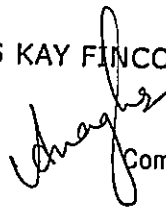


**MEMORANDUM  
AND  
ARTICLES  
OF  
ASSOCIATION**

**OF**

For ESS KAY FINCORP LIMITED



Company Secretary

**ESS KAY FINCORP LIMITED**



**Certificate of Incorporation Consequent upon conversion to Public Limited Company**



**GOVERNMENT OF INDIA**  
**MINISTRY OF CORPORATE AFFAIRS**

Registrar of companies, Jaipur  
G/6-7, Second Floor Residency Area, Jaipur, Rajasthan, India, 302001

Corporate Identity Number: U65923RJ1994PLC009051

Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company

**IN THE MATTER OF ESS KAY FINCORP PRIVATE LIMITED**

I hereby certify that ESS KAY FINCORP PRIVATE LIMITED which was originally incorporated on Twenty first day of November One thousand nine hundred ninety-four under the Companies Act, 1956 as ESS KAY AUTO FINANCE PRIVATE LIMITED and upon an intimation made for conversion into Public Limited Company under Section 18 of the Companies Act, 2013; and approval of Central Government signified in writing having been accorded thereto by the RoC - Jaipur vide SRN G51822906 dated 04.09.2017 the name of the said company is this day changed to ESS KAY FINCORP LIMITED.

Given under my hand at Jaipur this Fourth day of September Two thousand seventeen.

DS MINISTRY OF  
CORPORATE  
AFFAIRS 14

**ANIL YADAV**  
Authorizing Officer  
Registrar of Companies  
RoC - Jaipur

Mailing Address as per record available in Registrar of Companies office:

**ESS KAY FINCORP LIMITED**  
G 1-2, NEW MARKET,, KHASA KOTHI, JAIPUR, Rajasthan, India,  
302001

**For ESS KAY FINCORP LIMITED**

  
Company Secretary







GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies  
G/6-7, Second Floor Residency Area, Jaipur, Rajasthan, India, 302001

**Certificate of Incorporation pursuant to change of name**  
*[Pursuant to rule 29 of the Companies (Incorporation) Rules, 2014]*

Corporate Identification Number (CIN): U65923RJ1994PTC009051

I hereby certify that the name of the company has been changed from ESS KAY AUTO FINANCE PRIVATE LIMITED to ESS KAY FINCORP PRIVATE LIMITED with effect from the date of this certificate and that the company is limited by shares.

Company was originally incorporated with the name Ess Kay Auto Finance Private Limited.

Given under my hand at Jaipur this Seventh day of October two thousand sixteen.

Ministry of  
Corporate Affairs  
- Govt of India -

POPAT SHANKAR KHADE  
Authorizing Officer  
Registrar of Companies  
RoC - Jaipur

Mailing Address as per record available in Registrar of Companies office:

ESS KAY FINCORP PRIVATE LIMITED

G 1-2, NEW MARKET., KHASA KOTHI, JAIPUR, Rajasthan, India, 302001



For ESS KAY FINCORP LIMITED

Company Secretary



प्रारूप आई० आर०

Form I. R.

निगमन का प्रमाण-पत्र

# CERTIFICATE OF INCORPORATION

ता०.....का सं०.....

No. 17 -09051 of 19 94-95

में एतद्वारा प्रमाणित करता हूँ कि आज

एच के आटो फाइनेंस प्राइवेट लिमिटेड

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

I hereby certify that **BSS KAY AUTO FINANCE PRIVATE LIMITED**

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

मेरे हस्ताक्षर से आज ता०.....को दिया गया ।

Given under my hand at JAIPUR this **TWENTY FIRST (21ST)** day of **NOVEMBER** One thousand nine hundred and **NINETY FOUR (1994)**

Saka : 30 KARTIKA, 1916

FOR BSS KAY FINCORP LIMITED

Hamesh  
Chandra  
Mishra



Company Secretary

( **D. K. GUPTA** )  
कम्पनियों का रजिस्ट्रार  
राजस्थान, जयपुर  
Registrar of Companies  
Rajasthan, Jaipur

THE COMPANIES ACT, 2013  
COMPANY LIMITED BY SHARES  
MEMORANDUM OF ASSOCIATION  
OF

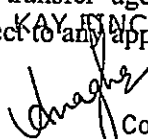
**ESS KAY FINCORP LIMITED**

(A Company Incorporated Under The Companies Act, 1956)

- I. The name of the Company is **ESS KAY FINCORP LIMITED**
- II. The Registered office of the company will be situated in the STATE OF RAJASTHAN.
- III. The objects to be pursued by the company on its incorporation are:

**(A) THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:-**

1. To carry on and undertake the business of hire- purchase, leasing, purchasing, selling, hiring or letting on hire all kinds of vehicle, auto parts, auto mobile goods and to assist in financing of all and of every kind and description of hire purchases or deferred payment or similar transaction of the concerns firm and individuals having any type of financial assistance from the company and Maintenance of vehicles including resale thereof maintenance of vehicles including resale thereof.
2. To carry on the business of financiers, merchant bankers, financing agents, financial brokers, recovery agents, bill discounters and to undertake carry on and execute all kinds of financial operation and provide finance for houses, business complexes shops and to carry on the business of money lending (Subject to the provision of law) including hire purchase, leasing, financing of movable and immovable properties, machineries and commodities of all kinds either by way of pledge, mortgage, hypothecation, charges or without any securities to any person, individual, body corporate firm, organization, authority and subject to the provision of section 58A of the Companies Act, 1956 and the rules framed there under and the directions issued by the RBI from time to time as may be applicable and defined as under the Banking Regulations Act, 1949. Provided that the company shall not carry on any Banking Business within the meaning of the Banking Regulation Act, 1949.
3. To Carry on the business of investment and to underwrite, sub-underwrite, merchant bankers, to invest in and acquire and hold, sell, buy or otherwise deal in shares, debentures, debenture stock, bonds, unites, exim scrips, obligation portfolio management and securities issued or guaranteed by Indian or foreign governments, state, domination, sovereigns, municipalities of public authorities or bodies and share, debentures, stock, debenture-stocks, bonds and securities issued or guaranteed by company, corporation, firms or person, whether incorporated or established in India or elsewhere and also to manage investment pools, syndicated on shares, stock and securities and to render services of shares registrar, transfer agents and to invest in other businesses for sharing profits and losses and losses, subject to any approval/consent or incident required to be obtains under SEBI Act.

  
Company Secretary

\* Sub-division of each Equity Share of the Company having Face value of INR 100 /- (Indian Rupees Hundred only) each into 50 (Fifty) Equity Shares of Face value of INR 2 /- (Indian Rupee Two only) vide resolution passed by the Members of the Company in 24<sup>th</sup> Annual General Meeting held on 11<sup>th</sup> September, 2018.

\* The status of company has been changed from "Private Limited" to "Public Limited" vide resolution passed by the Members of the Company in Extra Ordinary General Meeting held on 8<sup>th</sup> December, 2016.

\* The Clause III B and Clause III C of the Memorandum of Association has amended by resolution passed by the Members of the Company in Extra Ordinary General Meeting held on 8<sup>th</sup> December, 2016.

\* The Clause IV of the Memorandum of Association has been altered by replacing clause "The liability of the members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them." Vide resolution passed by the Members of the Company in Extra Ordinary General Meeting held on 8<sup>th</sup> December, 2016.

\* The name of company has been changed from "Ess Kay Auto Finance Private Limited" to "Ess Kay Fincorp Private Limited" vide resolution passed by the Members of the Company in Extra Ordinary General Meeting held on 21<sup>st</sup> September, 2016

4. To acquire and give on lease, let out on hire, sub-let mortgage, pledge, hypothecate, in whole or any part of house, buildings, machineries, plants, accessories, equipment, gadgets, computers electrical equipments, all domestic goods, computer program software, office equipments of all kinds, security system, motor vehicles, boats, spare parts, tools, instruments, tabulation, excavates, agriculture equipments, cranes and other capital goods to industrial undertakings, agriculture traders, animal and fishery farms of manufactures, users, mine holders and to receive, earn rentals, lease money, installments thereof in any part of India or abroad.

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

1. To purchase, sell, acquire, erect, manufacture, construct, maintain, work, install, import, export and to deal in buildings, plant and machinery, all materials and substances and ancillaries used in process of preparing and manufacturing of various items and to deal in any of the by-products of the manufacturing processes which the company may undertake.
2. To manufacture, purchase or sell, import, export or otherwise handle or deal in land products required to run the plants of the company.
3. To obtain technical services and provide all assistance in planning, construction, erection and installation of appliances, apparatuses, equipments, plant and machinery related to the business of the company and to obtain technical services in repairs, maintenance and replacement thereof and to employ, remunerate and collaborate with experts for the purpose.
4. To design, construct fabricate and manufacture buildings, mills, factories, plant, equipments, accessories, apparatus, parts and machinery required for the business of the Company.
5. To establish, equip, maintain, subscribe to or become member of training institutions, research laboratories, research institutions and experimental workshops for scientific and technical research and experiments and to carry on analytical experimental and other work and research for implementing the objects.
6. To apply for and procure licences under the Industries (Development and Regulation) Act for establishment of new industries for attainment of the main objects.
7. To use trade-marks or trade-names or brands for the products and goods of the Company and adopt such means of making known the business and products of the Company or any other Company in which this Company is interested as may seem expedient and in particular by advertising in newspapers, magazines, periodicals, radio, television and cinema by circulars, by purchase and exhibition of works of art or interest, by opening stores and exhibitions, by publication of periodicals, calendars, diaries or any other materials of publicity, by distributing samples and granting prizes, rewards and donations subject to the provisions of the Companies Act, 2013.



8. To acquire and undertake the whole or any part of the business, property, assets, undertakings, belongings, funds, obligations, contracts and agencies, rights or liabilities of any person, Government, firm or body corporate, carrying on or proposing to carry on any business which the Company is authorized to carry on or having property suitable for the purpose of the Company or which can be carried on in conjunction therewith others or which is capable of being conducted so as directly to benefit the Company either in full or in part or enter into partnership, joint venture or any other arrangement which the Company may deem fit, with such persons government, firm, company or body corporate on such terms, conditions and considerations as the Company may think fit.
9. To pay any premia, commission or salaries and to pay for any property rights or privileges acquired by the Company or for services rendered or to be rendered in connection with the promotion or formation of the business of the company or in case of conversion into public company for services rendered or to be rendered by person, firm or body corporate in placing or assisting to place or guaranteeing the placing of any of the shares of the Company or any other debentures, debenture-stock or other securities of the Company as may be permissible by law on conversion into a public Company or otherwise either wholly or partly in cash or in shares, bonds, debentures or other securities of the Company and to issue any such shares either as fully paid up or with such amount credited thereon as may be agreed upon and to charge any bonds, debentures and other securities of all or any part of the property of the Company.
10. Subject to the provisions of the Companies Act, 1956 and the Rules framed thereunder and directions issued by Reserve Bank of India from time to time as may be applicable to borrow or raise money or receive money on deposit, on interest or otherwise in such manner as the Company may think fit and in particular by the issue of debenture or debenture-stock, perpetual or otherwise and in security of such money so borrowed, raised or received to mortgage, pledge or charge the whole or any part of the property, assets and revenues of the company present or future, including its uncalled capital by special arrangement or otherwise or to transfer or convey the same absolutely in trust and to give the lenders, power of sale or other powers as may seem expedient and to purchase, redeem or to pay off any such securities. However, the Company shall not carry on banking business as defined in the Banking Regulations Act, 1949 for the time being in force.
11. To pay out of the funds of the Company all costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
12. To take into consideration and approve and confirm all acts, deeds or things that may be done or entered into with any person, firm or body corporate by the promoters of the Company and further to enter into any arrangements, agreements or contracts with the promoters and to reimburse them for all costs and expenses that may be incurred by then in connection with the formation or promotion of the company.
13. To purchase, take on lease or in exchange, hire or otherwise acquire real, and personal property and any rights or privileges which the company may think necessary or convenient for the purpose of its business and in particular any land, building, stock-in-trade and to construct, maintain and alter any buildings or works necessary or convenient for the purpose of the Company.
14. To draw, make, accept, endorse, discount, execute and issue promissory notes, hundies, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments and to open an account or accounts with any scheduled bank or banks and to pay into and to withdraw money from such account or accounts.

