
**MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
BHARTI HEXACOM LIMITED**

COMPANY NO. 55-67527

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

In the office of the Registrar of Companies, NCT of Delhi
& Haryana [under the Companies Act, 1956 (1 of 1956)]

IN THE MATTER OF M/s HEXACOM INDIA LTD.

I hereby certify that HEXACOM INDIA LTD.

which was originally incorporated on Twentieth April of one thousand nine hundred and ninety five under the Companies Act, 1956 (Act 1 of 1956) under the name HEXACOM INDIA LTD.


having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 read with Government of India, Department of Company Affairs, Notification No. G.S.R. 507 (E) dated 24-06-1985 by Registrar of Companies, NCT of Delhi & Haryana, New Delhi vide letter No. ROC/21/55-67527/1094 dated 29/11/2004 the name of the said company is this day changed to

BHARTI HEXACOM LIMITED

and this Certificate is issued pursuant to Section 23 (1) of the said Act.

Given under my hand at New Delhi this Second December of Two Thousand and Four.




(Dr. Navrang Saini)
REGISTRAR OF COMPANIES
N.C.T. OF DELHI AND HARYANA



संघीय कम्पनी

प्रारूप एक

Form 1

निगमन का प्रमाण पत्र

Certificate of Incorporation

सं० 55-67527 तक 19 17

No. 55-67527 of 19 95-96

मैं एतद् द्वारा प्रमाणित करता हूँ कि आज हेक्साकॉम इण्डिया
लिमिटेड

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

I hereby certify that HEXACOM INDIA LIMITED

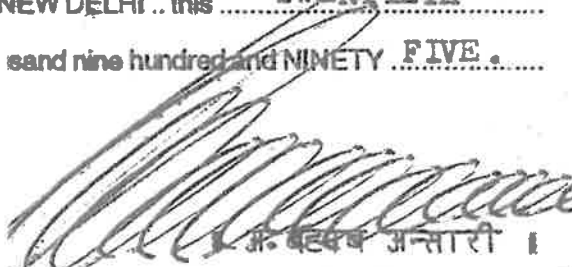
is this day incorporated under the Companies Act, 1956 (No. 1 of 1956)
and that the Company is limited.

मेरे हस्ताक्षर से आज ता० 30 चैत्र, 1917 को दिया गया।

Given under my hand at ... NEW DELHI .. this TWENTIETH

and nine hundred and NINETY FIVE




ज. अ. अंसारी

अपर कम्पनी रजिस्ट्रार

रा. रा. क्षेत्र दिल्ली एवं हरियाणा

(A.W. ANSARI)

ADDL. Registrar of Companies

N.C.T. OF DELHI & HARYANA

COMPANY NO55-67527



सत्यमेव जयते

Certificate for Commencement of Business

व्यापार आरम्भ करने का प्रमाण-पत्र

Pursuant to section 149 (3) of the Companies Act, 1956

कम्पनी अधिनियम १९५६ की धारा १४९ (३) के अनुसार मैं

I hereby certify that the **HEXACOM INDIA LIMITED**

मैं एतद द्वारा प्रमाणित करता हूँ..... **हेक्साकॉम इण्डिया लिमिटेड**

which was incorporated under the Companies Act, 1956 on

जो कि कम्पनी अधिनियम, १९५६ के अन्तर्गत पंजीकृत की गई थी दिनांक **30 चैत्र, 1917**

the **TWENTIETH** day of **APRIL** 199 **5**

and which has filed duly verified declaration in the

और जिस ने कि यथावत् निर्धारित प्रपत्र में सत्यापित घोषणा पत्र प्रस्तुत

prescribed form that the conditions of section

कर दिया है कि उस ने धारा १४९ (२) (क) से (ग)

149 (2) (a) to (c) of the said Act, have been complied with is entitled

को सभी शर्तों का अनुपालन कर दिया है, अतः व्यापार आरम्भ करने का

to commence business.

अधिकारी है ।

Given under my hand at NEW DELHI

मेरे हस्ताक्षर से आज दिनांक **6 वैशाख, 1917**

this..... **TWENTY SIXTH** day of **APRIL**

One thousand nine hundred and Ninty..... **FIVE**

को जारी किया गया ।



। पी. शीला ।

सहायक कम्पनी रजिस्ट्रार

रा. रा. क्षेत्र दिल्ली एवं हरियाणा

(P. SHEELA)

ASSTT. Registrar of Companies

NCT OF DELHI & HARYANA

(THE COMPANIES ACT, 1956)
(COMPANY LIMITED BY SHARES)

MEMORANDUM OF ASSOCIATION

OF

BHARTI HEXACOM LIMITED

- I. The name of the Company is : **BHARTI HEXACOM LIMITED.**
- II. The Registered office of the Company will be situated in the National Capital Territory of Delhi.
- III. The object for which the Company is established are :-
 - (A) **THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE :-**
 1. To provide telecom networks and to run and maintain telecom services including basic/fixed line services, cellular/ mobile services, long distance services, Broadband services, paging, video text, voice mail and data system, private switching network services, transmission networks of all types, computer networks like local area network, wide area network, Electronic Mail, Intelligent Network, Multimedia Communication Systems or the combination thereof.
 2. To provide data/short messaging/intelligent network services over the Cellular Network, including construction of the required additions to Cellular Network, operations and maintenance of the network.
 3. To provide complete paging services including construction of paging network and to purchase, sell, hire, import, export, manufacture, repair and to provide service support to pagers of all kinds.
 4. To carry on the business of telecommunication consulting engineers for design, installation, validation, acceptance, testing, quality assurance of Cellular Mobile Telephone Systems, paging systems and data and other services relating to cellular services.
 5. To buy, sell, lease and trade in cellular mobile handsets & pagers.
 6. To manufacture, install, operate and maintain Mobile telephones, Hand held telephones, module switches, Base stations including self supporting steel structures, antenna, wave-guides power plant and air conditioning equipment relating to Cellular Mobile Telephone System and Paging system.

For BHARTI HEXACOM LIMITED

[Signature]
Company Secretary

(B) THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS ARE :-

1. To provide, encourage, initiate or promote facilities for the discovery, improvement or development of new methods of cellular phone/paging or related activities.
2. To conduct and to carry on experiments and to provide funds for research work and for scholarships, stipend, remuneration and/or other payments or aid to any person/ persons encouraged in research work, or work connected with or conducive to research and to encourage and to improve knowledge of the persons who are engaged or likely to be engaged in cellular systems related activities.
3. To purchase, take on lease, or in exchange, hire or otherwise acquire any estates, land or lands, in India or elsewhere, and any rights, privileges and easements and concessions and factories machinery, implements, tools, live and dead stock, stores effects and other property real or personal, immovable or moveable of any kind which may be required for attaining the main objects.
4. To apply for and obtain any order or other authority for enabling the company to carry any of its objects into effect or for effecting any modifications of the company's constitution or for any other purpose, which may seem expedient and to make representations against any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
5. To enter into any arrangement or agreement with any Government, State or authority, municipal, local or otherwise, or any corporation, companies or persons that may seem conducive to the attainment of the Company's objects or any of them and to obtain from any such Government, State authority, corporation, company or person any rights, privileges or concessions and to carry out, exercise and comply with such arrangement and agreement.
6. To acquire by purchase or otherwise for the business of the Company in India or elsewhere, any lands, buildings, mills, plants, engines, machinery and other things found necessary for the business of the company.
7. To draw, make, accept, endorse, execute, issue and negotiate bills of exchange, promissory notes, cheques, drafts, hundis and other instruments of every description.
8. Taking in cash or fully or partly paid shares with or without preferred or deferred rights in respect of dividends or repayment of capital or other wise or by securities which the company has power to issue or partly in one mode and partly in another and generally on such terms as the Company may determine.

generally otherwise deal with the whole or any part of the business, estate property.

For BHARTI HEXACOM LIMITED

CERTIFIED TRUE COPY

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undertaking of the Company, as a going concern, to a person or persons, association or associations or otherwise for such consideration as the Company may think fit, either for cash or for shares, debentures and securities for any other company having objects altogether or in part, similar to the objects of this company and to hold or distribute among the members in specie or otherwise the whole or part of the consideration for such sale or amalgamation with any other person, company or association.

