each (Rupees ten only) to Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crores only) Equity Shares of Rs.10/- each (Rupees ten only) after obtaining the approval of members in the Extra-Ordinary General Meeting held on 24th April, 2008.

The Authorised Capital of the Company has been increased from 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crores only) Equity Shares of Rs.10/- each (Rupees ten only) to Rs. 21,40,00,000/- (Rupees Twenty One Crores Forty Lakhs only) divided into 2,14,00,000 (Two crores Fourteen Lakhs only) equity shares of Rs. 10 each (Rupees ten only) aggregating to Rs. 21,40,00,000/- (Rupees Twenty One Crores Forty Lakhs only) as per High Court Order of Judicature, Andhra Pradesh at Hyderabad as on 1st April, 2010.

The Authorised Share Capital of the Company is Rs. 21,40,00,000/- (Rupees Twenty one crores forty lakhs only) divided into 2,03,00,000 (Two crore three lakhs only) equity shares of INR 10/- (Rupees Ten only) each, aggregating to INR 20,30,00,000 (Rupees twenty crore thirty lakh only), 6,00,000 (Six lakh only) optionally convertible preference shares of INR 10 each (Rupees ten only) aggregating to Rs. 60,00,000 (Rupees sixty lakh only) and 5,00,000 (Five lakh) compulsorily convertible preference shares of INR 10 each (Rupees ten only) aggregating to Rs. 50,00,000 (Rupees fifty lakh only) as per the scheme of arrangement passed by National Company Law Tribunal, Hyderabad bench passed on 18th August, 2020 and allotted on 17th September, 2020 with powers to increase or to reduce the same from time to time, subject to the provisions of the Companies Act, 2013. Upon any increase of capital other than the authorized capital, the Company is at liberty to issue any new shares with any preferential, qualify or special rights privileges conditions attached thereto.

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

S.No	Name & Address, Description and Occupation and Signature of the Subscribers	Number of Equity Shares taken by each subscribers	Name & Address, and Description and Occupation and Signature of the above witness
1.	Nandyala Ravindra Verma S/o Dr. N P V S Raju Plot No. 1319, Road No. 68, Jubilee Hills, Hyderabad. Business Sd/	100 (One Hundred only)	<p>Sd/ D. V. Sastry S/o. D. V. N. Sarma 8-2-140 /1, Pratapnagar, Hyderabad - 500 082. Service</p>
2.	Prathima Kanumuri D/o. K Ranga Raju H.No. 8-2-120/112/A/4, Road No. 9, Jubilee Hills, Hyderabad. Student Sd/	100 (One Hundred only)	
3.	Kanumuri Ranga Raju S/o. Krishnam Raju H.No. 8-2-120/112/A/4, Road No. 9, Jubilee Hills, Hyderabad. Business Sd/	100 (One Hundred only)	
4.	K Mytreyi W/o. Dr K Ranga Raju H.No. 8-2-120/112/A/4,Hyderabad. House Wife Sd/	100 (One Hundred only)	
5.	Dr. R S Raju S/o. R Ganapathi Raju Plot No. 1319, Road No. 68, Jubilee Hills, Hyderabad. Doctor Sd/	100 (One Hundred only)	
6.	N Anita W/o. N Ravindra Varma Plot No. 1319, Road No. 68, Jubilee Hills, Hyderabad. Service Sd/	100 (One Hundred only)	
7.	R Ajay S/o. R S Raju Plot No. 1319, Road No. 58, Jubilee Hills, Hyderabad. Doctor Sd/	100 (One Hundred only)	
Total		700	

P. V. N. Sarma



Place : Hyderabad
Date : 11th January, 1999

P. V. K. Rao



THE COMPANIES ACT 2013
(COMPANY LIMITED BY SHARES)
ARTICLES OF ASSOCIATION
OF
SAI LIFE SCIENCES LIMITED

Preliminary

- a) Except in so far as otherwise expressly incorporated hereinafter, the regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall apply to the Company.
- b) The regulations for the management of the Company and the observance by the Members thereof shall be such as are contained in these Articles.
- c) The Articles of Association of the Company comprise two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other until the date of listing of the equity shares of the Company ("**Equity Shares**") pursuant to the proposed initial public offering of Equity Shares (the "**Offer**"). In the event that there is any inconsistency between any provisions in Part B of these Articles with the provisions of any other part of these Articles, then the provisions in Part B of these Articles, shall, subject to Applicable Law, prevail and be applicable. All the Articles of Part B shall automatically terminate and cease to have any force and effect from the date of listing of the Equity Shares pursuant to the Offer and the provisions of Part A shall continue to be in effect and be in force, without any further corporate or other action, by the Company or by its shareholders.

PART A

Definitions and Interpretation

1. In these Articles, the following words and expressions, unless repugnant to the subject, shall mean the following:
 - a) "**Act**" means Companies Act, 2013, and the rules framed thereunder, and any amendments, re-enactments or other statutory modifications thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.
 - b) "**Annual General Meeting**" means the annual general meeting of the Company convened and held in accordance with the Act.
 - c) "**Articles of Association**" or "**Articles**" mean these articles of association of the Company, as may be altered from time to time in accordance with the Act.
 - d) "**Applicable Law**" means any statute, law, regulation, ordinance, rule, notification, rule of common law, Order, bye-law, government approval, directive, guideline, requirement or other governmental restriction applicable to the jurisdiction of India, or any similar form of decision of, or determination by, or any interpretation, policy or administration, having the force of law, by any governmental authority having

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jurisdiction over the matter in question, as may be amended, modified, enacted or revoked from time to time hereafter.

- e) “**Board**” or “**Board of Directors**” means the board of directors of the Company in office at applicable time
- f) “**Company**” means Sai Life Sciences Limited, a company incorporated under the laws of India and is a public company within the meaning of section 2(71) of the Act.
- g) “**Depositories Act**” means the Depositories Act, 1996 or any statutory modification or re- enactment thereof for the time being in force.
- h) “**Depository**” means a depository, as defined in clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996 and a company formed and registered under the Companies Act, 2013 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.
- i) “**Director**” means any director of the Company, including alternate directors, independent directors and nominee directors appointed in accordance with and the provisions of these Articles.
- j) “**Extraordinary General Meeting**” means an extraordinary general meeting of the Company convened and held in accordance with the Act;
- k) “**General Meeting**” means any duly convened meeting of the shareholders of the Company and any adjournments thereof;
- l) “**Member**” means the duly registered holder from time to time, of the shares of the Company and includes the subscribers to the Memorandum of Association and in case of shares held by a Depository, the beneficial owners whose names are recorded as such with the Depository;
- m) “**Memorandum**” or “**Memorandum of Association**” means the memorandum of association of the Company, as may be altered from time to time;
- n) “**Office**” means the registered office, for the time being, of the Company;
- o) “**Officer**” shall have the meaning assigned thereto by the Act;
- p) “**Ordinary Resolution**” shall have the meaning assigned thereto by the Act;
- q) “**Register of Members**” means the register of members to be maintained pursuant to the provisions of the Act and the register of beneficial owners pursuant to Section 11 of the Depositories Act, 1996, in case of shares held in a Depository;
- r) “**Seal**” means the common seal of the Company.
- s) “**Securities or Shares**” means all classes of shares in the Share Capital issued from time to time, together with all rights, differential rights, obligations, title, interest and claim in such shares and shall be deemed to include all bonus shares issued in respect of such shares and shares issued pursuant to a stock split in respect of such shares and shall for avoidance of doubt include Equity Shares and preference shares;

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- t) “*Special Resolution*” shall have the meaning assigned thereto by the Act.
2. Except where the context requires otherwise, these Articles will be interpreted as follows:
- a) headings are for convenience only and shall not affect the construction or interpretation of any provision of these Articles.
 - b) where a word or phrase is defined, other parts of speech and grammatical forms and the cognate variations of that word or phrase shall have corresponding meanings;
 - c) words importing the singular shall include the plural and vice versa;
 - d) all words (whether gender-specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders;
 - e) the expressions “hereof”, “herein” and similar expressions shall be construed as references to these Articles as a whole and not limited to the particular Article in which the relevant expression appears;
 - f) the *ejusdem generis* (of the same kind) rule will not apply to the interpretation of these Articles. Accordingly, **include** and **including** will be read without limitation;
 - g) any reference to a **person** includes any individual, firm, corporation, partnership, company, trust, association, joint venture, government (or agency or political subdivision thereof) or other entity of any kind, whether or not having separate legal personality. A reference to any person in these Articles shall, where the context permits, include such person’s executors, administrators, heirs, legal representatives and permitted successors and assigns;
 - h) a reference to any document (including these Articles) is to that document as amended, consolidated, supplemented, novated or replaced from time to time;
 - i) references made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the Ministry of Corporate Affairs. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Companies Act, 2013 have been notified.
 - j) a reference to a statute or statutory provision includes, to the extent applicable at any relevant time:
 - i. that statute or statutory provision as from time to time consolidated, modified, re- enacted or replaced by any other statute or statutory provision; and
 - ii. any subordinate legislation or regulation made under the relevant statute or statutory provision;
 - k) references to writing include any mode of reproducing words in a legible and non-transitory form;
 - l) references to **Rupees, Rs., Re., INR, ₹** are references to the lawful currency of India; and



- m) save as aforesaid, any words or expression defined in the Act shall, if not inconsistent with the subject pr context bear the same meaning in these Articles.

Share capital and variation of rights

3. Subject to the provisions of section 62 of the Act and these Articles, the shares in the 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 at discount (subject to the compliance with the provision of section 53 of the Act) and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.
4. (i) Every person whose name is entered as a Member in the Register of Members shall be entitled to receive within two months after incorporation in case of subscribers to the Memorandum or after allotment or within one month after the application for the registration of transfer or transmission or sub-division, consolidation or renewal of any of its shares, within such other period as the conditions of issue shall be provided—
- (a) one certificate for all his shares of each class or denomination registered in his name, without payment of any charges; or
- (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall specify the number and distinctive numbers of shares to which it relates and the amount paid-up thereon and shall be signed by two Directors or by a Director and the company secretary, wherever the Company has appointed a company secretary:
- Provided that in case the Company has a common Seal it shall be affixed in the presence of the persons required to sign the certificate.
- (iii) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
5. Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, subdivision, consolidation or renewal of any of its shares as the case may be.

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6. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding ₹50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.

- (ii) The provisions of Articles (2) and (4) shall *mutatis mutandis* apply to debentures of the Company.
7. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
8. (i) The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40 of the Act, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rule made thereunder.
- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40 of the Act.
- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
9. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48 of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to General Meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
10. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further share ranking *pari passu* therewith.

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11. Subject to the provisions of section 55 of the Act, any preference shares may, with the sanction of an Ordinary Resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.

Further Issue of Shares

12. Where at any time the Board or the Company, as the case may be, proposes to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:

- a) to the persons who at the date of the offer are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (i) to (iii) below;

- (i) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as may be prescribed and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined.

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue;

- (ii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) above shall contain a statement of this right;

Provided that the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any Member may renounce the shares offered to him.

- (iii) After the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Members and the Company;

- b) to employees under any scheme of employees' stock option subject to Special Resolution passed by the Company and subject to the rules and such other conditions, as may be prescribed under Applicable Law; or

- c) to any person(s), if it is authorised by a Special Resolution, whether or not those persons include the persons referred to in Article 12(a) or Article 12(b) above either for cash or for a consideration other than cash, subject to such conditions as may be prescribed under the Act and the rules made thereunder;

13. Nothing in sub-article (iii) of Article 12 shall be deemed:

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- a) To extend the time within which the offer should be accepted; or
 - b) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the Shares compromised in the renunciation.
14. Nothing in Article 12 shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the Company to convert such debentures or loans into shares in the Company;

Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in General Meeting.

15. Notwithstanding anything contained in Article 14 hereof, where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the rules made thereunder.

Term of Issue of Debentures:

16. Any debentures, debenture-stock or other Securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

Lien

17. The Company shall have a first and paramount lien—
- a) upon all the shares/debentures (other than fully paid-up shares/ debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called or payable at a fixed time in respect of such shares/ debentures and no equitable interest in any share/ debenture shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends payable and bonuses declared from time to time in respect of such shares/ debentures.
 - b) Unless otherwise agreed the registration of a transfer of shares/ debentures shall operate as a waiver of the Company's lien, if any, on such shares/ debentures.



Fully paid up shares shall be free from all liens. In case of partly-paid shares, Company's lien shall be restricted to the monies called or payable at a fixed time in respect of such shares. Provided that the Board of Directors may at any time declare any shares/debentures to wholly or in part exempt from the provisions of this Article.

18. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made—

- (a) unless a sum in respect of which the lien exists is presently payable; or
 - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
19. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
20. (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

21. (i) The Board may, from time to time, make calls upon the Members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call

- (ii) Each Member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
 - (iii) A call may be revoked or postponed at the discretion of the Board.
22. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

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23. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
24. (i) The Directors may, if they think fit, subject to the provisions of section 50 of the Act, agree to and receive from any Member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied 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 provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.
- (ii) The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.
- (iii) The provisions of these Articles shall *mutatis mutandis* apply to the calls on debentures of the Company.
25. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
26. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
27. The Board—
- a) may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in General Meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the Member paying the sum in advance.