15. Subject to the provisions of law to invest and deal with the money of the Company not immediately required in such manner as the Company may deem fit. But the Company shall not carry on any banking business as defined under Banking Regulations Act, 1949.
16. Subject to the provisions of the Companies Act, 1956 and the Rules framed there-under and the directions issued by the Reserve Bank of India to receive, grants, loans, advances or other moneys or deposits or otherwise from the State or Central Government, banks, companies, trusts or individuals with or without allowing interest thereon.
17. To subscribe, to become a member of and cooperate with any other association whether incorporated or not whose objects are altogether or in part similar to those of the Company and procure from and communicate to any such association such information as may be likely to further the objects of the Company.
18. To communicate with Chamber of Commerce and other mercantile and public bodies through out the world and concern and promote measures for the protection of the trade, industries and persons engaged therein.
19. To lease, let out on hire, sub-let, mortgage, pledge, hypothecate, sell or otherwise dispose of the whole or any part of the undertaking, any land, business, property, rights or assets of the company including all and every description apparatus or appliances or any shares of interest therein respectively in such manner and for such consideration as the Company may think fit and according to procedure of Company Law and in particular for shares, debentures or securities of any other body corporate having objects altogether or in part similar to those of the Company.
20. To improve, manage, develop, grant rights or privileges in respect of or otherwise deal with all or any part the property and rights of the Company.
21. To vest any real or personal property, rights or interest acquired by or belonging to the Company in any person or Company on behalf of or for the benefit of the Company and with or without any declared trust in favour of the Company.
22. To merge, reconstruct, amalgamate, enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint venture or reciprocal concession with any person, firm or body corporate whether in India or outside carrying on or engaged in or about to carry on or engage in any business or transaction which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company.
23. To establish, promote or concern in establishing or promoting any Company or companies for the purpose of acquiring all or any of the rights, liabilities and properties of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company and to place or guarantee the placing of underwrite, subscribe for or otherwise acquire all or any part of the shares, debentures or other securities of such other Company or Companies.
24. To create any depreciation fund, reserve fund, sinking fund, insurance fund or any special or other funds, whether for depreciation or for repairing, replacing, improving, extending or maintaining any of the property of the Company or for any other purpose whatsoever and to transfer any such fund or part thereof to any of the other funds herein mentioned.
25. To apply the assets and income of the Company in any way in or towards the establishment, maintenance or extension of any associations institutions or funds in any way connected with any particular trade or business of scientific research, industry or commerce which is directly or indirectly deemed conducive for the attainment of main objects.
26. To establish the agencies in India and elsewhere and to regulate and to discontinue the same.

27. To establish the branches of the Company and to get them recognized in any part of the world outside the Union of India.
28. To establish and maintain or procure the establishment and maintenance of any provident fund or any contributory or non-contributory pension or superannuation fund, gratuities, pensions, allowances, employments, bonus, profit sharing bonus, benefits or any other payment to any person who are or were at any time in the employment or service of the Company or its predecessors in business or of any Company which is a subsidiary of the Company or is an allied to or associated with the Company or with any such subsidiary or who are or were any time Directors or Officers of the Company or any of such dependent or connection of any such persons and to provide for the welfare of all or any of the aforesaid persons from time to time by subscribing, subsidizing or contributing to any Institution, Association, funds, clubs, trusts, profit sharing or other schemes and by providing, subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendances and to make payments to or towards the insurances of such person as aforesaid and to do any of the matter aforesaid either alone or in conjunction with any other Company as aforesaid.
29. To issue as fully or partly paid up any shares, securities, bonds, debentures or other obligations of the Company in consideration of any privileges, concessions or rights or any property transferred, services rendered to the Company and accept any consideration for any property sold or otherwise disposed of by the Company, fully or partly paid up shares or securities or bonds, debentures or other obligations of any other Company.
30. To enter into any collaboration or arrangements with the Government of India or Foreign Government, Companies, with any State or with any authorities, municipal, local or otherwise or with any person, that may seem conducive to the Company's objects or any of them and to apply for and obtain and to purchase or otherwise acquire from any such Government, State Authorities or persons any rights, powers, privileges, licences, decrees, sanctions, grants and concessions whatsoever (whether statutory or otherwise) which the Company may think fit/ desirable to obtain and acquire and to carry out, exercise and to comply with any such arrangements, rights, powers, privileges, licences, decree, sanctions, grants and concessions.
31. To subscribe in or donate to or guarantee money for any National, philanthropic, charitable, benevolent, public, general or useful fund or organisation, association, institution or for any exhibition or for any purpose which may be likely, directly or indirectly to further the objects of the Company or interest of its members, subject to the provisions of the Companies Act, 1956.
32. To make arrangements with persons engaged in any trade, business or profession for the concession to the Company's members, ticket holders and their friends of any special rights, privileges and advantages and in particular in regard to the supply of the goods.
33. To aid, assist and finance any industrial undertakings, projects enterprises whether owned or run by Government of India, Government of Rajasthan, firm or individual for extension of its work and business.
34. To undertake and execute any trust either gratuitously or otherwise.
35. On winding up of the Company to distribute all or any part of the property of the Company or any proceeds of sale or disposal of any of the properties of the Company amongst the members in specie or kind subject to the provisions contained in the Companies Act, 1956.
36. To do all or any of the above things in any part of the world as principals, agents or otherwise and either alone or in conjunction with others and to establish offices, agencies or branches for carrying on any of the aforesaid objects in India or elsewhere in the world.

- IV. The liability of the members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.
- V. \* The authorized share capital of the company is Rs.5,75,00,000/- (Rupees Five Crore Seventy Five Lakhs) divided into 2,87,50,000/- (Two Crore Eighty Seven Lakhs Fifty Thousand) equity shares of Rs 2/- (Indian Rupee Two) each.

\*The Authorized Capital of Ess Kay Fincorp Limited was altered as follow:- Sub-division of each Equity Share of the Company having Face value of INR 100 /- (Indian Rupees Hundred only) each into 50 (Fifty) Equity Shares of Face value of INR 2 /- (Indian Rupee Two only).

The Authorized Capital of Ess Kay Fincorp Limited was altered as follow:- 1,25,000 compulsorily convertible preference shares of Rs 100/- each reclassified into 1,25,000 equity shares of Rs 100/- each ranking pari passu to existing equity shares.

The Authorized Capital Rs. 2,50,00,000/-(Rupees Two Crore Fifty Lacs divided into 2,50,000(Two Lacs Fifty Thousand) Equity Shares of Rs. 100/- each was increased to Rs.5,75,00,000/- (Rupees five crore seventy five lacs) divided into 4,50,000 (Four lacs fifty thousand) equity shares of Rs 100/- each and 1,25,000 (One lac twenty five thousand) compulsorily convertible preference shares of Rs 100/- each vide resolution passed by the Members of the Company in the F.Y. 2012-13

The Authorized Capital of Rs. 1,25,00,000/-(Rupees One Crore Twenty Five Lacs divided into 1,25,000(One lac Twenty Five Thousand) Equity Shares of Rs. 100/- each was increased to 2,50,00,000/-(Rupees Two Crore Fifty Lacs) divided into 2,50,000(Two Lacs Fifty Thousand) Equity Shares of Rs. 100/- each vide resolution passed by the Members of the Company in the F.Y. 2009-2010

The Authorized Capital of Rs. 75,00,000/-(Rupees Seventy Five Lacs divided into 75,000(Seventy Five Thousand) Equity Shares of Rs. 100/- each was increased to Rs. 1,25,00,000/-(Rupees One Crore Twenty Five Lacs) divided into 1,25,000(One Lac Twenty Five Thousand) Equity Shares of Rs. 100/- each vide resolution passed by the Members of the Company in the F.Y. 1996-1997

The Authorized Capital of Rs. 40,00,000/-(Rupees Forty Lacs) divided into 40,000(Forty Thousand) Equity Shares of Rs. 100/- each was increased to Rs. 75,00,000/-(Rupees Seventy Five Lacs\_ divided into 75,000(Seventy Five Thousand) Equity Shares of Rs. 100/- each vide resolution passed by the Members of the Company in the F.Y. 1996-1997

The Authorized Capital of Rs. 30,00,000/-(Rupees Thirty Lacs) divided into 30,000(Thirty Thousand) Equity Shares of Rs. 100/- each was increased to Rs. 40,00,000/-(Rupees Forty Lacs) divided into 40,000(Forty Thousand) Equity Shares of Rs. 100/- each vide resolution passed by the Members of the Company in the F.Y. 1995-1996

The Authorized Capital of Rs. 1,00,000/-(Rupees One Lac) divided into 10,000(Ten Thousand) Equity Shares of Rs. 100/- each was increased to Rs. 30,00,000/-(Rupees Thirty Lacs) divided into 30,000(Thirty Thousand) Equity Shares of Rs. 100/- each vide resolution passed by the Members of the Company in the F.Y. 1994-1995

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

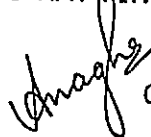
Sr. No.	Signature, Name, Description, Addresses, and Occupation of the subscribers	No. of equity shares taken by each subscriber	Signature, name, address, description, and occupation of witness
1.	Sd/- (ARJUN DAS SETIA) S/o, Shri Girdhar Lal Setia 5-Jha-18, Jawahar Nagar, Jaipur Business	10 (Ten)	I Witness signatures of all the subscribers Sd/- (GOPAL LAL GUPTA) S/O Shri Mahadev Prasad Gopal Ghiya & Associates B49, Gautam Marg, Hanu-man Nagar, Jaipur-302021 Chartered Accountant M. No.073042
2	Sd/- (RAJ KUMAR SETIA) , S/o Shri Arjan Das Setia 5-Jha-18, Jawahar Nagar Jaipur Business	10 (Ten)	
3	Sd/- (RAJENDRA KUMAR SETIA) , S/o Shri Arjan Das Setia 5-Jha-18, Jawahar Nagar Jaipur Business	10 (Ten)	

Total no of Equity Shares subscribed : 30 (Thirty)

Dated the 27<sup>th</sup> Day of October, 1994

Place : Jaipur

For ESS KAY FINCORP LIMITED



Company Secretary



**THE COMPANIES ACT, 2013  
(COMPANY LIMITED BY SHARES)**

**ARTICLES OF ASSOCIATION\*  
OF  
ESS KAY FINCORP LIMITED**

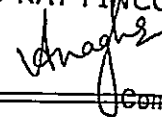
1. The Regulations contained in Table F in the first schedule of the Companies Act, 2013, shall apply to this Company so far as they are applicable to a public company except to the extent excluded or modified by these Articles.
2. These Articles consist of two parts, Part 'A' and Part 'B'. The provisions of Part 'A' shall apply to all the matters to which they pertain, to the extent, and only in so far, as they are not inconsistent with the special provisions of Part 'B'. As long as Part 'B' remains a part of these Articles, in the event of any conflict or inconsistency between the provisions of Part 'A' and the provisions of Part 'B', the provisions of Part 'B' shall prevail over the provisions of Part 'A'.

**PART A  
INTERPRETATION**

1. In these Articles, unless the context otherwise requires:
  - (a) "Act" means the (Indian) Companies Act, 1956 (to the extent that such enactment is in force and applicable to the context in which such term is used herein), or the (Indian) Companies Act, 2013 (to the extent that such enactment is in force and applicable to the context in which such term is used herein), in each case and shall include all rules, regulations, sub-ordinate legislations made there under, amendments, modifications and re-enactments of the foregoing (any reference to a section of the Act will be to such section of the Companies Act, 2013, unless otherwise specified);
  - (b) "Articles" shall mean these articles of association of the Company, as may be amended from time to time in accordance with the provisions hereof;
  - (c) "Auditor(s)" shall mean and includes those persons appointed as such for the time being by the Company, whether secretarial auditor, statutory auditor, internal auditor, or cost auditor;

- 
- \* Altered pursuant to the approval of members at the Extraordinary General Meeting held on August 25, 2020 by passing a Special Resolution for substituting June 30, 2020 with March 31, 2021 in Clause 175.1 (i).
  - \* Restated pursuant to the approval of members at the Extraordinary General Meeting held on November 21, 2019 by passing a Special Resolution.
  - \* Restated pursuant to the approval of members at the Extraordinary General Meeting held on October 31, 2018 by passing a Special Resolution.
  - \* Restated pursuant to the approval of members at the Extraordinary General Meeting held on August 18, 2018 by passing a Special Resolution.
  - \* Restated pursuant to approval of members at the Extraordinary General Meeting held on the 30<sup>th</sup> December, 2017 by passing a Special Resolution.
  - \* Restated pursuant to approval of members at the Extraordinary General Meeting held on the 08<sup>th</sup> December, 2016 by passing a Special Resolution.