10. To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the company or to contract with any person, firm or company to pay the same and to pay commission to brokers and others for underwriting, placing, selling or guaranteeing the subscription of any shares, debentures, debenture stock or securities of this Company.
11. To insure with any person, firm, association of company against losses, damages, risks and liabilities of any kind which may effect the company either wholly or partially and if thought fit, to effect any such insurance by joining or becoming a member of any mutual insurance protection or indemnity association, federation or society and to accept any such insurance or any part thereof for the account of the Company.
12. Subject to the provisions of section 391 to 394 of the Companies Act, 1956 to amalgamate, enter into partnership or any arrangement whether terminable or otherwise, for sharing profits, union of interest, joint venture, reciprocal concessions, co-operation or otherwise, with any person or persons, firm, association, company or corporation having objects altogether or in part similar to those of the company or carrying on or about to carry on or engaged in or about to engage in any business or transaction which the company is authorised to carry on and to lend money and to guarantee the contracts and to subsidise or otherwise assist any such persons, person, firm, association, corporation or company, to subscribe for and to take and otherwise acquire and to hold shares or other interest or stocks or securities of any such person, persons, firm, association, corporation, guarantee or otherwise deal with same and accept the shares in exchange for the same, and to form, constitute or permit any other company or companies for the purpose of acquiring all or any of the properties, rights and liabilities of this Company.
13. To join and participate in any Chamber of Commerce, Commercial institutions or Bodies as member or associate member and pay all subscriptions and other amounts for such purpose.
14. To employ experts to investigate and to examine into the conditions, prospects, value, character and circumstances of any business concern and undertakings and generally any assets, property or rights.

FOR BHARTI HEXACOM LIMITED

CERTIFIED TRUE COPY

N. K. J.
Company Secretary

in other companies for all or any of the objects mentioned in this Memorandum of Association and to transfer to any such company and to take or otherwise acquire, hold and dispose of shares, debentures and other securities in or of any such Company and to subsidise or otherwise assist any such company.

16. To acquire and hold shares in any other Company and pay for properties, rights or privileges, acquired by this Company, either in shares of this company or partly in cash or otherwise and to give shares or stocks of this Company in exchange for shares or stocks or any other Company, provided that the investments are made out of surplus funds.
17. To improve, manage, work, develop, mortgage and abandon any of the properties of the Company rights and concessions of the Company.
18. To create any Depreciation Fund, Reserve Fund, Insurance Fund, Sinking Fund or any other Special Fund whether for depreciation or repairs, replacement, improving, extending or maintaining any of the properties of the Company or for any other purposes conducive to the interests of the Company.
19. To place to reserve or to distribute as dividend or bonus among the members or otherwise to apply as the Company from time to time may think fit any moneys received by way of premium on shares or debentures issued at a premium by the Company and any moneys received in respect of dividends accrued on forfeited shares and money arising from the sale by the Company of forfeited shares or from unclaimed dividends.
20. To capitalize its reserves and issue bonus shares.
21. To adopt such means of making known the business of the Company as may seem expedient and in particular to advertising in the press by circular or purchase or exhibition of works of art or interest by publication of books and periodicals and by granting prizes not falling under the provisions of Lotteries Act, rewards and donations.
22. Subject to section 58-A, 292 and 293 of the Companies Act, 1956, and Regulations made thereunder and the directions issued by Reserve Bank of India, to borrow, raise or secure the payment of money or to receive money on deposit at interest, for any of the purposes of the Company and at such time or times as may be thought fit by promissory notes, by taking credits in or opening current accounts with any person, firm, bank, company or financial institutions, in or outside India and whether with or without any security or by such other means as the directors may in their absolute discretion deem expedient and in particular by the issue of debentures or debentures stock perpetual or otherwise and as security for any such money so borrowed, raised, received and if any such debentures or debenture-stock so issued, to mortgage

FOR BHARTI HEXACOM LIMITED CERTIFIED TRUE COPY


Company Secretary

both present and future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may seem expedient and to purchase, redeem or pay off any such securities, provided that the Company shall not carry on banking business as defined in Banking Regulation Act, 1949.

(C) THE OTHER OBJECTS OF THE COMPANY ARE :-

1. The Company has no other objects.

IV. Liability of the members is limited.

- V. The Authorised Share Capital of the Company is Rs 250,00,52,000 (Rupees Two Hundred Fifty Crore Fifty Two Thousand Only) divided into 25,00,00,000 (Twenty Five crore) equity shares of INR 10/- (Rupees Ten) each and 520 (Five Hundred Twenty) redeemable, non-participating, non-cumulative preference shares of INR 100/- (Rupees Hundred) each.

For BHARTI HEXACOM LIMITED


Company Secretary

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FOR BHARTI HEXACOM LIMITED


Company Secretary



Extracts of the resolution passed in the meeting of the Shareholders of Bharti Hexacom Limited held on September 18, 2018

"Resolved that pursuant to the provisions of Section 13, 61 read with Section 64 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under, consent of the shareholders be and is hereby accorded to increase the existing authorized share capital of the Company from Rs. 250,00,00,000 (Rupees Two Hundred Fifty Crore Only) divided into 25,00,00,000 (Twenty Five crore) equity shares of INR 10 (Rupees Ten) each to Rs 250,00,52,000 (Rupees Two Hundred Fifty Crore Fifty Two Thousand Only) divided into 25,00,00,000 (Twenty Five crore) equity shares of INR 10/- (Rupees Ten) each and 520 (Five Hundred Twenty) redeemable, non-participating, non-cumulative preference shares of INR 100/- (Rupees Hundred) each.

Resolved further that the existing Clause V of the Memorandum of Association of the Company be substituted with the following new clause as Clause V:

V. The Authorised Share Capital of the Company is Rs 250,00,52,000 (Rupees Two Hundred Fifty Crore Fifty Two Thousand Only) divided into 25,00,00,000 (Twenty Five crore) equity shares of INR 10/- (Rupees Ten) each and 520 (Five Hundred Twenty) redeemable, non-participating, non-cumulative preference shares of INR 100/- (Rupees Hundred) each.

Resolved further that the Board of Directors are hereby authorized to sign and execute all such documents and to do all such acts, deeds and things as may be necessary for giving effect to this resolution."

For Bharti Hexacom Limited

Swati Batra

Company Secretary

Membership No. : A23592

**Address: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase-II,
New Delhi-110070**

Bharti Hexacom Limited

(A Bharti enterprise)

[CIN: U74899DL1995PLC067527]

Regd. Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi – 110 070.
T: +91-11-4666 6100, F: +91-11-4166 6137, email: corporate.secretarial@bharti.in

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

Sr. No.	Name, Description, Occupation and address of Subscribers	Number of Shares	Signatures of Subscribers	Name, address, description of witness or witnesses
1.	RAJIV MEHROTRA S/O SH. K. N. MEHROTRA A-9, NARAINA VIHAR, NEW DELHI - 110028 INDUSTRIALIST	10 (Ten)	sd/-	I hereby witness all the signatories to the Articles of Association (Sd/-) (ANIL SEHGAL) S/o Late Sh. Satiya Paul Sehgal B-416, Meena Bagh, Outer Ring Road, Paschim Vihar, New Delhi - 110063 ADVOCATE Enrolment No.D/6/11/1991 : Bar Council of Delhi.
2.	SHAKTI SARUP PURI S/O LATE SH. L. R. PURI A-80, VISHAL ENCLAVE, NEW DELHI - 110027 INDUSTRIALIST	10 (Ten)	sd/-	
3.	AJAY KHANNA S/O SH. B. L. KHANNA A-9, NARAINA VIHAR, NEW DELHI - 110028 INDUSTRIALIST	10 (Ten)	sd/-	
4.	ALOK TANDON S/O SH. A. B. TANDON C-163, PREET VIHAR NEW DELHI - 110092 INDUSTRIALIST	10 (Ten)	sd/-	
5.	KAILASH NARAIN MEHROTRA S/O LATE SH. SHYAM CHARAN LAL, A-9, NARAINA VIHAR, NEW DELHI - 110028 INDUSTRIALIST	10 (Ten)	sd/-	
6.	SHYAMA MEHROTRA W/O KAILASH NARAIN MEHROTRA A-9, NARAINA VIHAR, NEW DELHI - 110028 INDUSTRIALIST	10 (Ten)	sd/-	
7.	AJAY KHANNA FOR SHYAM TELECOM LTD. C-138, NARAINA IND'L AREA PHASE - I, NEW DELHI - 28 DIRECTOR	10 (Ten)	sd/-	
	TOTAL	70		

(THE COMPANIES ACT, 1956)
(Company Limited by Shares)

ARTICLES OF ASSOCIATION
OF
BHARTI HEXACOM LIMITED

1. Unless the context or the definition herein contained otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof for the time being in force at the date at which these Articles become binding on the Company.

'Company' shall mean BHARTI HEXACOM LIMITED, a company incorporated and existing under the provisions of the Act with its registered office at Qutab Ambience, H-5/12 Mehrauli Road, New Delhi - 110 030, India.