Transfer of shares

28. The instrument of transfer shall be in writing and all provisions of Section 56 of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. A common form of transfer shall be used in case of transfer of shares.
29. (i) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.




- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.
30. The Board may, subject to the right of appeal conferred by section 58 of the Act decline to register—
- a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
 - b) any transfer of shares on which the Company has a lien.
31. The Board may decline to recognise any instrument of transfer unless—
- a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56 of the Act;
 - b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - c) the instrument of transfer is in respect of only one class of shares.
32. On giving not less than seven days' previous notice in accordance with section 91 of the Act and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

33. (i) On the death of a Member, the survivor or survivors where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
34. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a Member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
- a) to be registered himself as holder of the share; or
 - b) to make such transfer of the share as the deceased or insolvent Member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the share before his death or insolvency.



35. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.
36. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by Membership in relation to meetings of the Company:
- Provided* that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.
37. Subject to the provisions of section 58 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.
38. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

Forfeiture of shares

39. If a Member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
40. The notice aforesaid shall—
- a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

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- b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
41. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
42. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
43. (i) A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
- (ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
44. (i) A duly verified declaration in writing that the declarant is a Director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
45. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

46. The Company may, from time to time, by Ordinary Resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
47. Subject to the provisions of section 61 of the Act, the Company may, by Ordinary Resolution,—
- a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

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- c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum;
 - d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
48. Where shares are converted into stock,—
- a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
 - b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
 - c) such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.
49. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
- a) its share capital;
 - b) any capital redemption reserve account; or
 - c) any share premium account.

Capitalisation of profits

50. (i) The Company in General Meeting may, upon the recommendation of the Board, resolve—
- a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—



- (A) paying up any amounts for the time being unpaid on any shares held by such Members respectively;
 - (B) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;
 - (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
 - (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares;
 - (E) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
51. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
- a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such Members.

Buy-back of shares

52. Notwithstanding anything contained in these Articles but subject to the provisions of sections 68 to 70 of the Act and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified Securities.

General meetings

53. All General Meetings other than Annual General Meeting shall be called Extraordinary General Meeting.



54. (i) The Board may, whenever it thinks fit, call an Extraordinary General Meeting.
- (ii) If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, any Director or any two Members of the Company may call an Extraordinary General Meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at General Meetings

55. (i) No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in section 103 of the Act.
56. The chairperson, if any, of the Board shall preside as Chairperson at every General Meeting of the Company.
57. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the Directors present shall elect one of their Members to be Chairperson of the meeting.
58. If at any meeting no Director is willing to act as Chairperson or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Members present shall choose one of their Members to be Chairperson of the meeting.

Adjournment of meeting

59. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

60. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- a) on a show of hands, every Member present in person shall have one vote; and
- b) on a poll, the voting rights of Members shall be in proportion to his share in the paid-up equity share capital of the Company.

15 *Suvaran*



61. A Member may exercise his vote at a meeting by electronic means in accordance with section 108 of the Act and shall vote only once.
62. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.
63. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
64. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
65. No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
66. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

67. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
68. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105 of the Act.
69. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

70. Subject to the provisions of the Act, the number of Directors shall not be less than 3 (three) and more than 15 (fifteen), provided that the Company may appoint more than 15 (fifteen) directors after passing a special resolution. At least one Director shall reside in India for a total period of not less than 182 (one hundred and eighty-two) days in each financial year.

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71. The following were the first Directors of the Company:
- a) N Ravindra Varma;
 - b) Kanumuri Ranga Raju; and
 - c) G S Raju.
72. (i) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them—
- a) in attending and returning from meetings of the Board of Directors or any committee thereof or General Meetings of the Company; or
 - b) in connection with the business of the Company.
73. The Board may pay all expenses incurred in getting up and registering the Company.
74. The Company may exercise the powers conferred on it by section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that (section) make and vary such regulations as it may think fit respecting the keeping of any such register.
75. All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
76. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
77. (i) Subject to the provisions of section 149 of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the Directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.
- (ii) Such person shall hold office only up to the date of the next Annual General Meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.

Proceedings of the Board

78. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A Director may, and the manager or secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.
79. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

17 *Srinivasan*



- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
80. The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.
81. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be Chairperson of the meeting.
82. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such Member or Members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
83. (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the Members present may choose one of their Members to be Chairperson of the meeting.
84. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the Members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
85. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a director.
86. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the Members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

87. Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company



secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

- (ii) A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
88. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

The Seal

89. (i) The Board shall provide for the safe custody of the Seal.
- (ii) The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least one Director and of the company secretary of the Company or such other person as the Board may appoint for the purpose; and those two Directors and the secretary or other person aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

Explanation.- : For the purposes of this sub-paragraph it is hereby clarified that on and from the commencement of the Companies (Amendment) Act, 2015 (21 of 2015), i.e. with effect from the 29th May, 2015, Company may not be required to have the Seal by virtue of registration under the Act and if a Company does not have the Seal, the provisions of this sub-paragraph shall not be applicable.

Dividends and Reserve

90. The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
91. Subject to the provisions of section 123 of the Act, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.
92. (i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
93. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

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- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
94. The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
95. (i) Any dividend, interest or other monies payable in cash in respect of shares maybe paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
96. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
97. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
98. No dividend shall bear interest against the Company.
99. (i) Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Unpaid Dividend Account"
- (ii) Any money transferred to the Unpaid Dividend Account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Fund known as Investor Education and Protection Fund established under section 125 of the Act.
- (iii) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

Accounts

100. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of Members not being Directors.



- (ii) No Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.

Winding up

101.

- (i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any shares or other Securities whereon there is any liability.

Indemnity

102. Every Officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

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PART - B

Notwithstanding anything to the contrary contained in Part A of these Articles of Association, the provisions of this Part B of the Articles, shall form an integral part of the Articles. Part A of the Articles shall apply in so far as and to the extent that they are not, either expressly or by necessary implication, contrary to or inconsistent with the provisions of Part B of the Articles for as long as Part B of the Articles is in effect. All the Articles of Part B shall automatically terminate and cease to have any force and effect from the date of listing of the Equity Shares pursuant to the proposed initial public offering of Equity Shares and the provisions of Part A shall continue to be in effect and be in force, without any further corporate or other action, by the Company or by its shareholders. All cross references to an Article or Articles in this Part B shall be references to an Article or Articles of Part B of these Articles.

Definitions

"Act" shall mean the Companies Act, 2013 to the extent enacted and enforced and the relevant provisions of the Companies Act, 1956 to the extent still in force or any other statutory amendment or re-enactment thereof;

"Acceptance Notice" shall have the meaning as set forth in Article 58;

"Adjusted Shareholding Percentage" shall mean the percentage of Share Capital held by a Person calculated by excluding any Shares issuable pursuant to unvested options granted under the Management ESOP Scheme 2018 following from Share Capital;

"Affiliate" shall mean:

- (i) with respect to any Person (other than a natural person), any other Person who, directly or indirectly, through one or more intermediate Persons, Controls, is Controlled by, or is under common Control, such first Person, but excludes any Person who is a Competitor;
- (ii) without prejudice to the generality of sub-clause (i) above, in respect of the Investor and HBM only, any Person:
 - a. managing, or acting as investment adviser to, the investment funds that, directly or indirectly, Control the Investor and/ or HBM as applicable; or
 - b. a fund, collective investment scheme, trust, partnership (including without limitation, a co- investment partnership), any co-investment vehicle, special purpose vehicle or other vehicle or any subsidiary or affiliate of the foregoing, which is managed by any other Affiliate of the Investor and/ or HBM, whether on the Effective Date or in the future and in which any other Affiliate of the Investor and/ or HBM as applicable is a general partner or a limited partner.

provided, however, that, the following Person(s) shall not be considered as 'Affiliates' of the Investor and/or HBM (as applicable): (A) a Competitor; and (B) a portfolio company of the Investor or HBM (as applicable);

- (iii) with respect to the Promoter Group only, the Promoter Existing Shareholders and the Promoter Group Family Members.



22 *Prakashan*

“Adjourned Board Meeting” shall have the meaning set forth in Article 101(b); “Adjourned Shareholders Meeting” shall have the meaning set forth in Article 106(b); “Affirmative Vote Matters” shall have the meaning as set forth in Article 101;

“Approved Strategic Sale” shall have the meaning as set forth in Article 141;

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

“Binding Offer” shall mean an offer by a Proposed Buyer, which is not conditional on any further due diligence of the Company by such Proposed Buyer, containing the price and all other terms and conditions on which such Person is willing to purchase all (but not less than all) of the Investor Shares;

“Board” means the board of directors of the Company; “Board Meeting” means a meeting of the Board;

“Business” shall mean the B2B business of development and manufacturing of pharmaceuticals (except biologics) and drug substances, Drug Discovery Services and Formulation Services.;

“Business Day” means a day on which banks are normally open for business in Mumbai, Singapore and Hyderabad;

“Business Plan” means the annual business plan of the Company, which shall include, among other details, the financing requirements, capital expenditure, means of finance, cash flows, and budget of the Company for the relevant Financial Year including a budgeted income statement and balance sheet, approved and adopted by the Board after the Effective Date from time to time;

“Chairman” shall mean Chairman of the Board of the Company who shall at all times be nominated by the Individual Promoter from among the Promoter Directors;

“Competitor” means any Person defined as a Pharmaceutical Business Person and mutually agreed between the Company, Individual Promoter and Investor; (ii) any Person who Controls a Pharmaceutical Business Person (a “Controlling Entity”), provided, however, that a financial investor whose primary business is to carry out investment activities shall not be deemed to be a Controlling Entity of any Pharmaceutical Business Person; and/or (iii) any Person resident in India who is Controlled by a Pharmaceutical Business Person (a “Controlled Entity”);

“Control” with respect to any Person, shall mean (a) ownership or control (whether directly or indirectly) of more than 50% (Fifty per cent) of the total equity share capital or voting capital or the like of the controlled entity, whether by shareholding or contract or otherwise; or (b) control of, or the power to control, the composition of a majority of the board of directors or equivalent of the controlled entity; or (c) control of, or the power to control, the management and/or policy decisions of the controlled entity, and the terms “controlling” and “controlled” shall be correspondingly construed.;

“Cool Off Period” shall have the meaning as set forth in Article 61;

“Deed” means Deed of Adherence in the form agreed between the Company, Individual Promoter and Investor;

“Drag Along Notice” shall have the meaning as set forth in Article 148;

“Drag Along Sale Notice” shall have the meaning as set forth in Article 157;

“Drag Along Sale” shall have the meaning as set forth in Article 148;



“Drag Along Shares” shall have the meaning as set forth in Article 148;

“Drug Discovery Services” means services that relate to activities performed for the purpose of identifying a new chemical or a new biological candidate or its intermediates as a part of a new drug discovery program and includes synthetic and medicinal chemistry, pharmacology, biology and pharmacokinetics. ;

“Effective Date” shall mean 25 July 2018;

“Encumbrance” means any mortgage, pledge, equitable interest, assignment by way of security, hypothecation, right of other Persons, claim, encumbrance, defect in title, interest, option, lien, charge (fixed or floating), commitment, right of set-off, any security interest, beneficial interest, any restriction (including restrictions on voting, use, transfer, non-disposal undertakings, pre-emption rights and the like) or any agreement to create any of the above;

“Equity Securities” or “Equity Security” means the Share(s) and all classes of share(s), debenture(s), warrant(s), option(s) and other security/securities of the Company which is/are convertible or exchangeable into Shares of the Company or any other security or contractual right which gives to its holder the right to acquire or subscribe to Shares or Equity Securities of the Company;

“ESOP Scheme” means the Sai ESOP Scheme 2008 and Management ESOP Scheme 2018 as approved by the Company;

“Exit Period” means the period commencing on July 25, 2022 and ending on July 24, 2024;

“Fair Market Value” means the fair market value of each Share, determined on the basis of a valuation of the Company (taken as a whole) by an independent merchant banker jointly appointed by the Investor and the Individual Promoter;

“Financial Year” means the period of 12 (Twelve) months commencing on April 1 of a calendar year and ending on March 31 of the following calendar year or any other period adopted by the Company as its accounting year;

“Formulation Services” means services involving design, research, development, manufacture, analytical and testing in relation to formulation of a drug product;

“Fully Diluted”, shall in the context of calculations involving share capital or number of shares, mean a calculation made assuming that all outstanding Equity Securities, including stock options, warrants, right to buy or acquire equity Shares (whether or not, by their term, then currently convertible, exercisable or exchangeable) have been so converted, exercised or exchanged;

“GAAP” means the generally accepted accounting principles as applicable in India;

“General Meeting” means a meeting of the Shareholders;

“Government Authority” means any government authority, 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 the subject matter, including the Republic of India or any country or any state or other subdivision thereof or any municipality, district or other subdivision thereof;

“Government Official” means any: (a) employee or official of a national or local Governmental Authority, instrumentality of any Governmental Authority (e.g., state-owned or state-controlled enterprise, government agency, government advisor, public hospital) or public international



organization (e.g., the World Bank); (b) political party or party official; or (c) candidate for political office;

“HBM” shall mean HBM Private Equity India and its successors and permitted assigns;

“HBM Shares” means the Equity Securities held by HBM and its Affiliates from time to time;

“Identified Merchant Banker” means any of the merchant banker agreed between the Company, Individual Promoter and Investor;

“Independent Directors” shall have the meaning as set forth in Article 88;

“Individual Promoter” shall mean Mr. Krishnam Raju Kanumuri;

“Information” shall have the meaning as set forth in Article 118;

“Initial Public Offering” or “IPO” shall mean the completion of an initial public offering of the Company resulting in the listing of Shares, or Equity Securities, on any Recognized Stock Exchange;

“Insolvency Event” means:

- (a) where a resolution is passed by the board of a company for voluntarily winding up the company; or
- (b) where a Person is subjected to the appointment of a receiver, official liquidator, or similar officer over its entire undertaking or a material part of its assets or undertaking; or
- (c) enters into an arrangement or compromise with its creditors in terms of Section 230 to 235 of the Act, as applicable or any corresponding Law overseas applicable to the relevant Person.