For ESS KAY FINCORP LIMITED



Company Secretary

- (d) "Board" shall mean the board of directors of the Company constituted from time to time;
- (e) "Director(s)" shall mean the persons who are from time to time duly appointed as the directors on the Board (including alternate directors, additional directors, and directors appointed to fill a casual vacancy) in accordance with the Applicable Law and the provisions of these Articles; and
- (f) "Company" shall mean Ess Kay Fincorp Limited.

Except as provided above and unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Companies Act.

### SHARE CAPITAL

- 2. The authorised share capital of the Company is as stated in Clause V of the memorandum of association of the Company.
- 3. The Company has the power to increase its capital, to divide the shares in the capital for the time being into several classes and, subject to the provisions of Section 43 of the Companies Act, to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles and to vary, modify or abrogate any such rights, privileges or conditions only in such manner as may for the time being be provided by these Articles or the Companies Act. The rights of the shareholders shall be determined at the time of issue thereof.
- 4. The share capital of the Company may comprise of the following classes:
  - (a) equity share capital:
    - (i) with voting rights; or
    - (ii) with differential rights as to dividend, voting or otherwise in accordance with prescribed rules; and
  - (b) preference share capital; and/or
  - (c) any other kind of capital, whether equity, preference or otherwise, and whether with differential rights as to dividend, voting or otherwise.
- 5. Any shares of the original or increased capital may, from time to time, be issued with any such guarantee or any right of preference, whether in respect of dividend or of repayment of capital or both or any such other special privilege or advantage over any shares previously issued or then about to be issued or with such deferred or qualified rights as compared with any shares previously issued or subject to any such approvals or conditions and with any special right or limited right or without any right of voting and generally on such terms as the Company may, from time to time, determine.
- 6. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
- 7. The Company shall have power to issue preference shares which may be converted into equity shares or preference shares carrying right to redemption out of profits or out of the



proceeds of fresh issue of shares, made for such redemption. The Directors may subject to the provision of the Companies Act, exercise such power on such terms and in such manner as may be provided by the Articles.

8. The Company shall have the right to convert any of its unissued equity shares into preference shares and *vice versa* with such rights, privileges and conditions attaching thereto as may then be decided upon. The Company shall also be entitled to issue preference shares which are liable to be redeemed and that, if and when any redeemable preference shares are issued, the compulsory provisions of the Companies Act shall be complied with. Such preference shares shall be redeemed in any of the modes permitted by the Companies Act and subject to the conditions prescribed by the Companies Act or Articles of the Company, to the extent applicable.
9. The rights of the holders of any class of shares, for the time being forming part of the capital of the Company may be modified, affected, varied, extended or surrendered either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of a special resolution passed at a separate meeting of the holders of those shares.

Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.

10. Subject to the provisions of the Companies Act, the Company shall have the power, by means of a special resolution to be passed at a general meeting of the Company, to issue sweat equity shares of a class of shares already issued.

#### ALTERATION OF SHARE CAPITAL

11. The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
12. The Company may, by ordinary resolution:
  - (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum of association, such that in the sub-division, the proportion between the amount paid and the amount, if any, unpaid, on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived and is subject, nevertheless, to the applicable provisions of the Companies Act.

Provided that, the resolution whereby any share is sub-divided may determine that, as between the holder of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others; and

- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

13. The Company may, subject to compliance with the provisions of the Companies Act, capitalise its profits or reserves for the purpose of issuing fully paid-up bonus shares.
14. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law:
  - (a) its share capital;
  - (b) any capital redemption reserve account; and/or
  - (c) any securities premium account.
15. Subject to the provisions of Companies Act, the Company may, by special resolution and subject to confirmation by Tribunal, reduce its share capital in any way and in particular without prejudice in the generality of the foregoing power may:
  - (a) extinguish or reduce the liability on any of its shares in respect of share capital not paid up; or
  - (b) either with or without extinguishing or reducing liability on any of its shares, cancel any paid up share capital which is lost or unrepresented by available assets; or
  - (c) either with or without extinguishing or reducing liability on any of its shares, payoff any paid up share capital which is in excess of the want of the Company.
16. Subject to the provisions contained in the Companies Act and subject to such approvals, permissions, consents and sanctions from the concerned authorities and departments, including the Securities and Exchange Board of India and the Reserve Bank of India, wherever necessary, the Company may, by passing a special resolution at a general meeting, purchase/ buy-back its own shares or other specified securities.
17. The Company may accept from any member, the whole or a part of the amount remaining unpaid on any shares held by him, even if no part of that amount has been called up. Such member shall not be entitled to any voting rights in respect of this additional amount paid by him, until that amount has been called up by the Company.
18. The Company may, subject to compliance with the provisions of the Companies Act, pay dividend to its members in proportion to the amount paid-up on each share.
19. Subject to the Companies Act, and after obtaining the sanction of the Company in a general meeting by special resolution, the shares or securities (including convertible securities) shall be allotted or otherwise disposed of by the Board by way of a preferential offer of shares on a private placement basis to such persons (whether already members or not or to employees under a scheme of employees' stock option) in such proportion and on such terms and conditions and either at premium or at par or against payment in cash or kind.

#### SHARE CERTIFICATES

20. The certificates of shares shall be issued in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.
21. A certificate may be renewed or a duplicate of a certificate may be issued if such certificate:
  - (a) is proved to have been lost or destroyed, or defaced; or

- (b) having been defaced or mutilated or torn, is surrendered to the Company; or
  - (c) has no further space on the back thereof for endorsement of transfer.
22. The manner of issue or renewal of a certificate or issue of a duplicate thereof, the form of a certificate (original or renewed) or of a duplicate thereof, the particulars to be entered in the register of members or in the register of renewed or duplicate certificates, the form of such registers, the fee on payment of which, the terms and conditions, if any, including terms and conditions as to evidence and indemnity, and the payment of out-of-pocket expenses incurred by the Company in investigating evidence, on which a certificate may be renewed or a duplicate thereof may be issued, shall be such as prescribed by the Companies (Share Capital and Debentures) Rules, 2014 or any other Rules in substitution or modification thereof.

### DEMATERIALIZATION

23. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.
24. Every person subscribing to securities offered by the Company shall have the option either to receive the security certificates or to hold the securities with a depository. If a person opts to hold the security with a depository, the Company shall intimate such depository the details of allotment of the security. On receipt of such information, the depository shall enter in its records the name of the allottees as the beneficial owner of the security.
25. All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sections 88, 89 and 186 of the Companies Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owner.
26. Nothing contained in the Companies Act or the Articles regarding necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.
27. Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository, shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository. The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of members and Security Holders for the purposes of these Articles
28. Notwithstanding anything to the contrary contained in the Companies Act or Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of the securities on behalf of the beneficial owner. Provided that the depository, as the registered owner of the securities, shall not have any voting rights in respect of the securities held by it.
29. Notwithstanding anything in the Companies Act or the Articles, 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.
30. Nothing contained in Section 56 of the Companies Act shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owner in the records of a depository. Any transfers of securities of the Company shall be affected only if

they are permitted by these Articles of the Company and shall be subject to the Companies Act.

31. Notwithstanding anything in the Companies Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
32. Company to recognize the rights of registered holders as also the beneficial owners in the records of the depository

Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.

### TRANSFER OF SHARES

33. Subject to the provisions of the Companies Act, no transfer shall be registered unless a proper instrument of transfer has been delivered to the Company. The instrument of transfer of any shares shall be executed by or on behalf of the transferor or by or on behalf of the transferee and shall specify the name, address and occupation if any, of the transferee, along with the certificate relating to the securities, or if no such certificate is in existence, along with the letter of allotment of securities, and the transferor shall be deemed or remain the holder of such share until the name of the transferee is entered in the register in respect thereof.

Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application on such terms in writing made by the transferee and bearing the stamp required for an instrument of transfer, register the transfer on such terms as to indemnity as the Board may think fit.

34. An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly paid shares, be effected unless the Company gives notice of the application to the transferee. The Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.
35. Nothing in Article 34 shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law.
36. Subject to the provisions of the Companies Act, the instrument of transfer of any share shall be in writing in the prescribed form and duly stamped by the prescribed authority under the Companies Act within the prescribed time.
37. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or refused in terms of these Articles.

38. Subject to the provisions of Section 58 of the Companies Act, these Articles and other applicable provisions of the Companies Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any securities of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving sufficient reasons for such refusal.
39. All instruments of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Directors may decline to register, shall be returned to the person depositing the same.

### CALLS ON SHARES

40. Subject to the provisions of Section 49 of the Companies Act, the Board may from time to time make, call upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the condition of allotment thereof made payable at fixed times.
- Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
41. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing such call was passed. The Board making a call, may by resolution, determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board making such calls.
42. Each member shall, subject to receiving at least thirty days notice specifying the time or times and place of payment, pay to the Company at the time or times so specified the amount called on his shares.
43. If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by installments at fixed time, whether on account 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 Directors, on which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or installment accordingly.
44. 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 share in respect of which the call shall have been made or the installment shall fall due, shall pay interest for the same at the rate of 12 percent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board shall also be at liberty to waive payment of that interest wholly or in part.
45. The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any such sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.

## FORFEITURE OF SHARES

55. Subject to the provisions of these Articles, if a member fails to pay any call or installment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment if so much of the call or installment as is unpaid, together with any interest which may have accrued.
56. The notice aforesaid shall:
- (i) name a further day (not earlier than the expiry of fourteen days from the date of the service of the notice) on or before which the payment required by the notice is to be made, and
  - (ii) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made will be liable to be forfeited.
57. If the requirements of any notice as aforesaid are not complied with, any share in respect of which the notice has been given, may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
58. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
59. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
60. The Board may accept in the name of the Company and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other shares. Such forfeiture shall include all dividends declared in respect of the forfeited share, and not actually paid before the forfeiture.
61. A person whose shares have been forfeited, shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay the Company all moneys which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
62. The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.
63. A duly verified declaration in writing that the declarant is a director, manager or secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.
64. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of share in favour of the persons to whom the share is sold or disposed of.
65. The transferee shall thereupon be registered as the holder of share.
66. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

67. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share by way of premium, as if the same had been payable by virtue of a call duly made and notified.
68. The forfeiture of a share shall involve the extinction of all interest and also of all claims and demands against the Company in respect of the share, and all other rights incidents to the share, except only such of those rights as by these Articles are expressly saved.

### CAPITALIZATION OF PROFITS

69. Subject to the provisions of these Articles-
- (i) The Company in General Meeting may, upon the recommendation of the Board, resolve:
    - (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
    - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
  - (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards :
    - (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
    - (b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
    - (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
    - (d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;
    - (e) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
70. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall:
- (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
  - (b) generally do all acts and things required to give effect thereto.

- (ii) The Board shall have power:
  - (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and
  - (b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

### **BUY-BACK OF SHARES**

71. Notwithstanding anything contained in these articles but subject to the provisions of Sections 68 to 70 and any other applicable provision of the Companies Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

### **BORROWING AND FINANCIAL MATTERS**

72. Subject to the Articles and the provisions of the Companies Act, the Directors may, from time to time, at their discretion, raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company's business and may secure the payment or repayment of such money by mortgage or charge upon the whole or any part of the assets and property of the Company (present and future), including its uncalled and unpaid capital.

Provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose.

Provided further that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board.

73. The Company may, subject to such terms and in compliance with the provisions of the Companies Act issue convertible securities/ debentures.
74. Subject to the Articles, any bonds, debentures/stock or other securities issued by the Company shall be under the control of the Directors who may issue them, upon terms and conditions and in such manner and for such consideration, as they shall consider to be for the benefit of the Company. Any such debenture, debenture stock, bond or other security may be issued at a discount, premium or otherwise, and with any special privilege as the redemption, surrender, drawing, allotment of shares of the Company, or otherwise, provided that debentures with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.