'BTVL' shall mean Bharti Tele-Ventures Limited, having its registered office at H-5/12, Qutab Ambience, Mehrauli Road, and New Delhi - 110030.

'TCIL' shall mean Telecommunications Consultants India Limited, having its registered office at Chiranjiv Tower, 3rd Floor, 43 Nehru Place, New Delhi - 110019.

'The Act' means the Companies Act, 1956 and includes any re-enactment or statutory modification thereof for the time being.

'Party or Parties' shall mean a shareholder of the company who is a signatory to the Shareholders' Agreement and their affiliates.

'Articles' or 'Articles of Association' means and includes these Articles, as repealed, altered and modified from time to time.

'Affiliate(s)' means any Corporate, which is a holding company or subsidiary company of a common holding company of BTVL or TCIL.

'Auditors' means and includes those persons appointed as such for the time being by the Company.

'Agreement' shall mean the agreement entered into amongst BTVL, and TCIL, all amendments and modifications (agrees to in writing) thereto as well as the Schedules annexed thereto;

'Board of Directors' or 'Board' shall mean the board of directors for the time being of the Company.

'Chairman' or 'Chairman of the Board of Directors' shall mean the Chairman of the Board of Directors from time to time as appointed by the Board in accordance with the Articles and having the duties, powers and authorities as set out by the Board.

'Consultation Matters' shall mean matters requiring consultation between the Parties before being brought to the Board Meeting or Annual General Meeting (AGM) / Extra-Ordinary General Meeting (EGM).

'Member' means the registered holder for the time being of any shares in the capital of the Company.

'Director' or 'Directors' shall mean the directors of the company from the time being as duly appointed in accordance with this article.

'Capital' means the share capital for the time being raised or authorised to be raised for the purpose of the Company.

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

'Law' or 'Applicable Law' shall mean: (i) any common or customary law; (ii) any statute, decree, constitution, judicial decision, judgment, legislation, ordinance, regulation, order or other legislative measure of any Government Entity; (iii) any present or future directive, regulation, request or requirement promulgated by any Government Entity (in each case, whether or not having the force of law, but, if not having the force of law) the non-compliance with which would have a material effect on any Party's ability to perform its obligations under this Agreement; and (iv) any treaty, pact, compact, or other agreement to which any Government Entity is a signatory or party.

'Memorandum' or 'Memorandum of Association' shall mean the Memorandum of Association for the time being of Bharti Hexacom Limited, as amended from time to time.

'Permitted Transferees' shall mean: (i) in case of TCIL, its Affiliates; and (ii) in case of BTVL, its Affiliates.

'Person' shall mean any natural person, individual, corporation, company, limited partnership, co-operative, general partnership, joint stock company, joint venture, association, company, trust, bank, trust company, land trust, business trust, corporate body or other organization, whether or not a legal entity, and government and agency and political subdivision thereof or therein.

'Proxy' includes Attorney duly constituted under a Power of Attorney to vote for a member at a General Meeting of the Company on a poll.

'Office' means the Registered Office for the time being of the Company.

'Month' and 'Year' means a calendar month and a calendar year respectively.

'In writing' and 'written' includes printing, lithography and other modes of representing or reproducing words in visible form. Words importing the singular number shall include where the context admits or requires the plural number and vice versa and words importing the masculine gender shall include feminine.

'Share' means a common equity share in the capital of the Company and 'Share' or 'Shares' include both present and future Shares issued by the Company;

'Subsidiary' means an entity as defined under the Companies Act, 1956;

'Special Matters': In furtherance of the principles of corporate governance set forth in Clause 5.1, the following special matters ("Special Matters") must be mutually agreed upon in writing by the Parties in accordance with Clause 7.3 prior to their implementation by the Parties at meeting of the Shareholders:

- (a) Amendment or alteration of Bharti Hexacom Limited's Memorandum of Association or Articles of Association;
- (b) Reduction in the share capital of Bharti Hexacom Limited or variation in rights of any Shares;
- (c) Change the name of Bharti Hexacom Limited;
- (d) All matters involving mergers, acquisitions and new businesses with respect to Bharti Hexacom Limited or entering into any new line of business or changing Bharti Hexacom Limited's existing business;
- (e) The liquidation, dissolution, voluntary bankruptcy, winding up of Bharti Hexacom Limited's affairs or placing them under official management or any form of statutory management or receivership or any analogous event with respect to Bharti Hexacom Limited;
- (f) Appointment of or change of auditors;
- (g) Any change in the registered office of Bharti Hexacom Limited;

'Business' means the provision of cellular telephony and related value-added services in accordance with the terms of the Mobile Cellular Telephone License(s), as well as the (i) sale, finance, lease and distribution of subscriber equipment and accessories and (ii) the operation of a cellular mobile telephone network;

'License Agreement' shall mean the license agreement executed or to be executed between the Company and Government of India, Department of Communication;

'License' shall mean the license issued by the Government of India, Ministry of Communications, Department of Communications, Telecom Commission to the Company for Cellular mobile telephone services for North East Circle and for Rajasthan Circle;

'Fiscal Year' means the period from the first day of April to 31st day of March of the succeeding year;

Unless the context otherwise requires, the words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof, in force at the date at which these Articles become binding on the Company.

TABLE 'A' EXCLUDED

- 1A. Save as expressly reproduced in the Articles contained in these Articles of Association, the regulations contained in Table 'A' in the first schedule to the Companies Act, 1956, shall not apply to the company. The Articles of Association shall be subject to exercise of any statutory power of the Company with reference to the alteration of, or addition thereto by special resolution, as prescribed by the Act.

CAPITAL & INCREASE AND REDUCTION OF CAPITAL

2. a) The authorised share capital of the Company is Rs.2,500,000,000/- (Rupees Two Billion Five Hundred Million) divided into 250,000,000 (Two Hundred Fifty Million) Equity Shares of Rs.10/- (Rupees Ten) each.
- b) After the receipt of the appropriate approvals, the equity participation amongst the Shareholders shall be as follows:-

Notwithstanding anything contained in the Agreement, it is agreed and fully understood by the Shareholders that the capital structure including equity, shareholder loans, debt and other securities of the Company, as well as other financial flows in respect of licenses and technical management services, shall be designed in a way which minimizes taxes and facilitates repatriation of capital, dividends, interests and profits for all the Shareholders.

3. SHARES AT THE DISPOSAL OF THE BOARD

Subject to the provisions of these Articles, the share shall be under the control of the Board who may allot or otherwise dispose of the same to such person, on such terms and conditions at such times, either at par or at a premium, and for such consideration whether in cash or in kind as the Board thinks fit, Provided that the option or right to call of shares shall not be given to any person or persons except with the sanction of the Company in general meeting.

4. The Company may, subject to and in accordance with the provisions of Section 76 and other applicable provisions (if any) of the Act, at any time, pay a commission to any persons in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in or debentures of the company or his procuring or agreeing to procure subscription, whether absolute or conditional for any share in, or debentures of the Company. The commission may be satisfied by the payment of the cash or the allotment of fully or partly paid shares or debentures or partly in the one way and partly in the other subject to the applicable provisions, if any, of the Act. The Company may also, on any issue of shares or debentures, pay such brokerage as may be lawful, and usual or reasonable.
5. With the previous authority of the Company in General Meeting and the sanction of the Company Law Board and upon otherwise complying with Section 79 and other applicable provisions, if any, of the Act, the Board may issue at a discount any shares of a class already issued.

Subject to discount, if any, being uniform percentage for all equity shares offered with voting rights without being preferential to some existing or new shareholders.
6. The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call, or otherwise, in respect thereof, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by him accordingly.
7. If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person, who, for the time being, shall be the registered holder of the shares or by his executors or administrator.
8. Save as herein otherwise provided and subject to Section 187 (C) of the Act, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not, except as ordered by a court of competent jurisdiction, or as required by statutes be bound to recognize any equitable or other claim to or interest in such share on the part of any other person.
9.
 - a) The Company may from time to time, by ordinary resolution increase the authorised Share Capital by such sum, to be divided into Shares of such amount as may be specified in the resolution.
 - b) Except so far as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation of issues of new shares shall be considered to be part of the then existing capital, and shall be subject to the provisions herein contained.