“Insolvent Shareholder” shall have the meaning as set forth in Article 66; “Investor” shall TPG Asia VII SF Pte Ltd and its successors and permitted assigns; “Investor Director(s)” shall have the meaning as set forth in Article 88;

“Investor Shares” means the Equity Securities held by the Investor and it’s Affiliates;

“IPO Lead Advisor” shall have the meaning as set forth in Article 129;

“Law” means any statute, law, regulation, ordinance, rule, judgment, order, decree, bye-law, approval from the concerned authority, government resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any concerned authority;

“Management ESOP Scheme 2018” means an Employee Stock Option Plan (ESOP) approved by the Company as on the Effective Date;

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

“Money-Laundering Laws” means with respect to the Company and its Subsidiaries, all laws, regulations and sanctions of all jurisdictions (including sanctions or measures promulgated, imposed, administered or enforced by the Office of Foreign Assets Control of the U.S. Department of Treasury,

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Her Majesty's Treasury, the European Union, the United Nations or any other relevant sanctions authority) that: (a) limit the use of and / or seek the forfeiture of proceeds from illegal transactions; (b) limit commercial transactions with designated countries or individuals believed to be terrorists, narcotics dealers, supporters of weapons proliferation or otherwise engaged in activities contrary to the interests of India, Singapore, the United Kingdom, the United States or other applicable countries; (c) may require the Investor to obtain information on the identity of, and source of funds for investment by, the Company or the Promoters Group; or (d) are designed to disrupt the flow of funds to terrorist organization's, in each case, to such extent as applicable to the Company and its Subsidiaries;

"Option Exercise Notice" shall have the meaning as set forth in Article 57;

"Option Period" shall have the meaning as set forth in Article 56;

"Option Price" shall have the meaning as set forth in Article 57;

"Ordinary Course" means an action taken by or on behalf of a Person that satisfies all of the following conditions:

- (a) such action is recurring in nature and is taken in the ordinary course of the Person's normal day-to-day operations; and (b) such action is taken in accordance with sound and prudent business practices and is consistent with past practice;

"Other Continuing Shareholders" shall mean Mrs S Bharathi, Dr Raju A Penmasta, Mrs Aruna Penmasta, Mr Ravindra Varma Nandyala, Mrs Anita Rudraraju Nandyala, Ms Anjelica Nandyala, Ms Anisha Nandyala, Mr K V Satyanarayana Raju, Mrs K Anuradha, Mr G Ramakrishna Raju and Kanuri Family Trust so long as such individual shareholders hold Equity Securities of the Company;

"Other Shareholders" shall mean shareholders other than Investors, Promoter Group and HBM;

"Parent Shareholder" shall have the meaning as set forth in Article 53(f);

"Person" means any individual, joint venture, company, corporation, partnership, proprietorship, trust or other enterprise (whether incorporated or not), Hindu undivided family', union, association, or any other entity that may be treated as a person under applicable Law;

"Permitted Transfer" shall have the meaning as set forth in Article 53;

"Pre-Emptive Offer" shall have the meaning as set forth in Article 14;

"Pre-Emptive Offer Notice" shall have the meaning as set forth in Article 16;

"Pre-Emptive Offer Period" shall have the meaning as set forth in Article 18;

"Promoter Director(s)" shall have the meaning as set forth in Article 88;

"Promoter Group Family Members" means shareholders from amongst: (i) Mr. Krishnam Raju Kanumuri; (ii) Dr. K Ranga Raju; (iii) mother, wife, sister, brother, son, daughter, father in law, mother in law and sister in law of Mr. Krishnam Raju Kanumuri; (iv) any partnership firm where any of the Persons listed in sub-clauses (i), (ii) and (iii) above are the only partners; (v) a Hindu undivided family where Mr. Krishnam Raju Kanumuri or Dr. K Ranga Raju or Mr. Krishnam Raju Kanumuri's father in law is a Karta; and/or (vi) companies which are entirely owned by as the Persons enumerated in sub-clauses (i), (ii) and (iii) above, so long as they continue to be shareholders of the Company;

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“Promoter Group” means collectively: (i) Individual Promoter; (ii) Promoter Existing Shareholders; (iii) the Promoter Group Family Members who are presently Shareholders or become Shareholders at any time in the future; and (iv) solely for the purpose of the IPO, other individual and entities as provided in Regulation 2(1)(pp) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018, as amended;

“Proposed Issuance” shall have the meaning as set forth in Article 14;

“Quorum” shall have the meaning as set forth in Article 100;

“Quorum for General Meeting” shall have the meaning as set forth in Article 106;

“Recognized Stock Exchange” means the National Stock Exchange of India Limited, the BSE Limited or any internationally recognized securities exchange approved in writing by the Investor;

“Related Party” shall have the meaning ascribed to the term in the Act;

“Relative” shall have the meaning ascribed to the term in the Act;

“Representatives” means, in relation to a Party, its Affiliates, directors, officers and employees as well as agents, advisers, representatives, accountants and consultants of that Party authorized by such Party to act on their behalf and / or of its respective Affiliates;

“Right of First Offer” shall have the meaning as set forth in Article 56;

“ROFO Transferee” shall have the meaning as set forth in Article 60;

“Sai ESOP Scheme 2008” means the ESOP Scheme approved by the Company on 25 July 2018 and amended by the Company;

“SEBI” shall mean the Securities and Exchange Board of India.

“Shares” means equity shares of the Company having a face value of Rs. 1 (Rupees One) each.;

“Share Capital” means the share capital of the Company determined on a Fully Diluted Basis;

“Shareholder(s)” means Persons who are registered in the register of members of the Company as holders of Shares or Persons holding any Equity Securities in the Company;

“Shareholding” or “Shareholding Percentage” means the percentage of the Share Capital held by a Shareholder; “Strategic Sale Acceptance Notice” shall have the meaning as set forth in Article 144;

“Strategic Sale Notice” shall have the meaning as set forth in Article 141;

“Subsidiaries” means Sai Life Sciences Inc. and any entity which qualifies as subsidiary of the Company under the Act;

“Tag Along Notice” shall have the meaning as set forth in Article 63; “Tag Along Period” shall have the meaning as set forth in Article 63; “Tag Along Price” shall have the meaning as set forth in Article 63;

“Tag Along Response” shall have the meaning as set forth in Article 63;

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“Tag Along Shares” shall have the meaning as set forth in Article 63;

“Tag Offerees” shall have the meaning as set forth in Article 63;

“TA Share” shall have the meaning as set forth in Article 63;

“TA Selling shareholder(s)” shall have the meaning as set forth in Article 6.3;

“Tag Transferee” shall have the meaning as set forth in Article 63;

“Third Party” means any Person other than Investor and/or its Affiliates, Individual Promoter and/or its Affiliates, HBM and/or its Affiliates, Other Continuing Shareholders, Other Shareholders and shall not include any Person who has acquired any Equity Security by executing a Deed of Adherence, after the Effective Date;

“Transfer” means to directly or indirectly sell, gift, assign, transfer, transfer any interest in, place in trust, or create any Encumbrance on, any Equity Securities or any right, title or interest therein, or otherwise dispose of in any manner whatsoever voluntarily or involuntarily;

“Transfer Period” shall have the meaning as set forth in Article 61; and

“Unsubscribed Securities” shall have the meaning as set forth in Article 23.

Interpretation

- a. Unless the context otherwise requires words used but not defined herein shall have the meaning assigned to them under the Act.
- b. References to any gender shall include all genders and references to the singular number shall include the plural number and vice-versa.
- c. Headings used herein are only for ease of reference and shall not affect the interpretation of this Agreement.
- d. The terms “directly or indirectly” mean directly or indirectly through one or more intermediary Persons or through contractual or other legal arrangements, and the terms “direct or indirect” shall be correspondingly construed.
- e. Reference to the word “include” shall be construed as being without any limitation, except under the Act.
- f. When any number of days is prescribed herein, the same shall be reckoned exclusively of the first and inclusively of the last day unless the last day does not fall on a Business Day, in which case the last day shall be the next succeeding day which is a Business Day.
- g. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.;

Share capital and variation of rights

General

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- 1) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be, provided,
 - i) one certificate for all his Shares without payment of any charges; or
 - ii) several certificates, each for one or more of his shares, upon payment of three hundred rupees for each certificate after the first.
- 2) Every certificate shall be under the seal of the Company and shall specify the Shares to which it relates and the amount paid-up thereon.
- 3) In respect of any Share or Shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- 4) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of three hundred rupees for each certificate.
- 5) The Company shall be entitled to dematerialise all or any of its existing Shares, rematerialize all or any of its Shares held in the Depositories and / or to offer its fresh Shares or buyback it's Shares in a dematerialized form pursuant to the Depositories Act, 1996 and the Relevant Rules, if any.
- 6) The provisions of Articles 1 to 4 shall mutatis mutandis apply to debentures of the Company.
- 7) Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- 8) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rule made thereunder. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
- 9) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting, the provisions of these regulations relating general meetings shall mutatis mutandis apply, but so that the necessary quorum shall



be at least two persons holding at least one-third of the issued shares of the class in question.

- 10) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further share ranking pari passu therewith.
- 11) Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.
- 12) Subject to the provisions of the Act and Article 13 to Article 23, the shares in the 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 and at such time as they may from time to time think fit.

Issue of further Equity Securities

- 13) Issuance of Equity Securities by Investor and HBM
 - a) Additional Subscription Shares:
 - i) Subject to Article 13(a) (iii), the Company shall have the right, exercisable at any time prior to the 1st (first) anniversary of the Effective Date by issuing a notice in writing to the Investor and HBM (the "**Company Call Notice**"), to require the Investor to invest such Additional Subscription Amount in the proportion as agreed to between Company, Investor and HBM.
 - ii) The Additional Subscription Amount shall be invested by the Investor and HBM (and/or, at the election of the Investor or HBM, as the case may be, by their respective Affiliates) by subscribing to the Additional Subscription Shares at a per Share price equal to the purchase price paid by the Investor as of the Effective Date ("**Additional Subscription Price**").
 - iii) The Company shall have the right to issue a Company Call Notice in accordance with this Article if the Company achieves certain financial parameters as agreed between the Company, Investor and HBM.
 - iv) Further, the Company Call Notice shall be issued only after obtaining an approval of the Board for the issuance of such Company Call Notice.
 - v) The detailed statement on the manner in which the Additional Subscription Amount is proposed to be utilized must be approved in writing by the Investor prior to the issuance of the Company Call Notice.
 - vi) The Additional Subscription Shares shall be offered and allotted to the Investor, HBM and/or their Affiliates on a private placement basis.
 - vii) The Company shall initiate the private placement process for offering the Additional Subscription Shares at the Additional Subscription Price to the Investor, HBM and/or their Affiliates at least 15 (fifteen) days after the issue of the Company Call Notice to the Investor and HBM and, subject to applicable



Law, the Investor and HBM shall be obliged to accept such offer and subscribe to the Additional Subscription Shares offered to them respectively, at the Additional Subscription Price.