75. Any trust deed for securing of any debenture or debenture stock and or any mortgage deed and/or other bond for securing payment of moneys borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner may provide for the appointment from time to time, by any such mortgagee, lender, trustee of or holders of debentures or contracting party as aforesaid, of one or more persons to be a Director or Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a Director as aforesaid may, from time to time, remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debenture or on the termination of such contract and any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same.
76. The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a Mortgage Director or Mortgage Directors and the Director if appointed as aforesaid under the provisions of a debenture trust deed shall be called "Debenture Director". The words "Mortgage" or "Debenture Director" shall mean the Mortgage Director for the time being in office. The Mortgage Director or Debenture Director shall not be required to hold any qualification shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provision as may be arranged between the Company and mortgagee lender, the trustee or contracting party, as the case may be, and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Companies Act.

### GENERAL MEETINGS

77. The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Companies Act.
78. All general meetings other than annual general meetings shall be called extraordinary general meetings.
79. The Board may, whenever it thinks fit, call an extraordinary general meeting.
80. General meetings, other than the annual general meeting (which shall be held at any place within the city, town or village in which the registered office of the Company is situated) may be held at any place, and subject to the Companies Act, for any general meeting where the Company makes arrangements, the shareholders may attend by way of, video conference or through any other medium as may be permitted under the Companies Act.
81. The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business:

Number of members upto 1000: 5 members personally present

Number of members 1000-5000: 15 members personally present

Number of members more than 5000: 30 members personally present

82. At any general meeting, a resolution put to the vote at the meeting shall, unless a poll is demanded or the voting is carried out electronically, be decided on a show of hands.
83. Any member of a company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as a proxy to attend and vote at the meeting on his behalf. Such proxy shall have the right to speak at such meeting and shall be entitled to vote, whether by show of hands, a poll or otherwise. Further a person appointed as proxy is permitted to act on behalf of any number of members and/or any number of shares, without any limit. The instrument appointing a proxy, shall be in such form as the Company may deem fit, shall be in writing and shall be signed by the appointer or his attorney duly authorised in writing or, if the appointer is a body corporate, by an officer or an attorney duly authorised by it.
84. On a poll taken at a meeting of a Company, a member entitled to more than 1 (one) vote, or his proxy or other person entitled to vote for him, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

### **BOARD OF DIRECTORS**

85. The number of Directors shall not be less than 3 (three) at any time, and may exceed 15 (fifteen) only on receipt of sanction from the members by way of a special resolution in this regard.
86. The first Directors of the Company are Arjun Das Setia, Raj Kumar Setia and Rajendra Kumar Setia.
87. The Board shall have the power to appoint any person as a Director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement.
88. No qualification shares are required for the Directors.

#### **89. Independent Directors**

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Companies Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law.

#### **90. Woman Director**

The Board shall appoint one woman director as per the requirements of Section 149 of the Companies Act.

#### **91. Nominee Director**

In the event of the Company borrowing any money from any financial corporation or institution Government body or any collaborator, bank, person or persons or any other loan giving agency or source, while any money remains due to them or any of the said corporation, institution or the Government body or the financier or collaborator or bank or any body or the case may be they shall have and may exercise the rights and powers to nominate from time to time any person or persons to director of the Company and that such

Directors shall not be liable to retire by rotation subject to the limits prescribed under the Companies Act. Any person so nominated may at any time be removed from office by the nominating authority who may from the time of such removal or in case of death or resignation of such person nominate any other in his place. Any such nomination or removal shall be in writing signed the nominator and served on the Company.

92. **Alternate Director**

The Board may appoint an Alternate Director to act for a Director hereinafter called in this Article "the Original Director" during his absence for a period of not less than 3 (three) months from India. An Alternate Director appointed as aforesaid shall vacate office if and when the Original Director returns to India.

93. **Additional Director**

The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the maximum number of Directors fixed under Article 85 above. Any person so appointed as an Additional Director shall hold office upto the date of the next Annual General Meeting of the Company.

94. At every annual general meeting of the Company, one-third of such number of Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office.

95. A person who is not a retiring director shall not be appointed director of the Company unless he has by himself or by his agent authorized in writing signed and filed with the Registrar his consent in writing to act as such director.

96. Not less than 2/3rds of the number of directors of the Company, shall be persons whose period of office is liable to be determined by retirement by rotation in accordance with the provisions of Section 152 of the Companies Act or any statutory modifications thereof. The retirement by rotation shall take effect in accordance with the provisions of Section 152 (6)(c) and (d) of the Companies Act or any statutory modifications thereof. The filling up of vacancy created by the retirement of a director by rotation shall be in accordance with the provisions of Sections 152 (6)(e) and (7) of the Companies Act or any statutory modifications thereof.

97. Notwithstanding anything contained in these Articles, any Director contracting with the Company shall comply with the provisions of Section 184 of the Companies Act.

### **POWERS OF THE BOARD**

98. Subject to the provisions of these Articles, the Board shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorized to exercise and do, provided that the Board shall not exercise any power or do any act or thing, which is directed or required by the Companies Act or any other provision, law or by the Memorandum of Association of the Company or by these Articles, to be exercised or done by the Company in a General Meeting.

Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions contained in that behalf in the Companies Act or any other provisions of law or the Memorandum of Association of the Company, or these Articles or in any regulation not inconsistent therewith and duly made hereunder, including regulations made by the Company in General Meeting.

99. 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.

## MEETINGS OF BOARD OF DIRECTORS

100. The Directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings and proceedings as they think fit. Provided, however, that the meeting of the Board shall be held at least once in every calendar quarter and at least 4 (four) such meetings shall be held every year in such a manner that not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive meetings.
101. The chairperson may at any time, or any Director, the manager, secretary or such other officer of the Company as may be authorised by the Directors shall, upon the requisition of a Director, convene a meeting of the Board.
102. The rules and regulations for the conduct of the meetings of the Board, including for matters such as quorum, notices for meeting and agenda, as contained in these Articles or in the Companies Act, insofar as applicable, shall apply to discussions through audio conferencing, video conferencing or net conferencing, as the case may be.
103. Subject to provisions of Companies Act, a Director may participate in and vote at a meeting of the Board by means of a video conferencing or similar communications equipment which allows all persons participating in the meeting to see and hear each other and record the deliberations. Where any Director participates in a meeting of the Board by any of the means above, the Company shall ensure that such Director is provided with a copy of all documents referred to during such Board meeting prior to the commencement of this Board meeting.
104. A meeting of the Board at which quorum is present shall be able to exercise all or any of the authorities, powers and discretion which, by or under the Companies Act of those present, are vested in or exercisable by the Board generally.
105. Subject to the provisions of the Companies Act and these Articles, the Board may delegate any of its powers to committees of the Board consisting of such member or members of its body as it thinks fit, and it may, from time to time, revoke and discharge any such committee of the Board, either wholly or in part, and either as to persons or purposes. Every committee so formed shall, in the exercise of the powers so delegated, conform to any regulations 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 such regulations and in fulfilment of the purpose of their appointment shall have like force and effect as if done by the Board.
106. Subject to the provisions of the Companies Act and these Articles, no resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless 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, as the case may be, at their address registered with the Company in India by hand delivery or by post or by courier, or through electronic means as prescribed under the Companies Act and has been approved by a majority of the Directors or members of the committee, who are entitled to vote on the resolution.
107. The Board may, at any time and from time to time, by power of attorney, appoint any person or persons to be the attorney of the Company for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions, as the Board may, from time to time think fit, and such appointment (if the Board deems fit) be

made in favour of any company or the members, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body or persons whether nominated directly or indirectly by the Board and any such power of attorney may contain any such powers for the protection of convenience of persons dealing with such attorneys as the Board may think fit and may contain powers enabling any such attorneys as aforesaid to sub-delegate all or any of the powers authorities and directions for the time being vested in them.

**108. Committees of the Board**

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

**CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

**109. Subject to the provisions of these Articles and the Companies Act—**

- (i) A chief executive officer, managing director, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- (iii) A director may be appointed as a managing director as well as chairperson of the Company at the same time.

110. A provision of the Companies Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

111. Any assignment of office by the manager of the Company shall be void.

112. No person shall be appointed manager of the Company for more than a period of five years and in making such appointment, provisions of Section 196 of the Act shall be complied with.

**REMUNERATION OF DIRECTORS, MANAGERS AND EMPLOYEES**

113. Payment of remuneration to a Director including managing and whole-time Director, and manager, if any shall be subject to the provisions of Section 197 of the Companies Act.

114. In fixing the remuneration of the directors including managing and whole time directors, the provisions of Section 197 of the Companies Act shall be complied with. Subject to the provisions of the Companies Act, the sitting fees of the Directors shall be such amount as may be determined by the Board.

## SEAL

115. The Board shall provide a common seal of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal shall be kept at the Registered Office of the Company and committed to the custody of the Directors.
116. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of any one director or such other person as the Board may appoint for the purpose; and that director or authorised person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

## DIVIDENDS AND RESERVE

117. The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. Subject to the provisions of Section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
- (i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
  - (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
  - (iii) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
  - (iv) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
  - (v) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
  - (vi) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
  - (vii) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

- (viii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
  - (ix) Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
  - (x) Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Companies Act.
  - (xi) No dividend shall bear interest against the Company.
  - (xii) Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque /Warrant/ Electronic mode sent through post directly to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named in the Register of members or to such person and to such address of the holder as the joint holders may in writing direct. Every such cheque /Warrant/ Electronic mode shall be made payable to the order of the person to whom it is sent. Every dividend cheque / Warrant/ Electronic mode shall be posted within thirty days from the date of declaration of the dividends.
118. No unclaimed dividends shall be forfeited. Unclaimed dividends shall be dealt with in accordance to the provisions of Sections 123 and 124 of the Companies Act.
119. Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

#### **AUDIT**

120. The appointment, remuneration, rights and duties of the Auditors will be regulated by the relevant provisions of the Companies Act and the rules prescribed there under.

#### **BOOKS, REGISTERS AND RECORDS**

121. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall, from time to time, by resolution determine.

#### **ACCOUNTS**

122. The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.
123. All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain in transactions.
124. The books of accounts shall be open to inspection by any Director during business hours.
125. The books of account and statutory registers as prescribed by the Companies Act and rules shall be kept at the Registered Office or at such other place as the Board may think fit.

## ANNUAL RETURN

126. The Company shall make the requisite annual return in accordance with Section 92 of the Companies Act.

## WINDING UP

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

## SECRECY CLAUSE

130. No member shall be entitled to require discovery of any information respecting any details of the Company's trading or any other matter which may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will not be expedient in the interest of the Company to communicate the same.

## INDEMNITY

131. Subject to the provisions of the Companies Act, every Director of the Company, officer (whether managing director, manager, secretary or other officer) or employee or any person employed by the Company as Auditor shall be indemnified by the Company against liability in respect of matters which arise from acts or omissions of the relevant person in the ordinary course of discharging his or her authorised duties other than liability which arises as a result of that persons dishonesty, fraud or negligence, and it shall be the duty of the Directors, out of the funds of the Company to pay all costs, losses and expenses (including travelling expenses) which any such Director, officer, other employee, or Auditor may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, officer, other employee or Auditor or in any way in the discharge of his duties.
132. Subject as aforesaid every Director, officer, other employee, or Auditor of the Company shall be indemnified against any liability incurred by him in defending any proceedings whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or discharged in connection with any application under the Companies Act in which relief is granted to him by the Court or the Tribunal.

## GENERAL AUTHORITY

133. Wherever in the Companies Act it has been provided that any company shall have any right, privilege or authority or that any company cannot carry out any transaction unless it is so authorised by its Articles, then and in that case this Article hereby authorises and empowers this Company to have such right, privilege or authority and to carry out such



transactions as have been permitted by the Companies Act, without there being any other specific Article in that behalf herein provided.