10. If, owing to any proportionality in the number of new shares to be issued among existing shareholders, and the number of shares held by Members entitled to have the offer of such new shares, any fractional share entitlement shall arise in apportionment of such new shares or any of them amongst the Members, such issue shall be determined by the Board by suitably rounding up fraction of 0.5 or above to the full share and rounding off other fractions to nil.
11. The Company may, subject to the provisions of Section 100 to 105 (both inclusive) and other applicable provisions, if any, of the Act, from time to time by special resolution, reduce its capital and any capital redemption reserve account or premium account in any manner for the time being authorised by law and in particular capital may be paid off on the footing that it may be called up again or otherwise, and the Company may, if and as far as is necessary, alter its Memorandum and Articles of Association by reducing the amount of its share Capital and of its shares accordingly. Provided that such special resolution shall not be necessary in case of application of share premium account in the manner authorised by Section 78 of the Act.
12. Subject to and in accordance with provisions of Section 94 of the Act, the Company in General Meeting may, by ordinary resolution from time to time, sub divide or consolidate or cancel any of its shares, in such manner as it may think fit. The Company in General Meeting may also subject to the provisions of the Act, determine by ordinary resolution that as between the holders of the share resulting from each sub division, one or more of such share shall have same preferential or special rights as regards dividends, payment of capital or otherwise.
13. Subject to the provisions of Sections 100 to 104 (both inclusive) of the Act, the Board may accept from any Member the surrender, on such terms and conditions as shall be agreed, of all or any of his shares.

VARIATION OF SHAREHOLDERS' RIGHTS

14. a) If at any time the Share Capital is divided into different classes of shares, 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 Sections 106 and 107 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 General Meeting of the holders of the shares of that class. To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall, to the extent consistent, apply.
- b) The rights conferred upon the holders of the shares of any class with preferred or other rights shall not, unless otherwise expressly provided by terms of the issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

LIMITATION OF TIME FOR ISSUE OF CERTIFICATES

15. Every member shall be entitled free of charge to one certificate for all the shares of each class registered in his name, or if the Board so approved to several certificates each for one or more of such shares provided that in respect of each additional certificate which does not comprise shares in lots of the market unit of trading, the Board may, subject to the provisions of the Act, and applicable rules and these Articles, charge a fee of rupees two or such smaller sum as it may determine. The Company shall complete and deliver all certificates of shares within three months after the allotment of any of its shares or within one month, after the application for the registration of the transfer, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be borne to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder.
16. **ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED**

The issue of share certificates in duplicate and the issue of new shares certificates on consolidation or sub division or in replacement of any share certificates which are surrendered for cancellation due to their being old, decrepit, worn out, defaced, torn or otherwise mutilated or rendered useless or whereon the space for recording transfers of the shares to which the said certificate shall relate has been filled up shall be in accordance with the provisions of the Companies (Issue of share certificate) Rules, 1960 or any statutory modification or re-enactment thereof. If any share certificate be lost or destroyed then upon proof thereof to the satisfaction of the Board and on such indemnity as the Board may deem fit and adequate being given a new certificate in lieu thereof shall be given to the party entitled to the shares to which such lost or destroyed certificate shall relate. In case of destruction or loss, the member to whom such new certificate is given shall also bear and pay to the Company all costs and other expenses of the company incidental to the investigation by the Company of the evidence of such destruction or loss and to the preparation of such indemnity.

CALLS

17. The Board may, from time to time, subject to the terms on which any shares may have been issued, and subject to the provisions of Section 91 of the Act, make such calls as the Board thinks fit upon the Members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made

payable at fixed time, and such Member shall subject to his having been given at least thirty days notice specifying the time or times and place of payment, pay the amount of every call so made on him to the persons and at the times and places so appointed by the Board. A call may be made payable by installments and shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed at a meeting of the Board.

18. If by the terms of issue of any share or otherwise any amount if made payable at any fixed time or by installments at fixed times whether on account of the nominal amount of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Board and of which due notice has been given, and all the provisions herein contained in respect of calls, forfeiture or otherwise shall relate to such amount or installment accordingly.
19. If the sum payable in respect of any call or installment be not paid on or before the day appointed for payment thereof, the holder for the time being of the shares in respect of which the call shall have been made, or the installments shall be due shall pay interest for the same at the rate of fifteen per cent per annum or such rate of interest as the Board may determine from time to time from the day appointed for the payment thereof till the time of actual payment. The Board shall be at liberty to waive payment of any such interest either wholly or in part.
20. No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company, has and has exercised, an right of lien.
21. **PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST**

The Board may, if it thinks fit, subject to the provisions of the Act, receive from any Member willing to advance the same all or any part of the moneys due upon the shares held by him beyond the sum actually called for, and upon the moneys 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 to the Member paying such sum in advance as the Board may agree upon. Money so paid in excess of the amount of calls shall not rank for dividends or confer any right to participate in profits; and until appropriated towards satisfaction of any calls, shall not be treated as part of its capital and shall be repayable at any time if the Board in its absolute discretion so decides.

FORFEITURE AND LIEN

22. If any member fails to pay any call or installment of a call on or before the day appointed for the payment of the same, the Board may, at any time, thereafter during

such time as the call or installment remains unpaid serve notice on such Members requiring him to pay the same, together with interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

23. The notice shall name a day (not being less than thirty days from the date of the notice) and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made or installment is payable will be liable to be forfeited.
24. If the requirements of any such notice as aforesaid be not complied with, any share in respect of which such notice has been given may, at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
25. When any share shall have been so forfeited, notice of the resolution shall be given to the Member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
26. Any share so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot or otherwise dispose of the same in such manner as it thinks fit.
27. The Board may, at any time before any share so forfeited shall have been re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
28. Where any share under the powers in that behalf herein contained is sold by the Board and the certificate in respect thereof has not been delivered to the Company by the former holder of such share, the Board may issue a new certificate for such share distinguishing it in such manner as it may think fit from the certificate not so delivered up. On the issue of such certificate the original certificate in respect of such share shall stand automatically cancelled and be void.

TRANSFER AND TRANSMISSION OF SHARES

29. Save as provided in Section 108 of the Act, transfer of a share shall not be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with the certificate, or if no such certificate is in existence, with

the Letter of Allotment of the share and such other evidence as the Board may require to prove the title of transferor and transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof.

30. Subject to the provisions of these Articles and Section 111 of the Act, the Board may decline to register or acknowledge any proposed transfer or transmission of shares whether or not the transferee is a member of the Company and in any case in which the Company has a lien upon the shares or any of them or otherwise or in case of shares not fully paid up while any moneys called up and payable at a fixed time in respect of the shares desired to be transferred, or any of them remain unpaid.

30A. GENERAL RESTRICTIONS

- (i) Except as otherwise specifically provided for in this Agreement, no Party may, directly or indirectly sell, assign, or transfer any shares or grant, declare, create or dispose of any right or interest in any shares (any such action being hereinafter referred to as to 'transfer' or a 'transfer') without having obtained the prior written consent of the other Party (such consent not to be unreasonably withheld).
- (ii) A Party is however, free to create any security interest, mortgage or lien etc. over any shares.

30B. PERMITTED TRANSFEREE

- (i) Notwithstanding the above, a Party is free to transfer its shares to its Permitted Transferee without the prior written consent of the other Party, provided that:
 - (a) The Transferring Party forthwith notifies the other Party in writing of the transfer to the Permitted Transferee prior to such transfer;
 - (b) Such Permitted Transferee shall have agreed in writing prior to such transfer to be bound by the terms of this Agreement in a form and substance reasonably acceptable to the other Party.

DEMATERIALISATION OF SECURITIES

30C. 1. Definition(s) for the purpose of this Article:

- (i) 'Beneficial Owner' shall mean beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.
- (ii) 'Depositories Act 1996' shall include any statutory modification or re-enactment thereof.

- (iii) 'Depository' shall mean a Depository as defined in clause (e) of sub-section (1) of Section 2 of the Depository Act, 1996.
 - (iv) 'SEBI' means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.
 - (v) 'Security' means such security as may be specified by SEBI from time to time.
 - (vi) 'Member' means members of the Company holding a share or shares of any class and includes the beneficial owner in the records of the Depository.
 - (vii) 'The Register' means the Register of Members to be kept in pursuant to the Companies Act and where shares are held in dematerialised form 'The Register' includes the Register of Beneficial owners maintained by a Depository.
2. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing shares, debenture and other securities, rematerialise its shares, debentures and other securities held in the Depositories and / or offer its fresh shares, debentures and other securities, in a dematerialised form pursuant to the Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
3. Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any security in the manner provided by the Depository Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificate of Securities.
- If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.
4. All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Companies Act, 1956, shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.
5. Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.

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

The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository.

6. Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.
 7. Notwithstanding anything contained in these Articles, every holder of shares in or debentures of the Company may at any time nominate in the manner prescribed under the Act, a person to whom his shares in or debentures of the Company shall vest in the event of his death. Such nomination and right of nominee to be registered as holder of shares/debentures as the case may be or for transfer of the shares/debentures as the case may be shall be governed by the provisions of Section 109A and 109B and other applicable provisions of the Companies Act, 1956.
 8. Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
 9. Nothing contained on the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held in the depository mode.
31. The Company shall not accept application for transfer of less than such number of shares as may, in consultation with the Stock Exchange/s on which the shares of the Company are listed, be fixed, provided however the said prohibition shall not apply to:
- a) The transfer of equity shares made in pursuance of a statutory provision or an order of a court of law:
 - b) The transfer of the entire equity shares by the existing equity share-holder of the Company be a single transfer to single or joint names:
 - c) The transfer of more shares than the minimum prescribed in the aggregate in favour of same transferee under two or more transfer deeds, out of which one or more relates to the transfer of less than the minimum prescribed.

32. INSTRUMENT OF TRANSFER

Every instrument of transfer of shares shall be in the form prescribed under the Act or the Rules made thereunder and shall be in accordance with the provisions of Section 108 of the Act.

33. (a) No transfer shall be registered in favour of a person of unsound mind and no transfer of partly paid shares shall be registered in favour of a minor.
- (b) No transfer of shares shall be registered in favour of a convicted person or any entity subject to punishment for any criminal act.
34. Every instrument of transfer shall be deposited at the office of the Company for registration, accompanied by the documents and evidence as required under these Articles.
35. On giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the Registered Office of the Company is situated subject to the provisions of Section 154 of the Act, registration of transfer may be closed or suspended during such time and for such periods not exceeding in the aggregate forty five days in each year, but not exceeding thirty days at any one time as the Board may from time to time determine.
36. In case of the death of a Member, the survivor, where the deceased was a joint holder, and his legal representative, executor or administrator where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares; but nothing herein contained 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. The Board may require any persons becoming entitled to shares in consequence of the death of any Member to obtain a Grant of Probate or Letter of Administration or other legal representation, as the case may be, from a Competent Court.
37. The Board may, subject to the provisions of the Act, retain the dividends payable upon a share to which any person becomes entitled, until such person or his transferee shall become a Member in respect of such shares.
38. (1) If the person so becoming entitled under the Transmission Article 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.
- (2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing an instrument of transfer of the share.
- (3) All the limitations, restrictions and provisions of these Articles relating to the right

of transfer and the registration of instruments of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death, lunacy, bankruptcy or insolvency of the Member or transmission or devolution of his share by any other lawful means had not occurred and the notice of transfer was signed by that Member.

39. RIGHT OF FIRST REFUSAL

- (a) If any Shareholder (the "Selling Shareholder") receives an offer (the "Offer") to sell any of its Shares in Bharti Hexacom Limited to a bona fide third party Offeror (the "Third Party Offeror"), it will be obliged to offer the same to the other Shareholder (the "Offeree Shareholders") on the same terms and conditions, by delivering to the Offeree Shareholders a selling notice (the "Selling Notice") to which will be joined a copy of such Offer. It is clarified that the Third Party Offeror shall not be an existing competitor operating in Rajasthan or any person or entity subjected to punishment for any criminal act.
 - (b) The offer by the Selling Shareholder contained in the Selling Notice shall remain open for acceptance for a period of thirty (30) days following receipt of the Selling Notice. The Offeree Shareholder may accept the offer from the Selling Shareholder by giving written notice to such Selling Shareholder prior to the expiry of the thirty (30) day period. If such notice is not given by an Offeree Shareholder or not received by the Selling Shareholder(s) prior to the expiry of such 30 day period, then such Offeree Shareholder shall be deemed to have refused to purchase the Shares offered.
 - (c) If an Offeree Shareholder does not give said notice, then the Selling Shareholder shall have the right to sell all of the offered Shares to the Third Party Offeror at the price and upon the terms set forth in the Offer provided however that such sale be completed within thirty (30) days following the expiry of the thirty (30) day notice above mentioned. In the event that the Selling Shareholder does not sell the offered Shares to the Third Party Offeror within such period, then the provisions of this Agreement shall once again apply and so on from time to time.
40. Every transmission of a share shall be verified in such manner as the Board may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration, which the Board at its discretion shall consider sufficient, provided nevertheless there shall not be any obligation on the Company or the Board to accept any indemnity.
41. A person so becoming entitled under the Transmission Article to a share by reason of the death, lunacy, bankruptcy or insolvency of the holder thereof or by any other lawful means shall, subject to the provisions of these Articles be entitled to the same

dividends and other advantages to which he would be entitled as if he were the registered holder of the share except that no such person shall, before being registered as a Member in respect of the share, being entitled to exercise in respect thereof any right conferred by membership in relation to meetings of the Company.

42. The provisions of these Articles shall mutatis mutandis apply to the transfer or transmission by operation of law of debentures or other securities of the Company.
43. Where two or more persons are registered as the holder of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, but so that:
 - (a) The Company shall be entitled to decline to register more than four persons as Joint Holders of any share, and
 - (b) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share.
44. Any one of the joint holders of a share may give effectual receipts for any dividends or other moneys payable in respect of such share or bonus share.
45. (1) Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall unless otherwise directed in writing by all joint holders and confirmed in writing by the Company be entitled to delivery of the certificate relating to such share or to receive notices (which expression shall be deemed to include all documents) from the Company and any notice given to or served on such persons shall be deemed as a notice or service to all the joint holders.

(2) Subject to the provisions of the these Articles, the person first named in the Register as one of the joint holders shall be deemed as a sole holder thereof for all the matters connected with the Company.
46. Any one of the joint holders of a share may vote at any meeting personally or by proxy as if he were a sole holder thereof provided that if more than one joint holder of the share is present personally or by proxy then such of them whose name stands higher in the Register in respect of such share shall alone be entitled to vote in respect thereof.

BORROWING POWERS

47. The Board may, from time to time, at its discretion, subject to the provisions of Section 292, 293 and 370 of the Act and of these Articles, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow moneys, either

from the Directors, their friends and relatives or from others for the purposes of the Company and/or secure the payment of any such sum or sums of money. The Directors may exercise all the powers of the Company to borrow (in the form of Loan/Guarantee or other alike facilities) and to mortgage or charge its undertakings, property (both present and future) and uncalled capital, or any part thereof and to issue debentures, debenture-stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit and in particular by a resolution passed as meeting of the Board (and not by circulation) by the issue of debenture or debenture stock of the Company, charged upon all or any of the property of the Company (both present and future), including its uncalled capital for the time being.

All cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments and all receipts from moneys 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 may, from time to time, by resolution determine.

TERMS OF ISSUE OF DEBENTURES

48. Subject to the provisions of the Act, and these Articles, and debentures, debenture stock, bond or other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, drawings, attendance at General Meeting of the Company, allotment of share, appointment of Directors and otherwise. Debentures, debenture stock bond and other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.
49. Subject to the provisions of the Act, if the Directors or any of them or any other person shall incur or be about to incur any liability or become personally liable, whether as principal or as surety, for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting be the whole or any part of the assets of the Company by way of Indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

GENERAL MEETING

50. The Company shall in addition to any other meetings, each year hold a General Meeting as its Annual General Meeting in accordance with the provisions of Section 166 of the Act, at such time and place as may be determined by the Board and shall specify the Meeting as such in the notices calling it. All General Meetings other than Annual General Meetings shall be called Extra-Ordinary General Meetings.

51. (a) The Board may whenever it thinks fit, and shall on the requisition of the members in accordance with the provisions of Section 169 of the Act, proceed to call an Extra-Ordinary General Meeting of the Company. The requisitionists may in default of the Board convening the same, convene the Extra Ordinary General Meeting as provided by section 169 of the Act.
- (b) Notices: Subject to the provisions of the Companies Act, 1956, at least 21 (twenty one) days notice specifying the place, date, day and hour of every general meeting shall be given to all Shareholders whose names appear in the Register of Members. Notices to Shareholders in India shall be given by registered post and notices to Shareholders abroad shall be sent by registered airmail. The notice shall specify the place, the day and hour of the meeting, and the nature of the business to be transacted thereat. The meetings of Shareholders may be convened at shorter notice as per the Act.

The minutes of the meetings shall be in English and shall be drawn up as per the provisions of the Act.

PROCEEDINGS OF GENERAL MEETING

52. The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the reports of the Directors and of the Auditors, to elect Directors in place of those retiring by rotation, to appoint Auditors and to fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at an Extra-Ordinary General Meeting shall be deemed as Special Business.
53. (a) No Business shall be transacted at General Meeting unless quorum is present at the time of the commencement of the business.
- (b) If within half an hour from the time appointed for holding the meeting a quorum is not present, the meeting, if convened by or upon the requisition of Members shall stand dissolved, but in any other case, the meeting shall stand adjourned, in accordance with the provisions of sub section (3), (4) and (5) of Section 174 of the Act.
54. Any act or resolution, which under these Articles or the Act is permitted or required to be done or passed by the company in general meeting, shall be done or passed by an ordinary resolution as defined in Section 189(1) of the Act, unless either the Act or these Articles specifically require such act to be done or resolution to be passed by a special resolution as defined in Section 189 (2) of the Act.
55. (1) The Chairman of the Board shall preside as Chairman at every General Meeting of the Company.
- (2) No business shall be discussed at any General Meeting except the election of the Chairman, whilst the Chair is vacant.