- b) The Company shall not raise any capital by way of issuance of Equity Securities in any manner other than as set out in this Article until the 1st (first) anniversary of the Effective Date.
- c) For the purpose of this Article, the following capitalized terms shall have the meanings ascribed to them below:
 - i) "Additional Subscription Amount" shall mean the amount specified in the Company Call Notice, as agreed between the Company, Individual Promoter, Investor, HBM and Other Shareholders at the Effective Date; and
 - ii) "Additional Subscription Shares" shall mean the number of Shares represented by Additional Subscription Amount divided by the Additional Subscription Price;

Pre-Emptive Offer

- 14) Subject to Article 15, if the Company proposes to issue any Equity Securities to any Person which would dilute the Shareholding of the Investor, HBM or the Promoter Group (each such Person, an "Affected Shareholder" and any such proposed issuance a "Proposed Issuance"), the Company shall provide each Affected Shareholder with the right to acquire such proportionate number of Equity Securities ("Pre-Emptive Offer") so as to enable the Affected Shareholder to maintain a Shareholding Percentage in the Company equal to the Shareholding Percentage of such Affected Shareholder immediately prior to the Proposed Issuance, computed on a Fully Diluted Basis ("Proportionate Shareholding").
- 15) The rights of each Affected Shareholder as set forth in Article 14 shall not apply to:
 - a) issuance of Shares to employees of the Company and its subsidiaries in accordance with employee stock options approved by the Board under the Management ESOP Scheme, 2018 and Sai ESOP Scheme 2008; and/or
 - b) the issuance of any Shares pursuant to IPO.
- 16) The Company shall notify a Pre-Emptive Offer to each Affected Shareholder, in writing, within 3 (three) Business Days of receipt of all necessary corporate approvals for any Proposed Issuance ("Pre-Emptive Offer Notice").
- 17) The Pre-Emptive Offer Notice shall state:
 - a) the number of Equity Securities that such Affected Shareholder is entitled to subscribe to in the Proposed Issuance;
 - b) the nature of Equity Securities proposed to be issued;
 - c) the price per Equity Security (it being clarified that all Person(s), including the Affected Shareholders, to whom Equity Securities are proposed to be issued pursuant to the Proposed Issuance shall be required to pay the same price per Equity Security); and



- d) the total size of the Proposed Issuance and other terms and conditions.
- 18) Each Affected Shareholder may notify the Company of its willingness to subscribe to all, or any portion, of the Equity Securities offered to them in the Pre-Emptive Offer Notice within 30 (Thirty) days of receipt of the Pre-Emptive Offer Notice ("Pre-Emptive Offer Period"), failing which such Affected Shareholder shall be deemed to have declined the offer to participate in the Proposed Issuance.
- 19) Any Equity Securities not subscribed to by the Affected Shareholders pursuant to this Article shall be treated, and allotted, in accordance with Article 20 to Article 23 below.

Renunciation

- 20) Each Affected Shareholder shall have the right to renounce its right to acquire the Equity Securities (including any Equity Securities declined by an Affected Shareholder) which such Affected Shareholder is entitled to acquire pursuant to any Pre-Emptive Offer, or otherwise pursuant to Article 18, in favour of any Affiliate of such Affected Shareholder, provided that:
- a) such Affiliate is not subject to any receivership, bankruptcy, insolvency, dissolution, liquidation or any similar proceedings; and
- b) the renouncing Affected Shareholder and the Affiliate shall be jointly and severally responsible for the obligations of the renouncing Affected Shareholder under the Articles, to the extent applicable.
- 21) The relevant Affiliate and the renouncing Affected Shareholder shall be bound to execute a Deed as a condition precedent to such renunciation in favour of, and subscription by, the Affiliate to such renounced Equity Securities.
- 22) The renouncing Affected Shareholder undertakes to acquire such Equity Securities prior to the relevant Affiliate ceasing to be an Affiliate.

Disposal of Unsubscribed Rights

- 23) All unsubscribed Equity Securities ("Unsubscribed Securities") pursuant to a Proposed Issuance after the Pre-Emptive Offer Period, may be allotted to any Third Party with the prior written consent of the Individual Promoter and the Investor and such Third Party shall be required to execute a Deed prior to its subscription to any Equity Securities.

Lien

- 24) The company shall have a first and paramount lien
- a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
- b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company.

Provided that the Board of directors may at any time declare any share wholly or in part exempt from the provisions of this clause.

- 25) The company's lien, if any, on a share shall extend to all dividend bonuses declared from time



to time in respect of such shares.

- 26) The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien, provided that no sale shall be made
- a) unless a sum in respect of which the lien exists is presently payable; or
 - b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
- 27) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- 28) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

- 29) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.
- Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- 30) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
- 31) A call may be revoked or postponed at the discretion of the Board.
- 32) A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
- 33) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 34) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- 35) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- 36) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on



which by the terms of issue such sum becomes payable.

- 37) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 38) The Board may,
- a) if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
 - b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. Per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

Transfer Procedures and Principles

- 39) The instrument of transfer of any Equity Security in the Company shall be executed by or on behalf of both the seller and purchaser. The seller shall be deemed to remain a holder of the share until the name of the purchaser is entered in the register of members in respect thereof. The Company shall not register, acknowledge or take on record any Transfer of Equity Securities in violation of the provisions of the Articles and all such purported Transfers shall be void ab initio.
- 40) The Promoter Existing Shareholders and the Company shall co-operate fully with the Investor in order to consummate any Transfer of Equity Securities proposed to be undertaken by the Investor in accordance with the Articles and such co-operation shall include the use of reasonable efforts to obtain any approvals of Government Authorities or other Persons that may be required for the completion of such Transfer, allowing the proposed transferee(s) access to the Company, its records and personnel to conduct due diligence and engaging and in such other manner as the Investor may reasonably request.
- 41) Transfer of Equity Securities under Article 54 to Article 65, shall be subject to the applicable provisions mentioned therein and occur at such time(s) and on such date(s) as the transferee, specifies.
- 42) Subject to Article 54 to Article 65, Transfer of Equity Securities shall occur on at the registered office of the Company on such date and time as may be notified to the Company by the selling Shareholder provided that such Transfer is in compliance with the terms of this Agreement, the Articles and applicable Law. The following actions shall be completed on the date of such Transfer,
- a) the Company shall convene a meeting of its Board or Committee to record the Transfer of the Equity Securities proposed to be Transferred and to register the name of the purchaser of such Equity Securities in the register of members of the Company;
 - b) the proposed purchaser of the Equity Securities to be transferred shall pay the relevant sale consideration to the Shareholders selling such Equity Securities, which, in the case of sale under Article 54 to Article 65, shall be determined in accordance with the provisions thereof;



- c) deliver duly executed and stamped share transfer forms in respect of such Transfer of Equity Securities in the form as prescribed in rules made under sub-section (1) of section 56;
 - d) deliver share certificates evidencing the Equity Securities being transferred to the relevant purchaser is presented to the Company by the purchaser and upon such presentation, the Company shall duly endorse the transfer of ownership thereon;
 - e) for Transfer made in demat form, the Shareholders transferring the relevant Equity Securities shall deliver or ensure that instructions are delivered to their depository participant to transfer the relevant Equity Securities of such Seller to the relevant purchaser's depository account;
 - f) file all such forms as may be required under applicable Law in relation to such Transfer, including Form FC-TRS with the relevant authorised dealer, and present a duly acknowledged copy thereof to the Company, if the Transfer of Equity Securities involves a transfer of Equity Securities to or from a Person who is not resident in India from or to a Person who is resident in India; and
 - g) for Transfer of Equity Securities under Article 54 to Article 65, the ROFO Transferee, Tag Transferee (as the case may be) shall deliver the duly executed Deed of Adherence for Transfers to the Company.
- 43) In the event of the Investor and/or its Affiliates Transferring all or any of the Investor Shares of the Company to a third party and the Promoter Existing Shareholders providing representations and warranties to such third party with respect to the business and operations of the Company, the Promoter Existing Shareholders may procure a buyer's or seller's representations and warranties insurance policy from a reputed insurance company to cover any losses that may arise on account of a breach of the business related representation and warranties being provided by the Promoter Existing Shareholders and/or the Company and require all selling Shareholders (including the Investor) to share the costs of such representation and warranties insurance policy amongst themselves in proportion to their inter se shareholding in the Company on a Fully Diluted Basis.

Restrictions on Transfer

- 44) Subject to Article 53, no member of the Promoter Group shall Transfer any Equity Securities held by such Person, without the prior written approval of the Investor until the expiry of 7 (seven) years ("Lock-in Period") from the Effective Date.
- 45) Transfer of Equity Securities held by any member of the Promoter Group under Article 44, which has received the prior written consent of the Investor, shall be in accordance with Article 54 to Article 65.
- 46) The Investor and its Affiliates shall not Transfer any Investor Shares to any Third Party till the 1st (first) anniversary of the Effective Date.

Provided that, any Transfer of the Investor Shares

- a) to a Third Party by the Investor or its Affiliates shall be in accordance with Article 54 to 62.
- b) to a Competitor shall require the prior written consent of the Individual Promoter,

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except as set forth in Article 48; and

Provided further that the Investor and its Affiliates shall be entitled to Transfer any or all of the Investor Shares to any Third Party, including a Competitor, without any restrictions, in one or more tranches, at any time after expiry of the Exit Period if:

- a) an IPO has not been completed prior to the expiry of the Exit Period in accordance with Article 122 to Article 140; and
 - b) the Investor and its Affiliates that hold Equity Securities have otherwise not been able to sell all of the Investor Shares prior to the expiry of the Exit Period through an exit option offered by the Company in accordance with Article 141 to Article 147;
- 47) [Intentionally left blank]
- 48) [Intentionally left blank]
- 49) The Other Continuing Shareholders may Transfer all or some of their Equity Securities to any Person, subject to the following conditions:
- a) the Promoter Existing Shareholders shall have a right of first refusal to acquire all of the Equity Securities sought to be Transferred by the relevant Other Continuing Shareholder(s) at a price per Equity Security equal to or greater than the price per Equity Security offered by the proposed Third Party transferee;
 - b) if the Promoter Existing Shareholders do not exercise their right or fail to acquire the Equity Securities under Article 49 (a), then any Transfer of Equity Securities by such Other Continuing Shareholder(s) to a Third Party shall require the prior written approval of the Investor, provided, however, that, if the Investor fails to notify the relevant Other Continuing Shareholder(s) of its approval or rejection of such proposed Transfer of Equity Securities to a Third Party within a period of 60 (sixty) days from the date of receipt of a written application seeking such consent, the Investor shall be deemed to have approved such Transfer;
 - c) the approval under Article 49(b) shall be valid for the specific Transfer in relation to which the consent is sought; and
 - d) notwithstanding anything to the contrary in this Article
 - i) the Other Continuing Shareholders shall not Transfer their Equity Securities to the Investor and/ or its Affiliates;
 - ii) Investor shall not directly or indirectly solicit, offer to buy or buy the Equity Securities held by the Other Continuing Shareholders;
- without the prior written consent of the Individual Promoter.
- 50) HBM may Transfer all, or some, of its Equity Securities to a Third Party, subject to the following conditions:
- a) the Promoter Existing Shareholders shall have a right of first refusal to acquire all of the Equity Securities sought to be Transferred by HBM within a period of 90 (ninety) days from the date of issue of notice by HBM to the Promoter Existing Shareholders at



- a price per Equity Security equal to or greater than the price per Equity Security offered by the proposed Third Party transferee;
- b) if the Promoter Existing Shareholders do not exercise their right as provided in Article 55(a) above and/or fail to acquire the Equity Securities sought to be Transferred by HBM for any other reason, then HBM shall be entitled to Transfer the Equity Securities to any Third Party; and
 - c) notwithstanding anything to the contrary in this Article,
 - i) HBM shall not, at any time, be permitted to Transfer its Equity Securities to the Investor and/ or its Affiliates;
 - ii) Investor shall not directly or indirectly solicit, offer to buy or buy the Equity Securities held by HBM; without the prior written consent of the Individual Promoter.
- 51) The Shareholders and/or any of their Affiliates holding any Equity Securities or voting interests in the Company, shall not Transfer any of their Equity Securities or voting interests in the Company to any Person, except as permitted under the Articles.
- 52) Notwithstanding anything to the contrary contained in the Articles,
- a) the Transfer restrictions in the Articles shall not be capable of being avoided by the holding of Equity Securities indirectly through a company or other entity that can itself or any interest therein be sold in order to dispose of the Equity Securities or an interest therein free of such restrictions;
 - b) Any such Transfer, issuance or other disposal of any Equity Securities (or other interest) resulting in any change in the Control or ownership, directly or indirectly, of the Shareholders, or of any Affiliate of any Shareholder which holds, directly or indirectly, any Equity Securities of the Company at the time of the Transfer, shall be treated as being a Transfer of the Equity Securities held by such Person, and the provisions of the Articles that apply in respect of the Transfer of Equity Securities shall thereupon apply in respect of the shares so held.

Permitted Transfers

- 53) Notwithstanding anything contained in the Articles the following Transfers of Equity Securities are permitted under the Articles and are not subject to any restrictions ("Permitted Transfer"), provided Investors or HBM or Promoter Group ("Permitted Transferor") shall give to the other Permitted Transferors at least 7 (seven) calendar days prior written notice of its intention to Transfer its Equity Securities and also provide details of the relationship between the transferring Party and the intended transferees:
- a) Transfer by the Investor, HBM or any member of the Promoter Group to its Affiliate or any inter se Transfers between such Affiliates, provided that
 - i) the Affiliate(s) involved in such Transfer are not subject to receivership, bankruptcy, insolvency, dissolution, liquidation or any similar proceedings.
 - ii) the Affiliate and such transferring Shareholder shall be bound to execute a Deed simultaneous to such Transfer.