## PART B

### INTERPRETATION

134. In Part 'B' of these Articles, the following words and expressions shall, unless the context requires otherwise, have the following meanings ascribed to them:
- (a) **"Act"** means the (Indian) Companies Act, 1956 (to the extent that such enactment is in force and applicable to the context in which such term is used herein), or the (Indian) Companies Act, 2013 (to the extent that such enactment is in force and applicable to the context in which such term is used herein), in each case and shall include all rules, regulations, sub-ordinate legislations made there under, amendments, modifications and re-enactments of the foregoing (any reference to a section of the Act will be to such section of the Companies Act, 2013, unless otherwise specified).
  - (b) **"AD Investor"** means a Person who has acquired (whether by primary subscription or a secondary acquisition) Securities/ Equity Shares at a price per Security that is higher than the Down-round Price;
  - (c) **"Affiliate(s)"** of a Person (for the purpose of this definition, a **"Subject Person"**) means in the case of any Subject Person other than a natural Person, any other Person that, either directly or indirectly through one or more intermediate Persons, Controls, is Controlled by or is under common Control with the Subject Person; and (ii) in relation to a natural person, any other Person that, either directly or indirectly, is Controlled by the Subject Person, and/or any Relative of such natural person. Without prejudice to the generality of the foregoing, the term **"Affiliate"**, in respect of each Investor, shall include, without limitation any fund, collective investment scheme, trust, partnership (including, without limitation, any co-investment partnership), special purpose or other vehicle or any subsidiary or affiliate of any of the foregoing, which is managed, advised and administered by the same Person as the Investor. It is further clarified that the term **"Affiliate"** in respect of a Promoter will include all Immediate Relatives of such Promoter. Affiliate in respect of an Investor shall not include any portfolio companies of the Investors.
  - (d) **"Agreed Form"** means, in relation to any document, the form of that document which has been agreed between the Promoter and the Qualifying Investors (in each case with such amendments as may be agreed by or on behalf of such parties) in writing.
  - (e) **"Amended ESOP Plan"** means an amendment to the ESOP Plan.
  - (f) **"Annual General Meeting"** means the annual general meeting of the Company required to be held in accordance with the provisions of the Act.
  - (g) **"Anti-Bribery Law"** shall mean any Applicable Laws that relate to bribery or corruption, including the Indian Prevention of Corruption Act 1988, the FCPA and the UKBA, in each case, as amended, re-enacted or replaced from time to time.
  - (h) **"Anti-Money Laundering Law(s)"** means those laws, regulations and sanctions that: (i) limit the use of, and/or seek the forfeiture of, proceeds from illegal

transactions; (ii) limit commercial transactions with designated countries or individuals believed to be terrorists, narcotics dealers, supporters of weapons proliferation or otherwise engaged in activities contrary to the interests of India, the United States or other applicable countries; (iii) may require the Investors to obtain information on the identity of, and source of funds for investment by, the Company or its affiliates; or (iv) are designed to disrupt the flow of funds to terrorist organisations, in each case to such extent as applicable to the Company.

- (i) **"Applicable Law"** or **"Law"** means: (i) statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, listing agreements, notifications, guidelines or policies of any applicable jurisdiction (including jurisdictions in which the relevant Party is incorporated and/or carry on any business or activities); (ii) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or Government Approvals of, or agreements with, any Governmental Authority; (iii) rules of any recognised stock exchange; Indian GAAP; and international treaties, conventions and protocols; as applicable, may be in force and have effect of law from time to time, (iv) Anti-Bribery Laws, and (v) Anti-Money Laundering Laws.
- (j) **"Approvals"** means any permission, approval, consent, license, order, decree, authorization, authentication of, or registration, qualification, designation, declaration or filing with or notification, exemption or ruling to or from any third party or any Governmental Authority required under any statute or regulation or prior agreement for the completion of the transactions contemplated under these Articles and the other Transaction Documents.
- (k) **"Baring Investors"** means cumulatively, Investor-2 and Investor-3 and/or their respective Affiliates that acquire Securities.
- (l) **"BHC Act"** shall mean the U.S. Bank Holding Company Act of 1956, as amended.
- (m) **"Board"** means the board of Directors, as constituted from time to time, in accordance with Applicable Law, and these Articles.
- (n) **"Board Meeting"** means any meeting of the Board of the Company, as convened from time to time, in accordance with Applicable Law, the Charter Documents and the provisions of these Articles.
- (o) **"BSE"** means BSE Limited or its successors, by whatever name known.
- (p) **"Bloc Rights"** means the applicable rights of the Selling Investor under these Articles other than Non-Bloc Rights.
- (q) **"Business"** means the business of providing loans to purchase pre-owned as well as new medium commercial vehicles, light commercial vehicles, multi-utility vehicles and heavy commercial vehicles, passenger cars, three wheelers, two wheelers, providing loans to dealers, providing loans to employees, and providing loans to small and medium enterprises in the manner permitted under the license to carry on business obtained by the Company from RBI and any other business that the Company carries on from time to time.
- (r) **"Business Day"** means a day (excluding public holidays and Sundays) on which banks generally are open in Jaipur (India), Mumbai (India), New Delhi (India), Port Louis (Mauritius) and Singapore for the transaction of normal banking business.

- (s) **"Calendar Year"** means the calendar year which is a 12 (Twelve) month period commencing on January 1 of a calendar year and ending on December 31 of said year.
- (t) **"Charter Documents"** means collectively, the memorandum of association of the Company and these Articles, as may be amended from time to time in accordance with the provisions of the Transaction Documents.
- (u) **"Closing"** has the meaning ascribed to the term under the Investment Agreement-III.
- (v) **"Closing Date"** means the date on which the Closing occurs under the Investment Agreement-III.
- (w) **"Consent"** means any notice, consent, approval, authorization, waiver, permit, grant, concession, agreement, license, certificate, exemption, order or registration, of, with, from or to any Person including Government Approvals.
- (x) **"Control"**, including with its grammatical variations such as **"Controlled"**, **"that Controls"**, **"under the common Control with"** or **"Controlled by"**, when used with respect to any Person, means and includes the possession, directly or indirectly, of, acting alone or together with another Person, the ability to direct the management or policies of such Person, whether (a) through the ownership of more than 50% (Fifty Per Cent) of the total voting capital of such Person; and/or (b) through the power to appoint half or more than half of the members of the board of directors or similar governing body of such Person; and/or (c) pursuant to Applicable Law or any contractual arrangements or otherwise.
- (y) **"Credit Information Companies"** means the credit information companies registered under the Credit Information Companies (Regulation) Act of 2005.
- (z) **"Deed of Adherence"** means the deed of adherence annexed as Annexure III to these Articles.
- (aa) **"Down-round"** means any issuance of Securities by the Company at a price per Security that is lower than any Investor Entry Price (subject to any adjustment in the Investor Entry Price on account of share split or consolidation or any other reorganization).
- (bb) **"Down-round Price"** shall mean the price per Security issued in a Down-round.
- (cc) **"Dragging Investors"** means the Investors who collectively have the ability to exercise at least 70% (Seventy Per Cent) of the voting rights in relation to the Investor Shareholding as on the date of the Drag Trigger Event and have the right to exercise the Drag Along Right as per the terms of these Articles.
- (dd) **"Economic Sanctions Law"** means all Applicable Laws relating to sanctions, including any economic or financial sanctions administered by OFAC, the U.S. State Department, the United Nations, the European Union, the United Kingdom or any member state thereof, or any other national economic sanctions authority.
- (ee) **"Eligible Shareholders"** means: (1) the Promoter and Promoter Shareholders; and (2) the Investors.
- (ff) **"Encumbrance"** means any:

- (i) security interest, claim, mortgage, pledge, charge (whether fixed or floating), encumbrance, hypothecation, lien, lease, assignment, deed of trust, title retention, deposit by way of security, beneficial ownership (including usufruct and similar entitlements), or any other similar interest held by a third Person;
  - (ii) security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person, including without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law;
  - (iii) voting agreement, interest, option, right of pre-emption, right of first offer, or refusal or transfer restriction including any non-disposal undertaking or lock-in, in favour of any Person; and/or
  - (iv) adverse claim asserted or that is capable of being asserted as to title, possession or use.
- (gg) **"Equity Share Capital"** means the fully paid-up equity share capital of the Company.
- (hh) **"Evolve Investors"** means the Investor-4 and Investor-6, collectively.
- (ii) **"Equity Shares"** means the issued and fully paid-up equity shares of the Company having a face value of INR 2 (Rupees Two Only) each and each carrying 1 (One) vote and all other (if any) equity shares or stock in the Equity Share Capital resulting from any subdivision, consolidation or reclassification of the Equity Share Capital or conversion, exercise or exchange of any preference shares or any other Securities.
- (jj) **"ESOP Plan"** means employee stock option plan of the Company constituted for employees of the Company (and such employees shall not include the Promoter, the Promoter Shareholders or the Promoter's Immediate Relatives), aggregating to 566,000 (Five Hundred and Sixty Six Thousand) Equity Shares and on and after the adoption the Amended ESOP Plan, proposed to be adopted in accordance with the provisions of these Articles and the Transaction Documents, aggregating to a total of 1,062,466 (One Million Sixty Two Thousand Four Hundred and Sixty Six) Equity Shares.
- (kk) **"Executive Committee"** means a committee of the Board constituted to oversee day to day matters of the Business and matters that needed to be decided upon in the Ordinary Course of Business and shall comprise of whole time Directors and Key Management Team of the Company.
- (ll) **"Financial Statement"** means the balance sheet, profit and loss account and cash flow statement (audited or unaudited, as the case may be, including schedules and notes thereto) and such other statements required to be prepared by the Company under Indian GAAP at the end of each Financial Year.
- (mm) **"Financial Year"** means the financial year of the Company which is a 12 (Twelve) month period commencing on April 1 of a Calendar Year and ending on March 31 of the immediately next Calendar Year.

- (nn) **"Fully Diluted Share Capital"** means the Equity Share Capital of the Company calculated by assuming that all outstanding Securities, (whether or not by their terms then currently convertible, exercisable or exchangeable and including all options authorized but not yet granted or vested), have been so converted, exercised or exchanged into Equity Shares in accordance with the terms of their issuance and shall assume that the entire Additional Promoter Instruments are exercised or converted (as the case may be) and all the Equity Shares that will form a part of the ESOP Plan have been issued.
- (oo) **"Financial Quarter"** means the 4 (Four) financial quarters in a Financial Year comprising of the following time periods: (i) April 1-June 30; (ii) July 1-September 30; (iii) October 1- December 31; and (iv) January 1- March 31.
- (pp) **"Government Approvals"** means any consent, approval, authorization, waiver, no-objection, permit, grant, franchise, concession, agreement, license, certificate, exemption, order, registration, declaration, filing, report or notice, of, with or to, as the case may be, any Governmental Authority.
- (qq) **"Governmental Authority"** means any governmental, political, legislative, executive or administrative body, municipality or any local or other authority, regulatory authority, court, tribunal or arbitral tribunal, exercising powers conferred by Applicable Law and shall include, without limitation, the President of India, the Government of India, the Governor and the Government of any State in India, the Ministry of Corporate Affairs and the Reserve Bank of India and any Ministry or Department of the same or any governmental or political subdivision thereof, or any securities exchange or body or authority regulating such securities exchange.
- (rr) **"Group"** means the Company and its Subsidiaries, and **"Group Company"** means any one of them.
- (ss) **"ICDR Regulations"** means the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- (tt) **"Immediate Relatives"** means in relation to the Promoter: (1) his spouse; (2) his parents; and (3) his children.
- (uu) **"Indian GAAP"** means the generally accepted accounting principles as issued by the Institute of Chartered Accountants of India for financial reporting in the Republic of India as in effect as of the date the accounts are made or drawn.
- (vv) **"Indebtedness/Financial Indebtedness"** means in relation to any Person the following, other than incurred in the Ordinary Course of Business without duplication:
- (i) monies borrowed;
  - (ii) any amount raised by acceptance under any acceptance credit, bill acceptance or bill endorsement facility or dematerialized equivalent;
  - (iii) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

- (iv) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with Indian GAAP, be treated as a finance or capital lease;
  - (v) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
  - (vi) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing including the Company's obligation to pay in relation to any call or put option relating to any interest owned by a party in the Company, as the case may be;
  - (vii) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price including any credit support arrangement in respect thereof (and when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
  - (viii) shares which are expressed to be redeemable;
  - (ix) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
  - (x) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (ix) above.
- (ww) **"Independent Director"** shall have the meaning ascribed to such term under the Act.
- (xx) **"Initial Closing Date"** means the date on which the transaction contemplated the Investment Agreement-I was consummated.
- (yy) **"Investment Agreement-I"** means the investment agreement dated November 7, 2017 executed between the Investor-1, Investor-2, Investor-3 Investor-4, the Promoter and the Company, pursuant to which each of Investor-1, Investor-2, Investor-3 and Investor-4 had acquired Shares.
- (zz) **"Investment Agreement-II"** means investment agreement dated October 23, 2018 executed between the Investor-1, Investor-4, and Investor-5 with the Promoter and the Company..
- (aaa) **"Investment Agreement - III"** means the share subscription agreement of even date executed by the Investor-1, Investor-5, and Investor-6 with the Promoter and the Company pursuant to which Investor-1, Investor-5 and Investor-6 have agreed to subscribe to the Additional Subscription Shares (as defined therein).
- (bbb) **"Investor -1"** means Norwest Venture Partners X – Mauritius.
- (ccc) **"Investor-1 Nominee Director"** means a director nominated by Investor-1 to the Board.
- (ddd) **"Investor-2"** means Karma Holdings Mauritius Limited.
- (eee) **"Investor-3"** means Baring Private Equity India AIF.