56. (1) The Chairman may, with the consent of the meeting and shall, if so directed by the meeting, adjourn the same, from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (2) When meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting and save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
57. (1) Every question submitted to a meeting shall be decided, in the first instance unless a poll is demanded, in accordance with Section 179 of the Act, by a show of hands and in the case of an equality of votes, either on show of hands or on a poll. The Chairman of the meeting shall be entitled to a second or casting vote in addition to the vote to which he may be entitled as a Member.
- (2) A declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the minutes shall be conclusive evidence of the fact without further proof.
- (3) Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of a poll.
58. (1) On a show of hands, every Member present in person and being a holder of equity shares shall have one vote and every person present as a duly authorised representative of a body corporate being a holder of an equity share shall, if he is not entitled to vote in his own right, have one vote.
- (2) On poll, the voting rights of a holder of an equity share shall be as provided in Section 87 of the Act.
59. A company or a body corporate which is a member of the Company (hereinafter called "Member Company") may vote by proxy or by representative duly appointed in accordance with section 187 of the Act.
60. Every instrument of Proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in either of the forms set out in Schedule IX of the Act.
61. If any such instrument of appointment be confined to the object of appointing an attorney or proxy, it shall remain permanently, or for such time as the Board may determine, in the custody of the Company.

62. (a) The Board of Directors of the Company shall consist of not less than three directors and not more than twelve directors.
- (b) However, the Board shall comprise of nominees of BTVL and TCIL in the ratio of 2:1 (BTVL : TCIL).
63. The following shall be the first Directors of the Company.
1. Shri Rajiv Mehrotra
 2. Shri Shakti Sarup Puri
 3. Shri Ajay Khanna
 4. Shri Alok Tandon
 5. Shri Kailash Narain Mehrotra
 6. Smt. Shyama Mehrotra
64. At every Annual General Meeting of the Company one third of such of the Directors for the time being as are liable to retire by rotation in accordance with the provisions of Section 255 of the Act, or if their number is not three or a multiple of three, then the number nearest to one third shall retire from office in accordance with the provisions of Section 256 of the Act.
65. A person who is not a retiring director shall subject to provisions of Section 257 of the Companies Act be eligible for appointment to the office of director at any General Meeting.
66. 1) Each Director, excluding Managing Director and whole time Director, shall be paid for attending every meeting of the Board or a committee thereof, sitting fee as may be determined by the Board of Directors, from time to time within the limits as may be prescribed by the Central Government for payment of sitting fee.
- 2) Subject to the provisions of Sections 309 and 310 of the Act the Directors shall be paid such further remuneration, whether in the form of monthly payment or by a percentage of profit or otherwise, as the Company in General meeting may, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and in such manner as the Board may, from time to time, determine and in default of such determination, shall be divided among the Directors equally, or if so determined paid on a monthly basis.
- 3) The remuneration of the Director shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.
- 4) Subject to the provisions of Sections 198, 309 and 310 of the Act, if any Director be called upon to perform any extra services or make special exertions or efforts

(which expression shall include work done by a Director as a member of any committee formed by the Directors) the Board may pay such Director special remuneration for such extra services or special exertions or efforts either by way of a fixed sum or by percentage of profit or otherwise and may allow such Director at the cost and expenses of the Company such facilities or amenities (e.g. rent free house, free medical aid, free conveyance etc.) as the Board may determine from time to time.

- 5) In addition to the remuneration payable to them in pursuance of the Act the Directors may be paid in accordance with Company's rules to be made by the Board, all traveling, hostel and other expenses properly incurred by them:
 - a) in attending and returning from meetings or adjourned meeting of the Board of Directors or any committee thereof; or
 - b) in connection with the business of the Company.
67. The Directors shall not be required to hold any qualification shares in the Company.
68.
 - i) The Board shall have power at any time and from time to time, to appoint a person as a director either to fill up a casual vacancy or as an addition to the Board and any director so appointed shall hold office until the conclusion of the next Annual General Meeting of the Company.
 - ii) Such person shall, however, be eligible for appointment by the Company at that meeting as a Director after the meeting has, if necessary, increased the number of the Directors.
69. If it is provided by any trust deed securing or otherwise in connection with any issue of debentures of the Company that any person or persons shall have power to nominate a Director of the Company then in the case of any and every such issue of debentures, the persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be liable to retire by rotation.
70. If at any time the company obtains any loan from any Financial Institution(s) and/or Bank(s) and/or State Government (hereinafter referred to in this article as the Corporation) or enters into underwriting arrangements with the corporation and it is a term of such loan or of the underwriting arrangements, the corporation shall have the right to appoint one or more Directors then, Subject to the terms and conditions of such loans or underwriting arrangements, to appoint one or more Directors of the company and to remove from office any Director, so appointed who resigns or

otherwise vacates his office. Any such appointment or removal shall be made in writing and shall be signed by the Corporation or by any person duly authorised by it and shall be served at the office of the company. The director or directors so appointed shall not be liable to retire by rotation of directors in accordance with the provisions of these articles.

71. In the course of its business and for its benefit the Company shall, subject to the provisions of the Act, be entitled to agree with any government or other authority under the law that it shall have the right to appoint its nominee on the Board of Directors of the Company upon such terms and conditions as the Directors may deem fit. Such nominees and their successors in office appointed under this Article shall be called Special Directors. Special Directors shall be entitled to hold office until requested to retire by the Government or Authority under law who may have appointed them and will not be bound to retire by rotation. As and whenever a Special Director vacates office whether upon request as aforesaid or by death, resignation or otherwise the government or authority who appointed such Special Director may if the agreement so provide, appoint another Director in his place.
72. Subject to the provisions of Section 313 of the Act, the Board of Directors shall have power to appoint an alternate Director to act for a Directors during his absence for a period not less than three months from the state in which meeting of the Board are ordinarily held.
73. Director may become a director of any company promoted by the company, in which he may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as director or shareholder of such company. Such Director before receiving or enjoying such benefits in cases in which the provisions of Section 314 of the Act are attracted will ensure that the same have been complied with.
74. Every nomination, appointment or removal of a special director shall be in writing and shall in the case of government or authority be under the hand of secretary to such government or authority and in the case of corporation under the hand of a director of such corporation duly authorised in that behalf by a resolution of its Board of Directors. Subject as aforesaid a Special Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.
75. The office of a Director shall become vacant:
 - i) on the happening of any of the events provided for in Section 283 of the Act;
 - ii) on contravention of the provisions of Section 314 of the Act, or any statutory modifications thereof;
 - iii) if a person is a Director of more than fifteen Companies at a time;

- iv) in the case of alternate Director on return of the original Director to the State in terms of Section 313 of the Act; or
 - v) on resignation of his office by notice in writing.
76. Every Director present at any meeting of the Board or a committee thereof shall sign his name in book to be kept for that purpose, to show his attendance thereat.
77. Subject to the provisions of the Act, the Board of Directors shall appoint a Chairman and a Vice-Chairman of the Board. In the absence of Chairman, the Vice-Chairman shall act as a Chairman. If no such Chairman/Vice Chairman is appointed, or if at any meeting, the Chairman and Vice Chairman are not present within five minutes after the time appointed for holding the meeting or in the absence of Chairman, Vice Chairman present declines to act as a Chairman, the Directors present may choose one of their members to be the Chairman of such meeting.

PROCEEDINGS OF THE BOARD OF DIRECTORS

78. The Directors may meet together as a Board for the dispatch of business from time to time and shall so meet at least once in every three calendar months, and the Board may adjourn and otherwise regulate its meetings and proceedings as it may think fit.
79. (a) Subject to Section 287 of the Act, the quorum for a meeting of the Board shall be one third of its total strength (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in the one-third being rounded off as one) or two Directors, whichever is higher provided that where at any time the number of interested Directors exceeds or is equal to two-third of the total strength, the number of Directors who are not interested, and are present at the meeting, being not less than two, shall be the quorum for such time.
- (b) Quorum and Voting: Subject to the provisions of the Companies Act, the quorum shall be as per the Act, provided that for a meeting in which Special Matters are on the agenda, the presence of at least 1(one) nominee each of BTVL and TCIL shall be necessary for the purposes of quorum. If any meeting is adjourned for want of quorum, the same shall be reconvened as per the Act and the requirement of presence of at least 1 (one) TCIL and 1 (one) BTVL nominee for meetings in which Special Matters are on the agenda, shall not be required and the quorum shall be as per the Act.