- iii) the transferring Shareholder and the Affiliate shall continue to be jointly and severally responsible for all the obligations of the transferring Shareholder.
- b) Transfer by way of a pledge of Equity Securities by the Individual Promoter and/or any member of the Promoter Group to a scheduled commercial bank registered under the (Indian) Banking Regulation Act and regulated by the Reserve Bank of India in order to raise any capital solely for the purpose of the Individual Promoter and/or such member of the Promoter Group subscribing to further Equity Securities;
- c) Transfer by way of a sale by the Individual Promoter and/ or the Promoter Group and such sale does not result in the sale of more than 5% (five per cent) of the aggregate shareholding of the Promoter Group as on the Effective Date;
- d) if such Transfer is made by the Promoter Group including Sai Quest Syn Private Limited, Investor, Other Continuing Shareholders and/or HBM as part of an IPO and is in compliance with the provisions of Articles 122 to 140. Further, nothing contained in Articles 54 and 63 shall apply to transfers by relevant parties as a part of the IPO; and
- e) Transfer made by the Individual Promoter to:
 - i) any Person (other than an individual) provided that such Person is wholly-owned, and Controlled, by the Promoter and/ or the Promoter Group Family Members; or
 - ii) a trust which has been created exclusively for estate planning purposes and if the trustees of such trust are the Individual Promoter and/ or the Promoter Group Family Members and the beneficiaries of such trust are Promoter Family Members.
- f) If such Transfer is made by the Investor or HBM (a) post the filing of the draft red herring prospectus and prior to the filing of the red herring prospectus with the SEBI in connection with the IPO, except to any competitor of the Company, and (b) post the filing of the red herring prospectus and one day prior to the bid/issue opening date, to SEBI registered foreign portfolio investors and mutual funds. It is clarified that, in case of (a) above, all fees and expenses incurred in connection with the transfer shall be borne by the Investor or HBM, as the case may be.
- g) If a Person ceases to be an Affiliate of a Party or becomes a Controlling Entity, or a Controlled Entity, and such Person is holding Equity Securities in accordance with the Articles by virtue of being an Affiliate of a Shareholder (hereinafter called the "Parent Shareholder") then, forthwith thereafter, the Affiliate and the Parent Shareholder shall inform the Company of such cessation or event of becoming a Controlled Entity or Controlling Entity and the Parent Shareholder shall, within 10 (ten) days of such cessation, or becoming Controlled Entity or Controlling Entity acquire or cause any of its other Affiliates to acquire, full and unconditional title in and to all of the Equity Securities then held by such Person.
- h) It is clarified that, upon exercise of the right by the Individual Promoter, HBM or Investor under Article 53(a), the relevant Affiliate(s) who acquire such Equity Securities, shall be deemed to be part of the Promoter Group, HBM or the Investor, as applicable.



Right of First Offer

- 54) Subject to the provisions of Article 44 to Article 53, if any member of the Promoter Group or the Investor and/or any of its Affiliates who are Shareholder(s) desire(s) to Transfer all, or part, of the Equity Securities ("Sale Shares") held by such Person (the "Transferring Shareholder") to any Third Party, the Transferring Shareholder shall give written notice to the ROFO Holder offering such Sale Shares to the ROFO Holder.
- 55) For the purpose of Article 54 to Article 62, "ROFO Holder" shall mean:
- the Investor, if the Transferring Shareholder is a member of the Promoter Group; and
 - the Promoter Existing Shareholders, if the Transferring Shareholder is the Investor and/or its Affiliate.
- 56) The ROFO Holder shall have, for a period of 30 (thirty) calendar days after receipt of any such notice ("Option Period"), an option to purchase either directly or through any of its / their Affiliates, all the Sale Shares offered by the Transferring Shareholder ("Right of First Offer").
- 57) If the ROFO Holder desires to exercise its Right of First Offer, the ROFO Holder shall, during the Option Period, notify the Transferring Shareholder the price per Equity Security at which such ROFO Holder is willing to purchase the relevant proportion of the Sale Share ("Option Price") by delivering a written notice ("Option Exercise Notice") to the Transferring Shareholder.
- 58) If the Transferring Shareholder agrees to Transfer the Sale Shares held by it at the Option Price, it shall notify the ROFO Holder in writing of such acceptance ("Acceptance Notice") within 15 (fifteen) Business Days of receipt of the Option Exercise Notice.
- 59) The ROFO Holder and the Transferring Shareholder shall consummate the sale and transfer of the Sale Shares from the Transferring Shareholder to the ROFO Holder within a period of 90 (ninety) days from the date of the Acceptance Notice.
- 60) If:
- the ROFO Holder fails to exercise the Right of First Offer during the Option Period;
 - the ROFO Holder notifies the Transferring Shareholder in writing that it has decided not to exercise the Right of First Offer;
 - the Transferring Shareholder is not willing to Transfer the Sale Shares at the Option Price; or
 - the Transferring Shareholder was willing to Transfer the Sale Shares at the Option Price but the ROFO Holder fails to purchase the Sale Shares by payment of the Option Price in immediately available funds, within 90 (Ninety) days of the date of receipt of the Acceptance Notice, then, the Transferring Shareholder shall be free to sell the Sale Shares, to any Third Party (the "ROFO Transferee") on such terms and conditions as it may, in its sole discretion, deem fit, provided, however, that, if the ROFO Holder had issued an Option Exercise Notice, the Transfer of the Sale Shares to the ROFO Transferee shall be at a price which is at least 2% higher than the Option Price.
- 61) In the event that the Transferring Shareholder does not enter into binding agreements for the



Transfer of the Sale Shares to the ROFO Transferee within 6 (six) months from the date of receipt of the Option Exercise Notice or from the expiration of the Option Period, whichever is earlier ("Execution Period") or, if after executing such binding agreements the Transferring Shareholder does not complete the Transfer of the Sale Shares to the ROFO Transferee within 6 (six) months from the date of entering into such binding agreements ("Transfer Period"), then the Transferring Shareholder shall not initiate any process (including negotiations with a Third Party) in relation to a proposed sale of any Equity Securities held by it to any Third Party for a period of 180 (one hundred and eighty) days from the expiry of the Execution Period (if no binding agreements were executed with the ROFO Transferee within the Execution Period) or the Transfer Period (if after execution of binding agreements, the Transfer of Sale Shares to the ROFO Transferee was not completed within the Transfer Period) ("Cool Off Period").

- 62) Any Transfer of Equity Securities by the Transferring Shareholder post the expiry of the Cool Off Period will be subject to the provisions of Article 44 to Article 52 and Article 54 to Article 62 including the tendering of the notice under on the ROFO Holder.

Tag Along Right

- 63) Subject to Article 44, 45, 54, 55 and 56, if any member(s) of the Promoter Group ("TA Selling Shareholder(s)") elect(s) to sell any of the Equity Securities held by such Person in the Company to a Third Party other than as permitted in terms of Article 53:
- a) the TA Selling Shareholder(s) shall issue written notices (each, "Tag Along Notice") to the Investor and HBM, through the Individual Promoter, which shall state:
 - i) the identity of the proposed Third Party purchaser ("Tag Transferee");
 - ii) the price per Equity Security that the Tag Transferee has offered to pay ("Tag Along Price"); and
 - iii) the number of Equity Securities and the Shareholding Percentage proposed to be sold to the Tag Transferee by such TA Selling Shareholder(s) ("TA Shares");
 - b) upon receipt of a Tag Along Notice, each of the Investor and HBM ("Tag Offerees") may issue a notice, in writing, to the Individual Promoter ("Tag Along Response") within 30 (Thirty) days of receipt of the Tag Along Notice (the "Tag Along Period") stating that either:
 - i) such Tag Offeree and/or its Affiliates (who hold Equity Securities) has elected to sell all or any part of the Tag Along Entitlement held by them (the "Tag Along Shares") to the Tag Transferee on the same terms and conditions as specified in the Tag Along Notice, and the number of Tag Along Shares it (together with its Affiliates, if applicable) proposes to sell; or
 - ii) such Tag Offeree is not desirous of selling any Equity Securities held by it to the Tag Transferee pursuant to the Tag Along Notice;
 - c) the "Tag Along Entitlement" of Investor and HBM shall be determined based on the pro-rata portion of the Investor and HBM Shares (based on the inter-se Shareholding of such Investor or HBM and its Affiliates vis-a-vis the Shareholding of the Promoter Group, at such time), i.e. such number of Equity Securities as determined by multiplying the number of Investor or HBM Shares respectively, by a fraction, (A) the



numerator of which shall be TA Shares, and (B) the denominator shall be the total number of Equity Securities held by the Promoter Group; and

- d) if a Tag Along Response is issued under Article 63 (b) by any Tag Offeree for sale of Tag Along Shares, the TA Selling Shareholder(s) shall cause the Tag Transferee to purchase from such Tag Offeree the relevant Tag Along Shares tendered for sale by such Tag Offeree, simultaneously or before the purchase of the TA Shares by the TA Selling Shareholders, on the same terms as offered to the TA Selling Shareholder (provided, however, that, notwithstanding any terms agreed between the TA Selling Shareholder and the Tag Transferee, in any sale of Tag Along Shares under the Articles, the Investor, HBM and their respective Affiliates shall not be required to provide any representations and warranties to the Tag Transferee in relation to the Company and/or its business or operations).
- 64) In the event the Tag Transferee is unwilling or unable to acquire all the TA Shares and the Tag Along Shares, upon the terms and conditions mentioned in the Tag Along Notice, the number of Equity Securities to be transferred by the Tag Offeree and TA Selling Shareholder shall be reduced in proportion to their respective Shareholding, to the number of Equity Securities which the Tag Transferee is willing to acquire, i.e. the number of Equity Securities which the Proposed Transferee is willing to acquire, multiplied by a fraction
- a) where, for the TA Selling Shareholder, the numerator shall be TA Shares and the denominator shall be the sum of the TA Shares and the Tag Along Shares, and
 - b) where, for the Tag Offeree, the numerator shall be Tag Along Shares and the denominator shall be sum of the TA Shares and the Tag Along Shares.
- 65) If:
- a) a Tag Along Response has been issued under Article 63(b) and the sale of the Tag Along Shares to the Tag Transferee is not completed within 90 (ninety) days of the date of receipt of the Tag Along Response by the TA Selling Shareholder(s); or
 - b) no Tag Along Response has been issued within the Tag Along Period and sale of the TA Shares to the Tag Transferee is not completed within 90 (ninety) days of the date of expiry of the Tag Along Period, then, unless otherwise agreed in writing by (i) all such Tag Offerees who had issued a Tag Along Response electing to sell any Tag Along Shares (if a Tag Along Response was issued); and (ii) the Investor and HBM (if no Tag along response was issued), the TA Selling Shareholders' right to sell the TA Shares and the right of the relevant Tag Offerees to sell the Tag Along Shares to the Tag Transferee in accordance with the provisions of the Tag Along Notice, shall lapse and the provisions of Article 63 to Article 65 shall once again apply to a proposed Transfer of the Equity Securities owned by the TA Selling Shareholder(s).

Involuntary Transfer

- 66) If an Insolvency Event has occurred with respect to any Shareholder ("Insolvent Shareholder"), and such Insolvency Event is not stayed by a competent court on appeal within a period of 90 (ninety) calendar days from the occurrence of the Insolvency Event, one or more Affiliates and/or a Parent Party of such Insolvent Shareholder shall acquire all Equity Securities held by such Insolvent Shareholder.
- 67) If the Insolvent Shareholder is a Shareholder from the Other Continuing Shareholders or the



Promoter Group:

- a) then such Insolvent Shareholder shall first serve a notice to Transfer all of the Equity Securities held by it in the Company to the Individual Promoter at the Fair Market Value of the Equity Securities.
- b) If the Individual Promoter or any member of the Promoter Group nominated by the Individual Promoter is not willing to purchase any or all the Equity Securities of the Insolvent Shareholder, then the Insolvent Shareholder shall serve a notice on the Investor, offering to sell all of the Equity Securities held by it in the Company to the Investor at the Fair Market Value.
- c) If the Investor is not willing to purchase any or all the Equity Securities of the Insolvent Shareholder, the Investor and the Individual Promoter (by mutual written agreement) may cause the unpurchased Equity Securities of the Insolvent Shareholder to be sold at Fair Market Value to a Third Party, provided that such Third Party shall not be a Competitor, and provided further that the Third Party purchaser shall execute a Deed.

Transmission of shares

- 68) On the death of a Shareholder, the survivor or survivors where the Shareholder was a joint holder, and his nominee or nominees or legal representatives where he was a Shareholder, shall be the only persons recognized by the Company as having any title to his interest in the Equity Securities.
- 69) Nothing in Article 68 shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- 70) Subject to Article 66 and Article 67 (Involuntary Transfers), any person becoming entitled to a share in consequence of the death or insolvency of a Shareholder may, upon such evidence as may be required by the Company from time to time and subject as hereinafter provided, elect, either to be registered himself as holder of the share or to make such transfer of the share as the deceased or Insolvent member could have made.

Provided, the Company shall, in either case, have the same right to decline or suspend registration as it would have had under the Articles, if the deceased or Insolvent Shareholder had transferred the share before his death or insolvency.

- 71) If the person so becoming entitled shall elect:
 - a) to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
 - b) transfer the share, he shall testify his election by executing a Transfer of the share.
- 72) All the limitations, restrictions and provisions of these regulations relating to the right to Transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Shareholder had not occurred and the notice or transfer were a transfer signed by that Shareholder.
- 73) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a

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Shareholder in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Forfeiture of shares

- 74) If a Shareholder fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Company may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
- 75) The notice aforesaid shall
- a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
- 76) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect
- 77) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- 78) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
- 79) Where the Company chooses to sell, transfer or otherwise dispose the forfeited shares, then
- a) a duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
 - b) the Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
 - c) the transferee shall thereupon be registered as the holder of the share; and
 - d) the transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on



account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

- 80) Subject to the restrictions under the Articles, the Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
- 81) Subject to the provisions of section 61 and the Articles, the company may, by ordinary resolution,—
- a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
- 82) Subject to the restrictions under the Articles, where shares are converted into stock,
- a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
 - b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
 - c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.
- 83) Subject to the restrictions under the Articles, the Company may, by special resolution, reduce in any manner its share capital, any capital redemption reserve account or any share premium account.