- (fff) “Investor-4” means Evolvence Coinvest I.
- (ggg) “Investor-5” means TPG Growth IV SF Pte. Ltd.
- (hhh) “Investor-6” means Evolvence India Fund III Ltd.
- (iii) “Investor” or cumulatively the “Investors” shall mean Investor-1, Investor-2, Investor -3 Investor-4 Investor 5 and Investor 6 as stated in Annexure I to these Articles.
- (jjj) “Investors’ Consent” means the prior written consent of the Qualifying Investors (granted by the Qualifying Investors or their authorised representatives or their respective Nominee Directors) or consent provided by the Investor or its nominee at a Board Meeting or a Shareholders’ Meeting (which consent shall be recorded in the minutes of such Board Meeting or Shareholders’ Meeting).
- (kkk) “Investor Entry Price” means with respect to an Investor the price per Security as paid by such Investor at the relevant point of time to acquire (whether by primary subscription or a secondary acquisition), the relevant Securities at that point of time as adjusted for stock splits and bonus issuances; Illustration – If an Investor has acquired 50 (Fifty) Equity Shares at INR 100 (Rupees Hundred) per Equity Share in year 1 (One) and 25 (Twenty Five) Equity Shares at Rs. 150 (Rupees Hundred and Fifty) per Equity Share in year 2 (Two), then the Investor Entry Price for 50 (Fifty) Equity Shares acquired in year 1 (One) for such Investor is INR 100 (Rupees One Hundred) and the Investor Entry Price for 25 (Twenty Five) Equity Shares acquired in year 2 (Two) for such is INR 150 (Rupees Hundred and Fifty);
- (lll) “Investor Shares” mean collectively the Securities acquired by each Investor in the Company from time to time.
- (mmm) “Investor Shareholding” means in relation to an Investor, the total percentage of the shareholding of such Investor in the Fully Diluted Share Capital.
- (nnn) “IPO Period” means the period commencing on the Closing Date and expiring on December 31, 2022.
- (ooo) “IPO Price” means the final price for the IPO as determined in accordance with the ICDR Regulations.
- (ppp) “Key Management Team” means the list of Persons/designations listed in Annexure IV hereto.
- (qqq) “Key Matters” means the list of matters listed in Annexure II Part B hereto.
- (rrr) “LODR” means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015, as amended from time to time.
- (sss) “Losses” shall have the meaning ascribed to the term under the Investment Agreement III.
- (ttt) “Managing Director” means the managing director of the Company as appointed in accordance with the applicable provisions of the Act.

- (uuu) **"MD Agreement"** means the management agreement/ employment agreement executed on December 26, 2017 between the Promoter and the Company, designating the Promoter as the Managing Director.
- (vvv) **"Memorandum"** means the memorandum of association of the Company.
- (www) **"Minimum Shareholding Threshold"** means the minimum shareholding requirements specified in these Articles (including under Articles 198 and 199) which have to be maintained by an Investor in order to exercise identified rights under these Articles.
- (xxx) **"Nominee Director"** means a Promoter Nominee Director and/or an Investor Nominee Director, as the case may be.
- (yyy) **"Non-Bloc Rights"** means the rights of the Selling Investor under Articles 171, 174, 176 to 180, 184, 185, 186, 187, Clauses 11 to 17 of the Shareholders' Agreement.
- (zzz) **"NSE"** means National Stock Exchange of India Limited or its successors, by whatever name known
- (aaaa) **"NVP Eligible Transferee"** means any Person who has acquired any Securities from Investor-I, and who is not:
- (i) an Affiliate of Investor-I; or
  - (ii) a Restricted Person; or
  - (iii) a Prohibited Person (up to the 6<sup>th</sup> (Sixth) anniversary of the Initial Closing Date).
- (bbbb) **"OFAC"** means the Office of Foreign Assets Control of the Department of the Treasury of the United States of America.
- (cccc) **"Ordinary Course of Business"** means the ordinary course of business, as applicable, consistent with past practice and compliant with Applicable Laws in all material respects or to the extent required to taken in compliance with statutory obligations or contractual obligations existing as of the date hereof or entered in accordance with the terms of these Articles.
- (dddd) **"Party" or "Parties"** means the signatories to the Shareholders Agreement.
- (eeee) **"Person(s)"** means an individual, corporation, partnership, limited liability partnership, association, trust or other entity or organisation, including a government or political subdivision or an agency or instrumentality thereof.
- (ffff) **"Prohibited Transferee"** means one or more of the Persons included in the list set out in Annexure V.
- (gggg) **"Promoter"** shall mean Mr. Rajendra Kumar Setia, a resident India, aged 48 years, s/o Mr. Arjun Das Setia residing at 2 CHA 12, Jawahar Nagar, Jaipur- 302004.
- (hhhh) **"Promoter Consent"** means the prior written consent of the Promoter (granted by the Promoter or its authorised representatives including Promoter Nominee Directors).



- (iii) **"Promoter Shareholder"** means each of Mrs. Shalini Setia, Mr. Yash Setia, and the Rajendra Kumar Setia HUF, their respective Affiliates, in each case, for so long as he/she/it holds Equity Shares of the Company. Any reference to **"Promoter Shareholders"** or **"Promoters"** shall mean the Promoter and each of the Promoter Shareholders.
- (jjj) **"Promoter Shares"** means the Securities of the Company held by the Promoter Shareholders and their Affiliates from time to time.
- (kkkk) **"Purchase Offer"** means a binding offer for the purchase of 100% (one hundred per cent) of the Investor Shares of an Investor that meets the following conditions (unless waived by such Investor):
- (i) the entire consideration due to such Investor is discharged up front in cash through normal banking channels into a bank account designated by such Investor in writing;
  - (ii) at the sole discretion of such Investor the entire consideration due to such Investor is discharged in a single tranche payment with no amounts withheld or held in escrow or subject to similar arrangements;
  - (iii) the Investor is not required to make any representations or warranties, provide any covenants or undertakings, grant any indemnifications or incur any obligations to the Purchaser or any other Person (other than representations, warranties, indemnities in relation to authority, capacity and title);
  - (iv) the Investor is not subject to any non-compete or non-solicit restrictions;
  - (v) other than in relation to a Purchase Offer under Article 194 hereto where it will suffice to meet the pricing parameters set out therein, the binding offer has resulted after the Company has undertaken all best endeavours to market the Investor Shares at the highest possible valuation and to identify a Purchaser, by way of auction or private sale or in such other manner which is most effective for value maximization of the Investor Shares;
  - (vi) the Purchaser shall be a genuine buyer eligible to acquire the Investor Shares in accordance with Applicable Laws and shall not be (a) a nominee or Related Party of the Promoter Shareholders; (b) a Restricted Person; (c) in breach of Applicable Laws including any Anti-Bribery Laws, Anti-Money Laundering Laws and Economic Sanctions Laws; (d) subject to any current or former proceedings or investigations initiated by any Governmental Authority in connection with Anti-Bribery Laws, Anti-Money Laundering Laws, Economic Sanctions Law or criminal laws, or (e) convicted of any criminal offence or in breach of any applicable criminal laws;
- (llll) **"Qualifying Investors"** means each of (i) the Investors (other than Investor-1) (iii) each NVP Eligible Transferee, provided however, the term **"Qualifying Investor"** shall be deemed to include Investor 1 (in addition to the other Investors) in the manner and for the purposes envisaged in Article 170.
- (mmmm) **"RBI"** means the Reserve Bank of India.
- (nnnn) **"RBI Master Directions"** means the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, as is extant at the relevant time.

- (ccccc) **"Shareholders' Agreement"** means the restated and amended shareholders agreement dated November 15, 2019, as amended from time to time in accordance with the provisions thereof, and shall include all the schedules, annexures and exhibits, if any, provided thereto.
- (dddd) **"Shareholders Meeting" or "General Meeting"** means an Annual General Meeting or Extraordinary General Meeting of the Company, convened and conducted in accordance with the provisions of the Act, these Articles and the Charter Documents.
- (eeee) **"Shares"** means shares issued by the Company and shall include Equity Shares.
- (ffff) **"Statutory Auditor"** means the statutory auditor of the Company appointed in accordance with the provisions of the Act, the Transaction Documents and the Charter Documents.
- (gggg) **"Subsidiary"** means any 'subsidiary' (as such term is defined under the Act) of the Company, as established or acquired from time to time.
- (hhhh) **"Tax" or "Taxation"** means all forms of taxation, duties, levies, imposts, including without limitation corporate income tax, wage withholding tax, fringe benefit tax, provident fund, employee state insurance and gratuity contributions, value added tax, customs and excise duties, and other legal transaction taxes, dividend / withholding tax, real estate taxes, other municipal taxes and duties, environmental taxes and duties and any other type of taxes or duties in any relevant jurisdiction, together with any interest, penalties, surcharges or fines relating thereto, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction or country.
- (iiii) **"Third Party"** means any Person other than the Company, the Investors, the Shareholders, the Promoter and each of their respective Affiliates.
- (jjjj) **"Transaction"** means the transactions contemplated under the Transaction Documents.
- (kkkk) **"Transaction Documents"** means the following documents: (a) these Articles; (b) the Investment Agreement-I; (c) the Investment Agreement-II; (d) the Investment Agreement -III (e) the Charter Documents of the Company; and (f) such other documents that are designated as such by the Investors and the Promoter Shareholders in writing.
- (llll) **"Transfer"** means (i) any, direct or indirect, transfer or other disposition of any shares, securities (including convertible securities), or voting interests or any interest therein, including, without limitation, by operation of Applicable Law, by court order, by judicial process, or by foreclosure, levy or attachment; (ii) any, direct or indirect, sale, assignment, gift, donation, redemption, conversion or other disposition of such shares, securities (including convertible securities) or voting interests or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title to or beneficial ownership of such shares, securities (including convertible securities) or voting interests or any interest therein passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value; (iii) any swap, re-organisation, re-arrangement, merger, amalgamation or other restructuring arrangement of any kind, or other agreement or any transaction that directly or indirectly transfers, in whole or in part, any economic interest or the beneficial ownership in any equity