Voting at the meeting shall be as per the provisions of the Act. Provided however, that for Special Matters, the affirmative vote of both TCIL and BTVL will be required. It is further agreed that if any meeting is adjourned for want of quorum, the same shall be reconvened as per the Act and the requirement of affirmative vote of TCIL and BTVL for Special Matters, shall not be required and the voting shall be as per the Act.

80. If at a meeting of the Board, a quorum shall not be present then the meeting shall stand adjourned to such day, time and place as the Chairman and in his absence, the Vice-Chairman and failing both of them, the Director or Directors present at the meeting may fix.
81. A Director may, and the Manager or Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.
82. Questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes, the Chairman of the meeting shall have a second or casting vote.
83. Subject to the provisions of the Act, and these Articles, the Board may from time to time and at any time, delegate any of its powers to a Committee(s) consisting of such Director or Directors as it thinks fit, and it may from time to time revoke and discharge any such Committee either wholly or in part, and either as to persons or purposes, but every Committee of the Board formed shall, in the exercise of the powers so delegated, conform to any regulation that may from time to time be imposed on it by the board. All acts done by any such Committee of the Board in conformity with regulations and in fulfillment of purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
84. The meetings and proceedings of any such Committee of the Board shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Board so far as the same are applicable thereto and are not superseded by any regulations made by the Board under these Articles.
85.
 - 1) Subject to the provisions of the Sections 289, 292 and 297 of the Act, a resolution passed by circulation, without a meeting of the Board or a Committee of the Board (such committee comprising at least one TCIL nominee) shall be as valid and effectual as a resolution duly passed at a meeting of the Board or a Committee thereof duly called and held.
 - 2) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, if the resolution has been circulated in draft together with the necessary papers, if any, to all the Directors or to all the Members of the Committee at their respective addresses registered with the Company and has been approved by a majority of Directors or members of the Committee as are entitled to vote on resolution.
 - 3) **'Consultation Matters'**: The Parties agree that in respect of the following matters, Chairman and Managing Director, BTVL shall consult Chairman and Managing Director, TCIL before taking any decision on the following matters:
 - (a) Approval of monthly and annual budgets, MIS and Audited accounts, Capital expenditure / Investments, Expansion / Diversification;

- (b) Floating of shares/debentures, lending / borrowings, making / acceptance of deposits etc. subject to exemption of sums within threshold amount to be mutually agreed by BTVL & TCIL;
- (c) Dividend/Bonus shares to shareholders;
- (d) Appointment of CEO;

POWER OF DIRECTORS

86. Subject to the provisions of the Act, the Board shall be entitled to exercise all such powers of the Company and do all such acts and things as the Company is authorised to exercise or do and as are not, by the Act, or any other statute or by the Memorandum or Articles of Association of the Company required or directed to be exercised or done by the Company in General Meeting, subject nevertheless to these Articles, the Act or any other statute and to such regulations, not inconsistent therewith including regulations made by the Company in General Meeting, but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

MANAGING DIRECTOR(S) AND WHOLE TIME DIRECTOR(S)

87. Subject to provisions of Section 269, 198 and 309 of the Act, the Board of Director may from time to time appoint on or more of their body to the office of Managing Director/s or whole time Director/s for a period not exceeding 5 years at a time and on such terms and conditions as the Board may think fit and subject to the terms of any agreement entered into with him, may revoke such appointment. In making such appointments the Board shall ensure compliance with the requirements of the Companies Act, 1956 and shall seek and obtain such approvals as are prescribed by the Act.
88. The Board may entrust and confer upon Managing Director/s or Whole time Director/s any of the power of management which would not otherwise be exercisable by him upon such terms and conditions and with such restrictions as the Board, may think fit, subject always to the superintendence, control and direction of the Board and the Board may from time to time revoke, withdraw, alter or vary all or any of such powers.

SECRETARY

89. The Board may from time to time appoint, and at its discretion subject to applicable provisions of the Act, if any, remove any person as the Secretary of the Company (hereinafter called "The Secretary") to perform such duties and functions, which by the Act or otherwise are to be performed by the Secretary of the Company, and to execute any other duties and functions, which may from time to time be assigned to the Secretary by the Board.

THE SEAL

90. The Board shall provide for a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Board shall provide for a safe custody of the seal for the time being, and the seal shall never be used except by the authority of the Board or a Committee of the Board previously given.
91. Subject to the provisions of the Act and these Articles every deed or other instrument, to which the seal of the Company is required to be affixed, by the authority of the resolution of the Board shall, unless the same is executed by a duly constituted attorney of the Company, be signed by at least one person whether the Director or the Secretary or some other person appointed by the Board for the purpose, on every such deed or instrument.

DIVIDENDS AND RESERVES

92. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles, shall be divisible among the Members in proportion to the amount of capital paid up on the share held by them respectively. Provided always that subject as aforesaid any capital paid up on a share during the period in respect of which a dividend is declared shall unless the Board otherwise determine, only entitle the holder of such share to a proportionate amount of such dividend as from the date of payment.
93. No dividend shall be paid by the Company in respect of any share except to the registered holder of such share or to his order or to his banker.
94. (1) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper 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 equalising 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.

(2) The Board may also carry forward any profits, which it may think prudent not to divide, without setting them aside as a reserve.
95. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in Act and these Articles.
96. No dividend shall bear interest against the Company.

97. The Company may issue a duplicate cheque or dividend warrant or interest warrant on shareholder or holder of debenture furnishing such indemnity or otherwise as the Board may think proper.
98. The Company in General Meeting may declare a dividend to be paid to the Members according to their respective rights and interests in the profits and may, subject to the provisions of Section 207 of the Act, fix the time for payment.
99. No larger dividend shall be declared than is recommended by the Board, but the Company in General Meeting may declare a smaller dividend.
100. The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the financial position of the Company.
101. Subject to the provisions of the Act and these Articles, no dividend shall be payable except in cash. Provided that nothing in this Article shall be deemed to prohibit the capitalization of profits or reserves of the Company for the purposes of issuing fully paid up Bonus Share or paying up any amount for the time being unpaid on any shares held by the Members of the Company.
102. Any dividend due from the Company to a Member, without the consent of the Member, be applied by the Company in or towards payment of any money due from time to time to the Company for calls.

CAPITALISATION

103. (1) Any General Meeting may, upon the recommendation of the Board, resolve that any moneys standing to the credit of the Share Premium Account or Capital Redemption Reserve Account or any money, investments or other assets forming part of the undivided profits of the Company (including profits or surplus moneys realized on sale of capital assets of the Company) standing to the credit fund or reserve of the Company or in the hands of the Company and available for dividend to be capitalized and distributed.
 - (a) By the issue and distribution, among the holders of the shares of the Company or any of them on the footing that they become entitled thereto as capital in accordance with their respective rights and interests and in proportion to the amount paid or credited as paid thereon of paid up shares, bonds or other obligations of the Company; or
 - (b) By crediting shares of the Company which may have been issued and are not fully paid up, in proportion to the amounts paid or credited as paid thereon respectively, with the whole or any part of the same remaining unpaid thereon.

- (2) The Board shall give effect to such resolution and apply such portion of the profits of Reserve Fund or any other fund as may be required for the purposes of making payments in full or in part for the shares, of the Company so distributed or (as the case may be) for purpose of paying in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up provided that no such distribution or payment shall be made unless recommended by the Board and if so recommended, such distribution and payment shall be accepted by such shareholders in full satisfaction of their interest in the paid capitalized sum.
- (3) For the purpose of giving effect to any such resolution, the Board may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and generally may make such arrangements for the acceptance, allotment and sale of such shares, bonds or otherwise as they may think fit, and may make cash payment to any holders of shares, on the footing of the value so fixed in order to adjust rights and may vest any shares, bonds or other obligations in trustees upon such trust for adjusting such rights as may seem expedient to the Board.
- (4) In cases where some of the shares of the Company are fully paid and others are partly paid, only such capitalization may be effected by the distribution of further shares in respect of the fully paid shares and by crediting the partly paid shares with the whole or part of the unpaid liability thereon, but so that as between the holders of the fully paid shares and the partly paid share, the sums so applied in the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied prorata in proportion to the amounts then already paid or credited as paid on the existing fully paid and partly paid shares respectively.

104. A General Meeting may resolve that any surplus money arising from the realization of any capital assets of the Company or any investments representing the same or any other undistributed profits of the Company be distributed amongst the Members on the footing that they receive the same as capital.