Capitalisation of profits

- 84) Subject to the restrictions under the Articles, the Company in general meeting may, upon the



recommendation of the Board, resolve

- a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - b) that such sum be accordingly set free for distribution amongst the Shareholders .
 - c) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in the Articles, either in or towards
 - i) paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;
 - ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Shareholders in the proportions aforesaid;
 - iii) partly in the way specified in Article 84(c)(i) and partly in that specified in Article 84(c)(ii);
 - iv) A securities premium account and a capital redemption reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to Shareholders of the company as fully paid bonus shares;
- 85) Where, pursuant to Article 84 above a resolution has been passed, the Board shall
- a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - b) generally do all acts and things required to give effect thereto.
- 86) Subject to the restrictions in the Articles, the Board shall have power
- a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - b) to authorise any person to enter, on behalf of all the Shareholders entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- 87) Subject to the Articles, any agreement made under such authority shall be effective and binding on such Shareholders.

Management

- 88) Composition of the Board:



- a) The First Directors of the Company are Dr. K. Ranga Raju, Mr. N. Ravindra Varma and Mr. G. S. Raju
- b) The composition of the Board and the committees shall be in accordance with the requirements under the applicable law, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Act, at all times.
 - i) Subject to Article 161, the Investor shall have the right to nominate 2 (two) Director(s) on the Board (“Investor Director(s)”).
 - ii) The Individual Promoter shall have the right to nominate 3 (three) Director(s) on the Board (“Promoter Director(s)”).
 - iii) In addition, the Board shall comprise such number of independent directors as may be required to comply with applicable legal and regulatory requirements under the applicable laws, including the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- c) The total number of Investor Directors cannot exceed the total number of Promoter Directors at any time whatsoever.
- d) The chairman of the Board (“Chairman”) shall at all times be nominated by the Individual Promoter from among the Promoter Directors. The Chairman shall preside over every meeting of the Board and Shareholders. The Chairman shall not have a casting vote.
- e) If any Investor Director or Promoter Director is required to retire by rotation in accordance with the Act, the respective Investor or Individual Promoter who nominates such Director shall also have the right to nominate the retiring Director again or a new nominee in place of the retiring Director.
- f) The Investor or the Individual Promoter entitled to nominate Directors, shall be entitled to remove any or all of such Directors and nominate another nominee or nominees in place of such Director.
- g) In the event of any vacancy being caused in the office of a Director nominated by the Investor or Individual Promoter, such vacancy shall be filled by a nominee of the Investor or Individual Promoter respectively.
- h) Subject to the Articles, including Article 88(b)(i), Article 88(b)(ii), Article 88(c) and Article 88(e) no Investor Director shall be removed from office other than:
 - i) in accordance with Article 88(f) and Article 88(g); or
 - ii) by rotation, subject to the rights of the Investor in Article 88(b)(i), Article 88(b)(ii), Article 88(c) and Article 88(e); or
 - iii) with the prior written consent of the Investor.
- i) All Directors of the Company shall be entitled by notice in writing addressed to the Board to nominate alternate directors to act in their place during the absence of such



Directors and the Board shall, on receipt of such notice, appoint such nominees as alternate directors to those Directors.

- j) Any nomination for appointment or removal of an Investor or Promoter Director, shall be effected by notice in writing to the Board by the authorized representative of the Investor or Individual Promoter. Such appointment or removal shall take effect immediately upon delivery of consent for appointment or resignation by the respective Investor or Promoter Director to the Board.
- k) Subject to the provisions of section 149 and Article 88, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.
- l) The Individual Promoter shall at all times retain the right to appoint the chief executive officer of the Company and the Subsidiary. The Parties agree and undertake that the removal of Mr. Krishnam Raju Kanumuri as the chief executive officer of the Company and the Subsidiary will require the consent of the Investor and the Chairman.
- m) Any Financial Institution / Bank granting loans to the Company shall be entitled to nominate and from time substitute in place of such nominated director one or more individuals as Directors on the Board of the Company, if the Company fails to meet its obligation in paying interest and/or installment or installments and/or other moneys payable to Financial Institution /Bank, and while holding such office, such nominated director shall not be liable to retirement by rotation.

89) Board of Directors:

- a) The Directors shall not be required to hold any qualification shares.
- b) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue on a day-to-day basis. In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them:
 - i) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
 - ii) in connection with the business of the company
- c) A Director other than a Wholetime Director and the Managing Director, may receive a sitting fee for attending meetings of the Board or committees thereof, such sum as may be decided by the Board of directors thereof which shall not exceed one lakh rupees per meeting of the Board or committee thereof.
- d) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

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- e) Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose. Where a Director attends any meeting of the Board or of a committee thereof through a video conferencing or other audio visual means, the Company Secretary shall make note of the attendance of the Director in the book kept for that purpose.
 - f) The Company shall obtain and at all times maintain, a valid Directors' and officers' liability insurance for all the Directors for such amount and on such terms as shall be approved by the Board.
- 90) Without prejudice to the general powers under the Act and the Articles:
- a) the Directors may from time to time and at any time, subject to the restrictions contained in the Act, delegate to managers, secretaries, officers, assistants and other employees or other persons (including any firm of body corporate) any of the powers authorized and discretions for the time being vested in the Directors; and
 - b) The Directors may authorize any such delegate as aforesaid to sub delegate all or any of the powers, authorities and discretions for the time being vested in them.
- 91) The Directors shall keep all Information and other material provided to them in relation to the Company and its business confidential and shall use such Information only for carrying out the purposes of this Agreement or discharging their duties as Directors of the Company provided, however, that, the Directors shall be entitled to disclose such Information to their appointing Shareholders.
- 92) Constitution of Committees
- a) General
- The Board may set up such committees as the Board may deem fit from time to time in accordance with applicable law.

Proceedings of the Board

- 93) The Board of Directors may, subject to the Articles, meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- 94) A Director may or secretary on the requisition of a director shall, subject to the Articles, summon a meeting of the Board.
- 95) Save as otherwise expressly provided in the Act and Article 101 (Affirmative Vote Matters), questions arising at any meeting of the Board shall be decided by vote of the majority Directors present and voting at which a Quorum is present.
- 96) The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.
- 97) All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some



defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.

98) Number of Meetings *

- a) At least 4 (Four) Board Meetings will be held in every calendar year, and at least 1 (One) Board Meeting shall be held in every calendar quarter, such that not more than 120 (One Hundred Twenty) days lapse between any 2 (Two) Board Meetings.

99) Notice and Place of Meetings

- a) Notice of each Board Meeting together with a written agenda for such meeting, shall be sent to all Directors, and shall be given not less than 7 (Seven) Business Days prior to the date on which the meeting is proposed to be held.
- b) A Board Meeting may be convened with shorter notice provided that consent of at least 1 (one) Investor Director and 1 (one) Promoter Director is obtained in writing and the agenda for such meeting has been sent to each Director.

Provided that a meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one Independent Director, if any, shall be present at the meeting.

Provided further that in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least one Independent Director, if any.

- c) No business can be conducted at the relevant Board Meeting unless the same has been specified in the written agenda circulated to the Directors together with the notice, unless discussion of such business has been approved by at least 1 (One) Investor Director and 1 (One) Promoter Director present at the relevant Board Meeting.
- d) No business can be conducted if no Investor Director or no Promoter Director is present at any Board Meeting, unless the same was specified in the written agenda circulated together with the notice for such Board Meeting or if such business was approved by the Investor or Individual Promoter in writing prior to the relevant Board Meeting.
- e) Board Meetings will be held at the registered office of the Company unless otherwise mutually agreed upon by the Directors.
- f) Board Meetings may be attended by telephonic conference or video conference, as applicable under the Law.

100) Quorum

- a) Quorum for a Board Meeting shall be one-third of its total strength (any fraction contained in that one third being rounded off to the next higher number) or 2 (Two) Directors, whichever is higher, provided, however, subject to Article 100(b), no quorum shall be deemed to be present unless at least 1 (One) Investor Director and 1 (One) Promoter Director are present at the meeting ("Quorum").



- b) If at a Board Meeting, no Quorum is present, the meeting shall stand adjourned to the same day, at the same time of the following week ("Adjourned Board Meeting"). If any such postponed day is a holiday, then the Adjourned Board Meeting will be held on the next Business Day following such holiday.
- c) If, at such Adjourned Board Meeting, an Investor Director and a Promoter Director are not present within one-half of an hour of the time appointed for the meeting, then the Directors present at such meeting shall constitute the Quorum and the meeting may proceed with respect to all business stated in the agenda other than any item relating to an Affirmative Vote Matter not otherwise approved in writing by the Investor prior to such the Adjourned Board Meeting as if a Quorum was duly present at such Adjourned Board Meeting.

101) Affirmative Vote Matters

- a) Subject to Article 161, the Company will not, and the Company shall procure that its Subsidiaries will not (if applicable), undertake any of the following actions ("Affirmative Vote Matters"), unless, subject to Article 101(b), such action has been agreed at a Board Meeting with the affirmative vote of at least 1 (one) Investor Director or in a General Meeting with the affirmative vote of the authorised representative of the Investor at such General Meetings nominated by the Investor or has been otherwise agreed to in writing by an authorised representative of the Investor:
 - i) Any amendment to the Articles of the Company or its Subsidiaries other than an increase in authorised share capital of the Company not requiring an affirmative vote in terms of Article 100(a)(iv);
 - ii) Any merger, de-merger, acquisition, restructuring, consolidation, voluntary winding up or dissolution of the Company or its Subsidiary;
 - iii) Creation of any Encumbrance over, or Transfer of, any of the assets of the Company and/or its Subsidiaries or grant to any third party, any rights, privileges or licenses over any their respective assets or rights or property other than: (i) in the Ordinary Course for an amount not exceeding Rs. 50,000,000 (Rupees Fifty Million); or (ii) to secure any borrowing which has been authorised under the annual business plan or budget approved by the Board;
 - iv) Any capital raise including by way of issuance of debt or debt instrument for an amount exceeding Rs. 200,000,000 (Rupees Two Hundred Million) or any issuance of Equity Securities or granting any right to acquire Equity Securities in the Company (whether by contract or otherwise, but excluding issuance of any Shares to an employee of the Company pursuant to an employee stock option scheme which is in existence on the Effective Date or which has been subsequently approved and adopted by the Board in accordance with the Articles;
 - v) Any buy backs, reduction / re-classification of the Share Capital, redemption of any securities of the Company, splits (excluding any split of share certificates), debt restructuring involving conversion into Shares, in each case, whether as a public offering or private sale;



- vi) Any decision relating to creation of any new employee stock option scheme (which was not in existence on the Effective Date), including the terms and conditions thereof and any issuance of Shares pursuant to such new employee stock option scheme and any material alteration of the terms of the existing employee stock option scheme;
- vii) (a) The minimum floor price of the Shares (or Equity Securities) at which the Company can proceed with the proposed IPO, and (b) the size of the proposed IPO, if in the proposed IPO all of the Investor Shares cannot be offered as part of the offer for sale component of such IPO;
- viii) The Business Plan and annual budget of the Company and, to the extent that any of its Subsidiaries have an annual business plan and/or budget, the annual business plan and/or budget of such Subsidiary and, any modification or amendment of the above and, any action by the Company or any Subsidiary (as applicable) which deviates or at the date of initiation of such action is reasonably likely to result in a deviation from any of the parameters stated in the approved Business Plan and/or annual budget by more than 10%, but excluding any action undertaken in terms of an existing contract executed by the Company with its customers and the incurrence of capital expenditure not requiring an affirmative vote under Article 101(xi);
- ix) Disposition or acquisition of any asset (including, but not limited to, intellectual property rights) or any business undertaking for a consideration in excess of Rs. 50,000,000 (Rupees Fifty Million) in a single transaction or in excess of an aggregate value of Rs. 200,000,000 (Rupees Two Hundred Million) in a given financial year;
- x) Any investments (or acquiring, trading or selling), including, but not limited to, long term and strategic investments, in securities including shares, debentures, bonds or other securities in any other company, any activity in relation to derivative transactions (other than (i) short term liquid investments for treasury operations in the Ordinary Course (ii) derivative transactions entered into as part of overall bank sanction limits in the Ordinary Course);
- xi) Any capital expenditure of in excess of Rs. 150,000,000 (Rupees One Hundred and Fifty Million) in a given financial year, unless such capital expenditure has been approved and has been or is proposed to be made in accordance with the Business Plan;
- xii) Payments of any dividends or any other distribution in relation to the Shares;
- xiii) Any new transaction or contract with a Related Party including investments/loans/advances to Related Parties, outsourcing arrangements with Related Parties etc. after the Effective Date or any amendment to a transaction or contract with a Related Party which is existing as on the Effective Date;
- xiv) Entering into, amending or voluntarily terminating any contract, agreement, undertaking, commitment or arrangement for operating expenses which contributes (or at the date of entering into, amending or terminating, is likely to contribute within the next 3 (three) years) 2% or more of the annual expenses of the Company based on management estimates of the Company; or but excluding any contract entered into in the Ordinary Course of business for