- (oooo) **“Recognized Stock Exchange”** means NSE and/or BSE Limited or an internationally recognized stock exchange or quotation system, where such internationally recognized stock exchange is pre-approved by the Investor.
- (pppp) **“Related Parties”** means such party with reference to a company as defined in Section 2(76) of the Act.
- (qqqq) **“Related Party Transactions”** means any commercial transaction entered into by the Company with a Related Party.
- (rrrr) **“Relative”** shall have the meaning ascribed to the term under the Act.
- (ssss) **“Representative”** means in relation to a Party, the Affiliates and directors, officers, managers, partners, members, employees, agents, legal, financial and professional advisors and bankers of such Party and/or its Affiliates.
- (tttt) **“Restricted Person”** means any of the following: (i) any Sanctioned Person; or (ii) any Person that, to the actual knowledge of the relevant Shareholder (in relation to transfer restrictions on Securities) or the Company (in case of restrictions on issuance of Securities or exit related obligations), is known to directly or indirectly have acted in connection with the illegal laundering of the proceeds of any criminal activity or made or to have made any illicit bribes or otherwise engaged in corrupt behaviour.
- (uuuu) **“Rupees” or “Rs.” or “INR”** means the lawful currency of the Republic of India.
- (vvvv) **“Sanctioned Person”** means any Person, organisation or vessel: (i) designated on the OFAC list of “Specially Designated Nationals and Blocked Persons”, or on any list of targeted persons issued under the Economic Sanctions law of any other country; (ii) that is, or is part of, a government of a Sanctioned Territory; (iii) owned or controlled by, or acting on behalf of, any of the foregoing; (iv) located within or operating from a Sanctioned Territory; or (v) otherwise targeted under any Economic Sanctions Law.
- (wwwv) **“Sanctioned Territory”** means any country or other territory subject to a general export, import, financial or investment embargo under any Economic Sanctions Law (including Iran, Syria and North Korea).
- (xxxx) **“SEBI”** means the Securities and Exchange Board of India.
- (yyyy) **“Securities”** shall mean equity capital, Equity Shares, membership interests, registered capital, joint venture or other ownership interests of the Company or any options, warrants, rights or other securities that are directly or indirectly convertible into, or exercisable or exchangeable for, such equity capital, Equity Shares, membership interests, partnership interests, registered capital, joint venture or other ownership interests (whether or not such derivative securities are issued).
- (zzzz) **“SH Act”** means Sexual Harassment of Women at the Workplace (Prevention, Prohibition, and Redressal) Act, 2013.
- (aaaaa) **“Share Capital”** means the fully paid-up share capital of the Company.
- (bbbbb) **“Shareholder”** means any Person registered as the holder of beneficial interest of Shares of the Company.

shares or equity securities; (iv) the granting of any security interest or Encumbrance in, or extending or attaching to, such shares, securities (including convertible securities) or voting interests or any interest therein, and the word "Transferred" shall be construed accordingly.

(mmmmm) Additional Defined Terms: For purposes of these Articles, the following terms have the meanings specified in the indicated Article of these Articles:

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## BOARD OF DIRECTORS

135. Subject to the provisions of these Articles and the Companies Act, the Board shall be responsible for the management, supervision, direction and control of the Company.

### Board of the Company

136. Authority of the Board: Subject to the provisions of these Articles and any additional requirements under the Act, the Board shall be responsible for the management, supervision, direction and control of the Company, and the business and affairs of the Company shall be managed exclusively by and under the direction of the Board. Subject to the provisions of these Articles, the Board may exercise all such powers of the Company and do all such lawful acts and things as are permitted under Applicable Law, the Articles and in accordance with the terms of these Articles.
137. Number of Directors: Subject to any additional requirements specified by any provisions of Applicable Law or unless otherwise agreed between the Promoter and the Qualifying Investors in writing, the Board shall comprise of a maximum of 6 (Six) Directors, excluding Independent Directors appointed in accordance with the terms of these Articles.

### Composition of the Board

138. The Board shall at all times be constituted in accordance with Applicable Law and the composition of the Board shall comply with the following requirements:

139. Nominee Directors

139.1 The Promoter shall have the right to nominate 2 (two) Directors on the Board ("Promoter Nominee Directors") and the Promoter shall be appointed to the Board as a Promoter Nominee Director. In addition to the aforesaid, if the Investor -1 appoints the Investor- 1 Nominee Director, the Promoter shall have the right to nominate 1 (One) additional Director on the Board who shall be appointed to the Board as a Promoter Nominee Director.

139.2 Subject to Article 182.5 below, so long as the Baring Investors and the Evolve Investors collectively hold at least 7.5% (Seven and a Half Per Cent) of the Fully Diluted Share Capital, the Baring Investors shall have the right to jointly nominate 1 (One) Director on the Board (the "Baring Nominee Director"). The Baring Nominee Director shall be a non-executive Director. It is hereby clarified that, nothing under this Article 139.2 shall confer a right on the Evolve Investors to nominate a Director.

139.3 Investor-5 shall, so long as Investor-5 holds at least 7.5% (Seven and a Half Per Cent) of the Fully Diluted Share Capital, have the right to nominate 1 (One) Director on the Board (the “**Investor-5 Nominee Director**”). The Investor-5 Nominee Director shall be a non-executive Director.

139.4 Each of the Baring Nominee Director, the Investor-5 Nominee Director, and Investor-1 Nominee Director, if appointed, shall be individually referred to as an “**Investor Nominee Director**” and collectively referred to as “**Investor Nominee Directors**”.

140. Independent Directors& Woman Director

140.1 The Company shall appoint 2 (Two) Independent Directors, or such minimum number of Independent Directors as mandatorily required under Applicable Law. The candidates for the position of an Independent Director shall be jointly recommended to the Board by the Promoter and Qualifying Investors (each Party agreeing to act reasonably whilst accepting or declining the recommendation of the other Party).

140.2 Removal or replacement or appointment of an Independent Director on the Board shall require the prior written consent of the Promoter and the Qualifying Investors.

140.3 Woman Director: In the event that the Company is required to appoint a woman director under Section 149 of the Act, and there is no woman Director on the Board, then the Promoter and the Qualifying Investors shall use best efforts to identify a candidate to fill this post on the Board and the said woman Director shall be appointed in the capacity of an Independent Director under Article 140.1.

**Observers**

141. With effect from the Initial Closing Date or the Closing Date (as applicable), each of Investor-1, Evolve Investors, and Investor-5 have the following rights:

141.1 So long as Investor-1 holds 7.5% (Seven and a Half Per Cent) or more of the Fully Diluted Share Capital and:

(i) If Investor-1 has not appointed Investor-1 Nominee Director, Investor-1 shall be entitled to appoint 2 (Two) observers (hereinafter each referred to as an “**Investor-1 Observer**” and cumulatively referred to as the “**Investor-1 Observers**”) to the Board; and

(ii) If Investor-1 has appointed Investor-1 Nominee Director, Investor-1 shall be entitled to appoint 1 (One) Investor-1 Observer to the Board, in addition to 1 (One) Investor-1 Nominee Director.

141.2 So long as Investor-1 holds 5% (Five Per Cent) or more of the Fully Diluted Share Capital but less than 7.5% (Seven and a Half Per Cent) of the Fully Diluted Share Capital, Investor-1 shall be entitled to appoint 1 (One) Investor-1 Observer to the Board, and 1 (One) Investor-1 Nominee Director (if so appointed by Investor-1) shall lapse in accordance with Article 196 of these Articles; and

- 141.3 Subject to Article 182.6 below, so long as Evolvence Investors individually or collectively with the Baring Investors hold 5% (Five Per Cent) or more of the Fully Diluted Share Capital, Evolvence Investors shall be entitled to appoint an observer (hereinafter referred to as an **"Evolvence Observer"**) to the Board. It is hereby clarified that, nothing under this Article 141.3 shall confer a right on the Baring Investors to nominate an observer.
- 141.4 So long as Investor-5 holds 5% (Five Per Cent) or more of the Fully Diluted Share Capital but less than 7.5% (Seven and a Half Per Cent) of the Fully Diluted Share Capital, Investor-5 shall be entitled to appoint 1 (One) Observer (**"Investor-5 Observer"**) to the Board, and its right to appoint 1 (One) Investor-5 Nominee Director in terms of Article 139.3 above shall lapse in accordance with Article 197 of these Articles.
- 141.5 If post exit by Evolvence Investors, the Baring Investors collectively hold more than 5% (Five Per Cent) but less than 7.5% (Seven and a Half Percent) of the Fully Diluted Share Capital, then the Baring Investors will have the right to nominate 1 (One) observer on the Board (**"Baring Observer"**).
- 141.6 Investor-1 Observers, Baring Observer, the Investor-5 Observer and Evolvence Observer, if appointed, are individually referred to as an **"Investor Observer"** and collectively referred to as **"Investor Observers"**.
- 141.7 The Investor Observers shall have the right to be invited to Board Meetings and the right to receive Board Meeting Agendas in the same manner as available to an Investor Nominee Director under these Articles. The Investor Observers shall also have the right to receive all such material as are made available to the Investor Nominee Director for discussion at Board Meetings. However, such Investor Observers shall not have any voting rights at the Board Meetings. The rights of the Investor Observers under this Article 141 are in addition to quorum rights available with the Investor Observers as detailed in Article 155 below.

#### **Appointment and Rotation of Nominee Director:**

142. Each Party shall exercise all rights and powers available with them, including the exercise of votes at Board Meetings and Shareholders' Meetings of the Company, to procure that effect is given to any nominations made by the Investors and the Promoter for appointment of Investor Nominee Director(s), Investor Observers and the Promoter Nominee Directors respectively as well as the appointment of the Independent Directors jointly nominated by the Promoter and the Qualifying Investors, under Articles 138 to 141 above and withdrawal of Investor Nominee Directors, Investor Observers and the Promoter Nominee Directors, as notified by the relevant nominating Party.
143. In the event of retirement of Investor Nominee Director(s) and the Promoter Nominee Directors by rotation in accordance with Applicable Law and if such nominee is being nominated again by the Investor or the Promoter (as applicable), each Shareholder shall exercise its vote in relation to the Shares controlled by it for the re-appointment of such Person as a Director upon the request of the Shareholder that nominated such Director.

#### **Withdrawal and Replacement of Nominee Directors:**

144. Appointment and removal of an Investor Nominee Director or an Investor Observer is subject to the prior written consent of the Investor nominating such an Investor Nominee Director or Investor Observer in terms of Articles 165 to 170, read with **Annexure II Part A** The Investor appointing/nominating an Investor Nominee Director or Investor Observer



shall be permitted to remove or replace, at any time and for any reason whatsoever, the Investor Nominee Director or Investor Observer nominated by such Investor. An Investor may require the withdrawal of its Investor Nominee Director or Investor Observer, including any alternate Director appointed in accordance with Article 147 below, and nominate another individual as its Investor Nominee Director or Investor Observer in place of the said Investor Nominee Director or Investor Observer so removed, and the other Parties shall exercise their rights to ensure the withdrawal and appointment of the Investor Nominee Director or Investor Observer as aforesaid. Notwithstanding anything stated elsewhere, upon the rights of the Investors to nominate a Director or an Investor Observer falling away under Articles 139, 141, 196 and 197, the directorship of the relevant Investor Nominee Director or observer rights of an Investor Observer shall be deemed to have automatically terminated. Subject to Articles 139, 141, 195 and 195, this is without prejudice to any rights that may have been acquired by any Incoming Investor to nominate a Director or Investor Observer upon purchase of Investor Shares from an Investor in terms of Article 182.3, 182.4 and 182.5 and 182.6 hereto.

145. No Person other than the Promoter shall be permitted to remove or replace, at any time and for any reason whatsoever, the Promoter Nominee Directors. The Promoter may require the withdrawal of the Promoter Nominee Director including any alternate Director nominated by the Promoter in place of the Promoter Nominee Director(s) appointed in accordance with Article 147 below, and nominate another individual as its Promoter Nominee Director in place of the said Promoter Nominee Director so removed, and the other Parties shall exercise their rights to ensure the withdrawal and appointment of the Promoter Nominee Director(s) as aforesaid.

**Chairman of the Board:**

146. The chairman of the Board shall be selected from among the Promoter Nominee Directors. The chairman shall not have a second or casting vote at Board Meetings. The chairman of the Board Meetings shall also be the Chairman of the Shareholders' Meetings. It is hereby clarified that, if the Promoter ceases to be the Managing Director of the Company in accordance with the provisions of the MD Agreement, then at any Adjourned Board Meeting, if a Promoter Nominee Director is not present, then the chairman of the Board Meeting may be selected from amongst the Directors present at such a Board Meeting.