INSPECTION OF REGISTERS

105. (1) 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.
- (2) No member, not being a Director, shall have any right of inspecting any accounts or books or documents of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.

NOTICES & DOCUMENTS

106. All notices of and other communications relating to any General Meeting of the Company or adjourned meeting as the case may be which any Member of the Company or any other persons is entitled to have sent to him shall also be forwarded to the Auditors of the Company, and each of the Auditors shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.
107. A notice may be served on the Company or an officer thereof by delivering it at its Registered Office or by sending it to the Company or officer at the Registered Office of the Company by registered post or cable confirmed by registered post. The term notice in these Articles shall include summons, notice, requisition, order or legal process and any documents in relation to or in the winding up of the Company.
108. A notice may be served by the Company on any Member either personally or by sending it by post to him to his registered address, or if he has no registered address in India to the address, if any, within India supplied by him to the Company for giving of notice to him.
109. Notice of every General Meeting shall in addition to the Members and Auditors of the Company in accordance with the provisions of the Act, be given to Directors of the Company.
110. Any accidental omission to give notice to, or the non-receipt of notice by any Member or other person to whom it should be given shall not invalidate the proceedings at the meeting.
111. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered on the Register has been duly given to the person from whom he derives his title to such share.

WINDING UP

112. Subject to the provisions of the 'Act, and these Articles, if the Company shall be wound up and the assets available for distribution among the Members as such assets shall be distributed so that, as nearly as may be the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up, on the share, held by them respectively. This clause is, however, without prejudice to the rights of the holders of shares issued upon preferential or special terms and conditions.
113. If the Company shall be wound up, whether voluntarily or otherwise, the liquidator may, with the sanction of a special resolution, divide amongst the contributories, in specie

or kind, the whole or any part of the assets of the Company, and may, with the like sanction, vest the whole or any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories, or any of them as the liquidator, with the like sanction, shall think fit.

SECURITY CLAUSE

114. Every Director, Manager, Auditor, Trustee, Member of Committee, Officer, Agent, Accountant or other Person employed in the business of the Company shall, if so required by the Board before entering upon his duties, sign a declaration pledging himself or observe a strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individuals and in matters relating thereto, and shall by such declarations pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions of these presents contained.

INDEMNITY

115. Every officer or agent for the time being 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 judgement is given in his favour or in which he is acquitted or in connection with any application, under Section 633 of the Act, in which relief is granted to him by the court.

Subject to the Section 201 of the Act no Director or other officer of the Company shall be liable for the acts, receipt, neglects or defaults of any other Directors or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any moneys, securities or effects shall be deposited or for any loss occasioned by any error or judgement or oversight on his part, or for any other loss, damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto.

CONFIDENTIALITY

116. The Shareholders agree to hold in confidence and not to disclose to any person other than to their respective employees and representatives on a need to know basis any and all information relating to the business, the affairs or the property of the other Shareholders or their Affiliates or of the company, obtained directly or indirectly whether orally or in writing and before or after the date of the Agreement, including

all analysis, compilations, studies and other documents and records prepared by a Shareholder, its advisers or its representatives that are generated from or reflect such information, and any technical, economic and market studies and business plans (including the Business Plan) prepared jointly by the Shareholders in relation to the transactions contemplated thereby.

ARBITRATION

117. In the event of any dispute among the Shareholders howsoever arising under or in connection with this Agreement, then the Shareholders agree as follows:

- (i) They shall use their best efforts to settle such dispute; to this end, the shareholders shall forthwith meet to attempt to resolve such disputes through amicable and good faith discussions failing which, such dispute shall be submitted to one (1) senior executive appointed by each of BTVL and TCIL and
- (ii) Any and all disputes in connection with or arising out of this Agreement (including, for the avoidance of doubt, any dispute with regard to Special Matters) shall, be referred to arbitration in terms of the provisions of the Arbitration and Conciliation Act, 1996. Each Party shall appoint one arbitrator and the two arbitrators shall jointly appoint the third arbitrator. The proceedings shall be held in New Delhi. The award of the arbitrators shall be final and binding on the Parties.

REPORTING AND RECORDS

118. The Company shall deliver to each of the members the following information with respect to the Company:

- I) Within one hundred and twenty (120) days after the end of each fiscal year or as may be extended by the Board of Directors, the Company's audited financial statements for such a year and a review of operations for such year and which will include copies of the minutes of the Annual General Meeting and Extra Ordinary General Meeting of the members held during the previous fiscal year; and
- II) Within (forty five) 45 days after the end of each financial quarter, the Company's unaudited financial statements for such quarter, a discussion and analysis of operations for such quarter.

MANAGEMENT

119. Appointment of Chief Executive Officer (CEO)

The CEO, Chief Financial Officer (CFO) and the heads of finance and marketing shall be named by the Board of Directors. These Senior Executives shall be full-time employees of the Company and shall devote all of their time to the Company.

120. Appointment of Chief Operating Officer (COO)

The Board of Directors shall name the COO.

121. Responsibilities of the Chief Executive Officer and the Chief Operating Officer.

The CEO shall be responsible for the overall strategy, direction, development and management of the Company in accordance with the guidelines to be established by the Board of Directors and good business practice. The CEO shall report to the Board of Directors. The COO shall report to the CEO and shall be responsible for the technical and operational matters including network engineering, systems engineering, billing systems, and customer service systems. The COO shall appoint certain subject matter experts (SMEs) in areas falling within his jurisdiction for terms not exceeding the built-out phase, subject to the policies fixed by the Board of Directors.

ANNUAL ACCOUNTS

122. The Profit & Loss Account and Balance sheet shall be got prepared and audited by qualified auditor appointed by Shareholders, in accordance with the internationally accepted principles of accounting and Indian Companies Laws. The declaration of dividend and distribution of profit shall be in accordance with the recommendations of Board of Directors approved by the Shareholders. The periodic Accounts shall be placed before the Board of Directors in accordance with the local laws requirements.

123. Audit and Finance Committee

The Board of Directors shall establish an Audit and Finance Committee composed of three (3) Members of the Board of Directors, two (2) representative of BTVL and one (1) representative of TCIL. The Committee shall meet at least once every 3 months. The Audit and Finance Committee shall recommend the appointment and selection of the Chief Financial Officer (the "CFO") of the Company and such Committee shall review and approve: (i) related party transactions and (ii) monthly financial statements and reports. The CFO shall, in addition to reporting to the Chief Executive Officer, be directly accountable to the Audit and Finance Committee. In addition, the Audit and Financial Committee shall decide as to:

- (a) the form and the type of information to be provided by the Company on a monthly basis; and
- (b) the financial controls to be established which controls shall be in conformity with controls established by BTVL and TCIL for their own respective financial controls. The Audit and Finance Committee may also make recommendations regarding the appointment, terms of employment and changes therein and termination of the CFO of the Company.

Sr. No.	Name, Description, Occupation and address of Subscribers	Signatures of Subscribers	Name, address, description of witness or witnesses
1.	RAJIV MEHROTRA S/o SH. K. N. MEHROTRA A-9, NARAINA VIHAR, NEW DELHI - 110028 INDUSTRIALIST	sd/-	<p style="text-align: center;">I hereby witness all the signatories to the Articles of Association (Sd/-) (ANIL SEHGAL) S/o Late Sh. Satya Paul Sehgal B-416, Meena Bagh, Outer Ring Road, Paschim Vihar, New Delhi - 110063 ADVOCATE Enrolment No.D/611/1991 : Bar Council of Delhi.</p>
2.	SHAKTI SARUP PURI S/O LATE SH. L. R. PURI A-80, VISHAL ENCLAVE, NEW DELHI - 110027 INDUSTRIALIST	sd/-	
3.	AJAY KHANNA S/O SH. B. L. KHANNA A-9, NARAINA VIHAR, NEW DELHI - 110028 INDUSTRIALIST	sd/-	
4.	ALOK TANDON S/O SH. A. B. TANDON C-163, PREET VIHAR NEW DELHI - 110092 INDUSTRIALIST	sd/-	
5.	KAILASH NARAIN MEHROTRA S/O LATE SH. SHYAM CHARAN LAL, A-9, NARAINA VIHAR, NEW DELHI - 110028 INDUSTRIALIST	sd/-	
6.	SHYAMA MEHROTRA W/O KAILASH NARAIN MEHROTRA A-9, NARAINA VIHAR, NEW DELHI - 110028 INDUSTRIALIST	sd/-	
7.	AJAY KHANNA FOR SHYAM TELECOM LTD. C-138, NARAINA IND'L AREA PHASE - I, NEW DELHI - 28 DIRECTOR	sd/-	

New Delhi.

Dated 8th day of April 1995.