- (1) procurement of raw materials;
 - (2) pay roll expenses for employees of the Company;
 - (3) payments to any contractors supplying contract labour to the Company as per the terms and conditions of the contract(s) executed by the Company with such contractors;
 - (4) statutory payments under applicable Law;
 - (5) rental agreements other than agreements requiring consent in terms of Article 101(xiii);
- xv) (a) Voluntarily terminating any contract, agreement, undertaking, commitment or arrangement which generates (or at the date of entering into, amending or terminating, is likely to generate within the next 3 (three) years) 5% or more of the annual revenues of the Company; or
- (b) entering into, amending or voluntarily terminating any contract, agreement, undertaking, commitment or arrangement which imposes any non-competition obligations on the Company (other than product related non-compete obligations undertaken pursuant to revenue contracts entered into with customers for such products) or restricts the Company's ability to compete in the businesses in which it is engaged or restricts the Company's ability to undertake any other form of business or otherwise expand the Business;
- xvi) Settlement of any litigation or claim against the Company for an amount in excess of Rs. 50,000,000 (Rupees Fifty Million);
- xvii) Any amendment to the employment contract of the Chief Executive Officer, as existing on the Effective Date other than terms relating to the compensation payable to the Chief Executive Officer;
- xviii) Any change in nature of Business carried out by the Company including surrender of any approval or consent obtained by the Company from a Government Authority that materially impedes the Business or entering into any new line of business by the Company or any of its Subsidiaries other than as approved in the Business Plan;
- xix) Any change in the size of the Board, the creation or dissolution of any committees of the Board, the terms of reference and the delegation of authority / powers to any committees of the Board (including any amendments thereto); and
- xx) Entering into any agreement or arrangement to give effect to any of the foregoing matters.
- b) The Investor Directors may at any time require that any of the matters set out in Article 101(a) above be referred to the Shareholders for their approval at a General Meeting and upon receipt of such request, such matter shall not be included in the agenda of a Board Meeting and shall not be discussed or, resolved upon, at a Board Meeting or by circulation in accordance with Article 104 , provided, however, that, if it is mandatory under applicable Law to take up such matter in a Board Meeting, such matter may also



be included in the agenda of a Board Meeting (in addition to the agenda of a General Meeting) and discussed in a Board Meeting but the Company shall not take any action in relation to such matter without the prior approval of the Shareholders in a General Meeting (which approval must include the affirmative vote of the authorised representative of the Investor, as appointed by the Investor, at such General Meeting).

- c) If any matter is approved by the Board in accordance with Article 101(a), the said matter shall not once again require the approval of the Investor in a General Meeting of the Company, subject to:
 - i) compliance with applicable Law; and
 - ii) the provisions of Article 101(b) above

Borrowing Powers

- 102) The Boards may, from time to time, at its discretion, subject to the provision of section 179 and 180 of the Act and the Articles, raise or borrow, and secure the payment of any sum or sums of money for the purposes of the Company.
- 103) The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and in particular by the issue of bonds, perpetual or other security or redeemable debenture or debenture stock, or any mortgage, or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being, provided that debentures with the rights to allotment of or conversion into Shares shall not be issued except with the sanction of the Company in General Meeting and subject to the provision of the Act and the Articles.

Circular Resolution

- 104) Subject to the provisions of the Act and the provisions of Article 101(b), any matter to be decided by the Board may be decided by way of a circular resolution, where the draft resolution along with an explanatory note has been circulated to all Directors and each Director is provided at least 7 (seven) days to approve or reject the proposed resolution unless a shorter period is approved in writing by the Investor Directors and the Promoter Directors. Subject to the aforesaid, the resolution shall be deemed to have been passed if consented to by a majority of the Directors, provided that for any of the matters referred to in Article 101(a), the consent of at least 1 (one) Investor Director will also be required.

Shareholders Meetings

- 105) General
 - a) All Shareholders Meetings other than annual general meeting shall be called extraordinary general meeting.
 - b) The Board may, whenever it thinks fit, call an extraordinary general meeting.
 - c) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.



106) Quorum and Adjournment

- a) Subject to the provisions of the Act, no quorum at a General Meeting shall be deemed to be present unless the authorised representative or proxy of the Investor as nominated by the Investor and the authorised representative or proxy of the Individual Promoter are present at such meeting ("Quorum for General Meeting") unless such requirement is waived, in writing, by the Individual Promoter and/ or the Investor (as applicable) in advance of the relevant General Meeting.
- b) If at a General Meeting, the Quorum for General Meeting is not present within half an hour of the time appointed for the meeting, then the meeting shall stand adjourned to the same day, at the same time of the following week or some other later date as agreed to by the Investor and the Individual Promoter ("Adjourned Shareholders Meeting").
- c) If any such postponed day is a holiday, then the Adjourned Shareholders Meeting will be held on the next Business Day following such holiday.
- d) If at such Adjourned Shareholders Meeting, Quorum for General Meeting is not present within half an hour of the time appointed for the meeting, then the Shareholders present at such meeting shall constitute the quorum and the meeting may proceed with respect to all business stated in the agenda for the meeting other than any item relating to an Affirmative Vote Matter unless such affirmative vote matter has been approved in writing by the Investor prior to such Adjourned Shareholders Meeting, as if a quorum was duly present at such Adjourned Shareholders Meeting.

Proxy

- 107) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
- 108) An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
- 109) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Voting rights at Shareholder Meetings

- 110) For the exercise of rights under the Articles, the rights of a Security holder shall be determined with reference to the aggregate Security Holding Percentage of such Party and its Affiliates and where such Party is an Investor, with reference to the aggregate Security Holding Percentage of such Investor, the other Investors and each of their respective Affiliates.



- 111) Subject to any rights or restrictions for the time being attached to any class or classes of shares
- a) on a show of hands, every member present in person shall have one vote; and
 - b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
- 112) Subject to the provisions of the Articles, the Other Shareholders (excluding the Other Continuing Shareholders) will exercise their voting rights in respect of the Securities at all times in the manner directed by the Individual Promoter. In the event of a failure on the part of Other Shareholders (excluding the Other Continuing Shareholders) to comply with the directions of the Individual Promoter in relation to the exercise of their voting rights, the Company shall not register/recognise the vote of the Other Shareholders (excluding the Other Continuing Shareholders). The Other Shareholders (excluding the Other Continuing Shareholders) agree and undertake that in such a scenario, the Individual Promoter shall be deemed to have the authority to vote on behalf of the Other Shareholders (excluding the Other Continuing Shareholders).
- 113) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
- 114) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- 115) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
- 116) No objection shall be raised on the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive

Information and Access Rights

- 117) Subject to Article 161, the Investor shall be entitled:
- a) to visit, at all reasonable times, the Company Units or the Company's offices by providing a 7 (seven) day prior written notice to the Company;
 - b) to examine any books, papers or records of or relating to the Company and its Subsidiaries and to make copies, extracts and memoranda of any such books, papers or records, at any time and from time to time during normal business hours and upon written notice of at least 3 (three) Business Days to the Company; and
 - c) to consult with the officers, members of the management team, attorneys, auditors and employees of the Company and subsidiaries to enable the Investor to evaluate the Company's Business and performance, by providing a written notice of at least 3 (three) Business Days to the Company.
- 118) At all times, the Company shall supply to each of the Investor (by email) and the Individual Promoter, in English, with respect to the Company:



- a) Annual audited consolidated financial statements, in compliance with GAAP within 90 (ninety) days from the end of a Financial Year (including management reports and all other related documents which were placed before the Board at the time of approval of the audited financial statements);
- b) Unaudited consolidated quarterly (and year-to-date) financial statements within 30 (thirty) days from the end of a quarter;
- c) Unaudited consolidated monthly financial statements within 30 (thirty) days from the end of a calendar month;
- d) The Business Plan and annual budget (including capital expenditure), and other related documents if any within 7 (seven) days prior to relevant Board Meeting in which a particular plan is to be presented to the Board;
- e) Certified true copies of minutes of all Board Meetings and General Meetings no later than the time limit prescribed by applicable Law; and
- f) A written notification setting out sufficient details of any material litigation which may be made or threatened by or against the Company or any circumstances which may give rise to the same. Such notification shall be provided forthwith to the Investor but in no event later than 7 (seven) Business Days from the earlier of the date on which the Company or Promoter Existing Shareholders become aware of the same.

The above provided for from Article 118(a) to 118(f) above are collectively referred to as "Information".

- 119) The Company shall provide HBM with copies of all notices of meetings and all other documents and materials circulated to the Board and/or committees thereof at the same time as circulated/provided to the Directors (and/or committee members).
- 120) On the Effective Date, the Company shall form an Executive Committee ("ExCo") which shall include participation from the Promoter Group, key management team members and the Investor. The ExCo shall meet on a monthly basis to review business updates and make strategic recommendations.

Exit Commitment

- 121) The Company shall use reasonable efforts to provide an exit opportunity to the Investor and HBM allowing the Investor and HBM to sell the Investor Shares and the HBM Shares respectively by initiating and completing:
 - a) an IPO in accordance with Article 122 to Article 140; or
 - b) a Strategic Sale in accordance with Article 141 to Article 147.

IPO

- 122) An IPO of the Company shall be conducted in accordance with Article 122 to Article 140.
- 123) If, in order to meet its obligations under Article 121, the Company is desirous of providing the Investor and HBM with an exit by way of an IPO and the Board determines an IPO is in the best interests of the shareholders of the Company, the Company shall initiate the process to

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complete an IPO.

- 124) The Promoter Existing Shareholders and the Investor shall jointly select and appoint a merchant banker for the IPO.
- 125) If the Company has not initiated an IPO on or before commencement of the Exit Period, the Investor shall have the right, exercisable in its sole discretion, at any time (whether during or after the Exit Period), to cause the Company to initiate the process to complete an IPO. The Investor shall exercise its right under this Article by issuing a written notice to the Company (the "Investor IPO Notice").
- 126) If an Investor IPO Notice is issued by the Investor, the Company shall take all necessary steps, and any other actions reasonably requested by the Investor, to complete an IPO as soon as reasonably practicable after receipt of the Investor IPO Notice by the Company.
- 127) An IPO under this Article shall be effected for a size and at a price range per Equity Share as determined in accordance with Article 133 to Article 136, subject to compliance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
- 128) Any proposed IPO by the Company shall be completed in a manner that would ensure that the Shares are listed on a Recognized Stock Exchange on or prior to the expiry of the Exit Period.
- 129) The Individual Promoter and the Investor shall mutually agree and identify a lead advisor to conduct the IPO and act as the book running lead manager, or one of the book running lead managers to the IPO ("IPO Lead Advisor"). The Company shall appoint the IPO Lead Advisor selected by the Individual Promoter and the Investor.
- 130) In the case of an IPO initiated pursuant to an Investor IPO Notice, if the Investor and the Individual Promoter are unable to agree and identify the IPO Lead Advisor within a period of 30 (thirty) days from the date of receipt of the Investor IPO Notice by the Company, then 2 (two) Identified Merchant Bankers (1 (one) domestic merchant banker and 1 (one) international Merchant Banker, selected by a draw of lots to be presided over by the company secretary of the Company and to be conducted at the registered office of the Company in the presence of a representative appointed by the Investor, shall be appointed by the Company. One of the 2 (two) Identified Merchant Bankers thus appointed shall be jointly selected by the Investor and the Promoter Existing Shareholders to be the IPO Lead Advisor.
- 131) The Board shall, in consultation with the IPO Lead Advisor, appoint intermediaries including underwriters and bankers for consummating the IPO.
- 132) The Company shall not be entitled to appoint any Person as the IPO Lead Advisor other than in accordance with this Article.
- 133) Subject to Article 127, the terms and conditions of such IPO including the size of the issue, the pricing of the Shares in such IPO and related matters shall be determined by the Board (in compliance with the provisions of Article 101) in consultation with the IPO Lead Advisor(s) and shall subject to applicable laws, the offer agreement and other IPO related agreements to be executed between the parties, as applicable.
- 134) Deleted
- 135) Deleted



- 136) The IPO will be structured in a manner in compliance with the applicable Law and in a manner that permits the Investor, HBM and the Individual Promoter to offer for sale the maximum number of Equity Securities that they would like to offer in the IPO; provided, however, that, the Investor and its Affiliates shall at all times have a preferential right over all other Shareholders (including the Promoter Group and HBM) to offer up to all of their respective Equity Securities in any offer for sale component of a proposed IPO and HBM and its Affiliates shall at all times have a preferential right over all Shareholders (other than the Investor) to offer up to all of their respective Equity Securities in any offer for sale component of a proposed IPO. Provided that, in case of under-subscription in the IPO, the Shares will be allotted in the manner set out in the offer agreement entered into amongst the Company, the selling shareholders and the book running lead managers in the context of the IPO.
- 137) The Company shall take all steps (including coordination with the regulators, making necessary filings with regulators, obtaining consents and Governmental Approvals) required to complete the IPO.
- 138) The Company shall undertake all acts and deeds as may be required to effectuate the IPO, comply with all the procedures and provide all assistance, including, but not limited to, preparing and signing the relevant offer documents, conducting road shows, entering into such documents, providing all necessary information and documents necessary for preparing the offer document, and doing such further acts or deeds as may be necessary or required to complete the IPO in accordance with the Articles and in accordance with applicable Law.
- 139) Subject to applicable Law, neither the Investor, HBM nor any of their respective Affiliates: (i) shall be classified as 'promoters' of the Company for any purpose, including in the context of the IPO; and (ii) will be required to make any disclosure or representation as a promoter of the Company, in any document to be filed with the relevant regulator in context of the IPO. The Company shall identify 'promoters' of the Company in compliance with applicable laws including the Companies Act, 2013 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
- 140) All fees and expenses, including inter alia payment of all costs of the IPO including in relation to any offer for sale will be borne by the Company and the Shareholders offering their respective Equity Shares in the IPO in accordance with Applicable Law and in such manner as may be agreed by the Company and the selling shareholders under the offer agreement entered into for purposes of the IPO.

Strategic sale

- 141) Subject to Article 123 to Article 126, if the Company and the Promoter Existing Shareholders are desirous of providing the Investor and HBM with an alternative exit option by arranging a sale of all the Investor Shares and the HBM Shares to any Person (including the Individual Promoter or any member of the Promoter Group nominated by the Individual Promoter) or a Third Party at any time during the Exit Period, then the Promoter Existing Shareholders and the Investor shall jointly select and appoint an Identified Merchant Banker (being one of the international merchant bankers) to identify potential buyers and upon completion of such a process, the Company shall deliver a notice to the Investor and HBM ("Strategic Sale Notice"), setting out:
- a) the identity of the proposed Third Party acquirer for the acquisition of the Investor Shares and the HBM Shares (the "Proposed Buyer");
 - b) the price and other material terms and conditions upon which the Investor Shares and



HBM Shares are to be transferred to the Proposed Buyer;

- c) the time for completion of the sale as best estimated by the Company; and
 - d) any other material terms and conditions of the proposed sale.
- 142) The Company shall deliver the Strategic Sale Notice to the Investor and HBM, respectively, no later than 5 (five) days from the date of receipt by the Company of the aforementioned details.
- 143) Upon receiving the Strategic Sale Notice, the Investor and HBM may request the Company to provide such other information as may be required by the Investor.
- 144) Each of the Investor and HBM shall have a right, exercisable severally at its sole discretion, within 30 (thirty) Business Days from receiving the Strategic Sale Notice, by a notice in writing to the Company and the Individual Promoter, to accept the sale identified in the Strategic Sale Notice ("Strategic Sale Acceptance Notice"). If a Strategic Sale Acceptance Notice is issued by HBM, the Investor shall not be obliged to offer any Investor Shares for sale in such Approved Strategic Sale and vice versa.
- 145) If the Investor and/or HBM accepts the sale identified in the Strategic Sale Notice ("Approved Strategic Sale"), the Investor / HBM (as the case may be) shall indicate the number of Investor Shares / HBM Shares that are proposed to be offered in such sale to the Proposed Buyer. If the Investor and/ or HBM issues a Strategic Sale Acceptance Notice, the Company and the Individual Promoter shall use their reasonable efforts to procure completion of the Approved Strategic Sale on the terms, and within the time period, set out in the Strategic Sale Notice or such extended time period as may be required to obtain any Government Approvals.
- 146) Subject to the Articles, in the event of an Approved Strategic Sale, if the Proposed Buyer is agreeable, the Individual Promoter shall have the right, but not the obligation, to cause the sale of any or all of the Equity Securities held by the other Shareholders as part of the Approved Strategic Sale at a price per Equity Security equal to the price being paid for the Investor Shares and/or HBM Shares (as applicable).
- 147) All costs and expenses relating to the Approved Strategic Sale, to the extent it relates to the sale of Equity Securities by a Shareholder, shall be borne by the relevant Shareholder.

Drag along right

- 148) Subject to Article 149, the Investor may, at any time after the Exit Period, initiate a process for the sale of up to 100% of the outstanding Equity Securities or 100% of the Business or assets of the Company to a third party purchaser ("Drag Along Sale") by issuing a notice in writing to the Company and the Promoter Existing Shareholders ("Drag Along Notice"), provided, however, that, while definitive documents for such Drag Along Sale can be executed at any time after the expiry of the Exit Period, the Drag Along Sale shall only be completed on or after the expiry of 6 (six) years and 6 (six) months from the Effective Date.
- 149) The Investor shall not be entitled to issue a Drag Along Notice if:
- a) the Company has provided the Investor an exit option in accordance with Article 122 to Article 140 or Article 141 to 147 after the 3rd (third) anniversary of the Effective Date;
 - b) before issuing a Drag Along Notice, the Investor has not complied with the provisions



of Article 54 to Article 63, provided, however, that, notwithstanding anything to the contrary in the Articles, the provisions of Article 61 and Article 62 will not be applicable after the expiry of the Exit Period and no 'Transfer Period' shall be applicable for any proposed sale of Investor Shares after the expiry of the Exit Period.

- 150) The Company shall be deemed to have provided an exit option in accordance with Article 122 to Article 140 or Article 141 to 147, if:
- a) an IPO was proposed by the Company but such IPO was not approved pursuant to Article 101 or Article 122 to Article 140; or
 - b) a Strategic Sale Notice was issued by the Company to the Investor, enclosing one or more Binding Offers addressed to the Investor and a Strategic Sale Acceptance Notice was not issued by the Investor.
- 151) Notwithstanding anything to the contrary set out in Article 148 to Article 150, the Investor shall be entitled to issue a Drag Along Notice if:
- a) an IPO was proposed by the Company, approved pursuant to Article 101(a)(vii) but such IPO was not completed prior to the expiry of the Exit Period; or
 - b) a Strategic Sale Notice was issued by the Company to the Investor, following which a Strategic Sale Acceptance Notice was issued by the Investor but the Approved Strategic Sale was not completed prior to the expiry of the Exit Period.
- 152) If a Drag Along Notice is issued by the Investor, the Promoter Existing Shareholders and the Investor shall jointly select and appoint an Identified Merchant Banker (being one of the international merchant bankers) to identify potential buyers and to undertake all preparatory work for such Drag Along Sale within a period of 15 (fifteen) days from the date of issuance of the Drag Along Notice.
- 153) If the Promoter Existing Shareholders and the Investor are unable to jointly select and appoint a merchant banker for the Drag Along Sale within the aforementioned period, then the merchant banker shall be determined by a draw of lots of the Identified Merchant Bankers to be presided over by the company secretary of the Company and to be conducted at the registered office of the Company in the presence of a representative appointed by the Investor.
- 154) The Investor shall shortlist and select the Person with whom the Drag Along Sale is to be completed (the "Selected Acquirer"), provided, that, in the event more than one Person is interested in the Drag Along Sale, the Promoter Existing Shareholders shall be entitled to select the Selected Acquirer as long as: (i) the price per share offered by the Selected Acquirer is not more than 2% (two per cent) lower than the price offered by the highest bidder, compared on equivalent terms; and (ii) the identity of the Selected Acquirer and the terms and conditions offered by the Selected Acquirer for such Drag Along Sale are acceptable to the Investor.
- 155) The terms and conditions for the transaction with the Selected Acquirer shall be finalized by the Investor in consultation with the merchant banker appointed pursuant to Article 153.
- 156) The Investor may, at its sole discretion, require that, pursuant to the terms agreed with the Selected Acquirer, the Promoter Group and/or other shareholders of the Company (including HBM and/or its Affiliates and the Other Continuing Shareholders) sell all (but not less than all) of the Equity Securities held by them ("Drag Along Shares") to the Selected Acquirer.

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- 157) The Investor shall, after finalizing the terms of the Drag Along Sale with the Selected Acquirer, deliver a written notice to the Promoter Group ("Drag Along Sale Notice"), stating:
- a) the identity of the Selected Acquirer;
 - b) whether the Promoter Group and/or any other shareholder of the Company are required to sell the Drag Along Shares to the Selected Acquirer;
 - c) the price per Equity Security at which the Drag Along Shares are to be sold to the Selected Acquirer (which shall be equal to the price per Equity Security at which the Investor Shares held by the Investor and its Affiliates (if any) to the Selected Acquirer as part of the Drag Along Sale);
 - d) the relevant terms and conditions on which such Drag Along Shares are to be sold to the Selected Acquirer (which shall be identical to the terms and conditions applicable to the sale of the Equity Securities held by the Investor to the Selected Acquirer, except that the Investor may not provide any representations, warranties, indemnities or non-compete/ non solicit covenants to the Selected Acquirer other than in relation to the title of the Investor Shares being sold by the Investor to the Selected Acquirer and the authority of the Investor to enter into such transaction, while the Promoter Group may subject to Article 43 be required to provide additional representations and warranties to the Selected Acquirer, including in relation to the business and operations of the Company; and
 - e) the transaction documents which are required to be executed by the Promoter Group and/or other shareholders in relation to the sale of the Drag Along Shares to the Selected Acquirer, if any.
- 158) If the Investor issues a Drag Along Notice, the Promoter Group and/or other shareholders (as applicable) shall be obligated to sell the Drag Along Shares to the Selected Acquirer free and clear of all Encumbrances as per the terms and conditions stated in the Drag Along Sale Notice and undertake all such steps as may be necessary or expedient to ensure the sale of the Drag Along Shares to the Selected Acquirer as per such terms and conditions (including but not limited to executing the transaction documents with the Selected Acquirer as set out in the Drag Along Notice, if applicable, and obtaining all regulatory approvals as may be necessary to complete such sale of the Drag Along Shares, if applicable).
- 159) All costs and expenses in relation to the Drag Along Sale shall be borne by the Persons selling Equity Securities pursuant to such Drag Along Sale, in proportion to the number of Equity Securities sold by such Persons pursuant to the Drag Along Sale.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

- 160) Subject to the provisions of the Act and the Articles,
- a) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer;
 - b) A chief executive officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer so appointed may be removed by means of a resolution of the Board.

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Provided the Individual Promoter shall at all times retain the right to appoint the chief executive officer of the Company and the Subsidiary. The removal of Mr. Krishnam Raju Kanumuri as the chief executive officer of the Company and the Subsidiary will require the consent of the Investor Nominee and the Chairman.

- a) The chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and the chief financial officer so appointed may be removed by means of a resolution of the Board;
- b) A company secretary may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any manager or company secretary so appointed may be removed by means of a resolution of the Board.

Exercise of Rights

Investors

- 161) The rights of the Investor under Article 88 to Article 92, Article 93 to Article 101, Article 104, and Article 106 with respect to the Company and its Subsidiaries shall fall away in the event the Adjusted Shareholding Percentage of the Investor and its Affiliates in the Company, collectively ceases to be equal to or greater than 10% (ten per cent)

The Seal

- 162) Deleted
- 163) Deleted

Dividends and Reserve

- 164) Subject to the Articles, the company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- 165) Subject to the provisions of section 123 and the Articles, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
- 166) The Board may, subject to the Articles, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- 167) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- 168) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

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- 169) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- 170) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- 171) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
- 172) Any dividend, interest or other monies payable in cash in respect of shares maybe paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- 173) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- 174) Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
- 175) Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
- 176) No dividend shall bear interest against the company.

Winding up

- 177) Subject to the provisions of Chapter XX of the Act, the rules and the Articles
- a) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
 - b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
 - c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Termination of certain Articles

- 178) Any provision in the Articles inserted pursuant to an agreement between the Company and certain Shareholders shall cease to have effect if the agreement or any part of such agreement pursuant to which such Articles were inserted stands terminated in part or entirety.



S. NO.	Names, addresses, descriptions and occupations and Signature of the Subscribers	Names, addresses, descriptions, occupations and Signature of the above witness
1.	Mr. Nandyala Ravindra Varma S/o Dr. N.P.V.S.Raju Plot No: 1319, Road No:68, Jubilee hills, Hyderabad Business Sd/-	
2.	Mrs. Prathima Kanumuri D/o Dr.K. Ranga Raju H.No:8-2-120/112/A/4, Road No:9, Jubilee hills, Hyderabad Business Sd/-	
3.	Dr. Kanumuri Ranga Raju S/o Krishnam Raju H.No:8-2-120/112/A/4, Road No: 9, Jubilee hills, Hyderabad. Business Sd/-	
4.	Mrs. K.Mytreyi W/o Dr. K.Ranga Raju H.No:8-2-120/112/A/4, Road No: 9, Jubilee hills, Hyderabad. House Wife Sd/-	Sd/- D V Sastry S/o D V N Sarma 8-2-140/4/1, Pratapnagar, Hyderabad -82 Service
5.	Dr R S Raju S/o R Ganapathi Raju Plot No: 1319, Road No:68, Jubilee hills, Hyderabad. Doctor Sd/-	
6.	Mrs. N.Anita W/o N.Ravindra Varma Plot No:1319, Road No:68, Jubilee hills, Hyderabad. Service Sd/-	
7.	Mr. R.Ajay S/o R.S.Raju Plot No: 1319, Road No:68, Jubileehills, Hyderabad. Doctor Sd/-	

Place : Hyderabad

Date : 11th January, 1999

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