**Alternate Director:**

147. Each Party shall be entitled to nominate an alternate Director for each of the Directors it is entitled to nominate (including an Investor Nominee Director) and such alternate Director shall serve in the absence of the original Director. Any such appointment as alternate Director shall take place as the first item of business at the next Board Meeting immediately following receipt by the Company of such nomination and subject to the approval of the Board (provided that the alternate Director of the Investor Nominee Directors and any Promoter Nominee Directors shall be a nominee of the relevant nominating Investors and the Promoter, respectively). Upon his or her appointment as such alternate Director, an alternate Director shall be entitled to exercise all rights available to such alternate Directors in the Company in the absence of the original Directors. Upon the appointment of an alternate Director in accordance with the Act and these Articles, the Company will ensure compliance with the provisions of the Act, including filing necessary forms with the concerned Governmental Authorities. Subject to Applicable Law, the alternate Director will have all rights and privileges of the relevant Directors in whose place he/ she has been appointed as an alternate Director.

### **Frequency and Location:**

153. Subject to Applicable Law, Board Meetings shall take place at least 4 (four) times in a Calendar Year and the time gap between any two consecutive Board Meetings shall not be more than 3 (Three) months. Unless otherwise agreed between the Company, Promoter and Investors, Board Meetings shall be held at the registered office of the Company.

### **Notice:**

154. A Board Meeting may be called by the chairman of the Board or any 1 (One) Director by giving notice in writing to the company secretary or such other designated officer of the Company specifying the location, date, time and agenda ("**Board Meeting Agenda**") for such Board Meeting including clearly stating any Affirmative Vote Matters or Key Matters forming a part of such Board Meeting Agenda. The company secretary or such other designated officer of the Company shall, upon receipt of such notice, issue a notice to all Directors and Investor Observers at their respective addresses in writing or by electronic mail, convening a Board Meeting, which notice shall be accompanied by a written Board Meeting Agenda specifying the business of such Board Meeting and copies of all papers relevant for such Board Meeting ("**Board Meeting Notice**"). Further, if a Director or Investor Observer resides outside India, such notice shall be sent by electronic mail and if such an electronic mail is not delivered within 1 (One) Business Day, such notice must also be sent by registered air mail or internationally reputable courier to its address outside India. The Company and the Directors convening the Board Meeting shall ensure that sufficient information is included with such Board Meeting Notice to the Directors (with full and complete contemporaneous copies to each Investor Observer) to enable each such Person to make a decision on the issue in question at such Board Meeting. The Board Meeting Notice shall be accompanied by the Board Meeting Agenda and shall be sent to each of the Directors and Investor Observers at least 7 (Seven) days prior to the Board Meeting, unless the Investor Nominee Directors (if appointed), the Investor Observers (if appointed) and at least 1 (One) Promoter Nominee Director gives their written approval for a shorter notice period. For the avoidance of doubt, it is hereby clarified that, subject to the provisions of Articles 165 to 170 below, an Affirmative Vote Matter or a Key Matter shall not be put to vote at a Board Meeting unless the same was part of the Board Meeting Agenda. Once a Board Meeting Notice has been circulated to the Directors in accordance with this Article 154, the Board Meeting Agenda for the relevant Board meeting will not be altered or expanded to include a matter that constitutes a Key Matter or an Investor Affirmative Vote Matter or a Promoter Affirmative Vote Matter, unless written consent for such alteration is received from the Qualifying Investors (in respect of the Investor Affirmative Vote Matter) and the Promoter (in respect of the Promoter Affirmative Vote Matter).

### **Quorum:**

155. Subject to the provisions of the Act, all Board Meetings shall require a quorum of at least 3 (Three) Directors. Additionally, the quorum for Board Meetings shall also comply with the following requirements ("**Special Quorum Requirements**"): (1) the quorum for each Board Meeting shall require the presence of at least 1 (One) Promoter Nominee Director, provided however if the Promoter resigns as the Managing Director of the Company, then the quorum right of the Promoter Nominee Directors shall stand revised to a requirement of 1 (One) Promoter Nominee Director to constitute quorum at every original Board Meeting (not being an Adjourned Board Meeting). However if such a Board Meeting is adjourned due to absence of required Promoter Nominee Directors, then no such quorum rights shall be available to the Promoter Nominee Directors at the Adjourned Board Meeting; and (2) where an Investor Affirmative Vote Matter or a Key Matter is being included in a Board Meeting Agenda, the quorum of the Board Meeting to which the Board Meeting Agenda relates shall also need to comprise of each of the Investor Nominee Directors (if appointed in terms of hereof), at least 1 (One) Investor-1 Observer (if no Investor-1 Nominee Director

### **Directors' and Officers' Liability Insurance:**

148. The Company shall at all times maintain the directors' and officers' liability insurance policy covering all Directors (including Promoter Nominee Directors, Investor Nominee Directors and Independent Directors). The total coverage under the director and officers' insurance policy cover for the Company shall not be less than approximately INR 32,500,000 (Rupees Thirty-Two Million Five Hundred Thousand) on a yearly basis, or such other amounts as may be mutually agreed in writing between the Promoter and the Investors entitled to nominate Investor Nominee Directors. If an Investor-1 Nominee Director is appointed, the director and officers' insurance policy cover for the Company shall be increased to INR equivalent of USD 1,000,000 (US Dollar One Million) with effect from the date of appointment of the Investor-1 Nominee Director, if so appointed.

### **No Liability:**

149. The Promoter and the Company expressly agree and undertake that:
- 149.1 Under no circumstances shall the Company or the Promoter identify an Investor Nominee Director or Investor Observers as an 'officer in default' under the Act, or as occupier of any premises used by the Company, or as 'employer' or 'persons-in-charge' under any Applicable Law, including for the purposes of any new applications for Government Approvals being made by the Company; and
- 149.2 In the event any Governmental Authority takes a view or draws an inference that any of the Investors or their Affiliates, officials, employees, nominee directors, observers, managers, representatives or agents, is a 'compliance officer', 'sponsor', 'occupier' or 'officer in charge' or 'officer who is in default', then the Parties shall co-operate with each other to make such representations and make full disclosures to Governmental Authority to rectify such inference or view under Applicable Law.

### **Qualification Shares:**

150. The Directors shall not be required to hold any qualification Shares.

### **Reimbursement of Expenses:**

151. The Company shall reimburse all costs of attendance of Directors (including Investor Nominee Directors) and Investor Observers at Board Meeting(s) and meeting(s) of committees and sub-committee of the Board (including all costs of airfare (provided that such airfare costs are limited to domestic flights (economy class) within India or international flights (economy class) in case of Evolve Observer, and hotel accommodation (provided such hotel accommodation is at a 5-Star hotel in the vicinity of the registered office and local transportation as required) shall be borne by the Company.

### **Directors' Access:**

152. All Directors (including Investor Nominee Directors) and Investor Observers, and each of their authorised representatives will be entitled to examine the books, accounts and records of the Company and will have access, at all reasonable times and with reasonable and prior written notice, to the assets and properties of the Company. The Directors and Investor Observers will have the right to request any information pertaining to the Business and the Company will use best efforts to provide such information no later than 3 (Three) Business Days but in any event no later than 10 (Ten) days from the date of receipt of a written request.

is appointed), 1 (One) Baring Nominee Director (if appointed), 1 (One) Investor-5 Nominee Director (if appointed) and 1 (One) Evolvence Observer (if appointed in terms hereof). The quorum shall be present at the commencement, and throughout the duration, of the Board Meeting. If such quorum is not present within 1 (One) hour from the time appointed for the Board Meeting (the "**Non-Quorate Board Meeting**") then, if such:

155.1 Non-Quorate Board Meeting was convened in accordance with the provisions of Article 154 above and if the Board Meeting Agenda for such Non-Quorate Board Meeting does not contain any Affirmative Vote Matters or Key Matters, then subject to the Special Quorum Requirements under Article 155, the Directors present at such Non-Quorate Board Meeting shall be deemed to constitute a valid quorum and the Board may proceed to discuss and decide on the matters included in the Board Meeting Agenda. Any decisions so taken in the Non-Quorate Board Meeting shall be binding on the Board and the Company; and

155.2 Non-Quorate Board Meeting is not convened in accordance with Article 154 above or if the Board Meeting Agenda for such Non-Quorate Meeting includes an Affirmative Vote Matter or Key Matter, then unless the Special Quorum Requirements are met, the said Board Meeting shall be adjourned and re-convened (the "**Adjourned Board Meeting**") at the same time and place, 7 (Seven) days later, or at such later time and place which may be agreed to by a majority of Directors. At such an Adjourned Board Meeting, subject to Applicable Law, the Directors present at such Adjourned Board Meeting shall be deemed to constitute a valid quorum, provided however, that in the event the Board Meeting Agenda for such Adjourned Board Meeting includes an Investor Affirmative Vote Matter and the Special Quorum Requirements under Article 155 are not met, then such Adjourned Board Meeting shall be cancelled and convened with the same Board Meeting Agenda as the Adjourned Board Meeting (the "**Second Board Meeting**") at the same time and place, 7 (Seven) days later, or at such later time and place details whereof may be agreed to by majority of the Directors. In the event the Special Quorum Requirements under Article 155 are not met for the Second Board Meeting, then the Company shall issue a notice in writing to the Investors setting out the details of such Affirmative Vote Matter which was included in the Board Meeting Agenda of such Second Board Meeting ("**Board AVM Notice**") and requesting the Qualifying Investors to provide either their consent or dissent to such Affirmative Vote Matter within a period of 15 (Fifteen) Business Days from the date of delivery of such notice (in accordance with Article 204) to the Qualifying Investors ("**Board AVM Notice Period**"). Except where any Qualifying Investor provides its dissent to such Affirmative Vote Matter within the Board AVM Notice Period, a Board Meeting may be re-convened (the "**Third Board Meeting**") upon the expiry of the Board AVM Notice Period or upon receipt by the Company of consent from each of the Qualifying Investors, whichever is earlier, at a time and place details whereof may be agreed to by majority of the Directors. At such Third Board Meeting, subject to Applicable Law, the Directors present at such Third Board Meeting shall be deemed to constitute valid quorum solely for the purpose of discussing and voting on the Affirmative Vote Matter that was identified in the Board AVM Notice. It is agreed that: (i) the failure of an Investor to respond to the Board AVM Notice within the Board AVM Notice Period shall not constitute a dissent by the Investor to the Affirmative Vote Matter; and (ii) any Investor Nominee Director present at such Third Board Meeting shall have the right to vote against an Affirmative Vote Matter irrespective of the Investor nominating the Investor Nominee Director not having responded to the Board AVM Notice; and (iii) unless an Investor Nominee Director votes against an Affirmative Vote Matter at such Third Board Meeting,

such Affirmative Vote Matter may be transacted at such Third Board Meeting even if Investors' Consent have not been accorded for such Affirmative Vote Matter.

- 155.3 It is hereby clarified that the Special Quorum Requirements under Article 155 (subject to the limitations specified therein) shall apply to each Board Meeting (whether or not such a Board Meeting is convened in accordance with Article 154 above including where no Affirmative Vote Matter or Key Matter is being taken up for discussions and the requirement will equally apply to an Adjourned Board Meeting).

#### **Minutes:**

156. The company secretary of the Company will be responsible for maintaining minutes of each meeting of the Board (including, Adjourned Board Meeting) in the books and records of the Company. A copy of the minutes of each Board Meeting will be finalized within the timelines stipulated under Applicable Law and will be delivered to all Directors within 2 (Two) Business Days from the date of finalization of the minutes of the Board Meeting.

#### **Voting:**

157. At any Board Meeting, each Director may exercise 1 (One) vote. Subject to the provisions of Articles 165 to 170, and the quorum requirements set forth in Article 155 above, the adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting or in the case of a circular resolution signing, by the majority of the Directors to whom the resolution is circulated, provided that, no decision on an Investor Affirmative Vote Matter or Promoter Affirmative Vote Matter may be duly or validly passed without the Investors' Consent received from the Qualifying Investors or Promoter Consent (as applicable) prior to or during the relevant Board Meeting. In addition, it is hereby expressly agreed that the Promoter Nominee Directors will not have any voting rights in respect of any matters being discussed or considered by the Board relating to the compensation of such Promoter Nominee Director or the compensation of the Promoter or his Immediate Relatives, if such Immediate Relative is engaged with the Company as an employee or as an agent / contractor or any other similar commercial relationship.

#### **Committees of the Board:**

158. The Board may create or constitute such other committees as it deems fit from time to time to assist it with the Business (including, where required, for the purpose of compliance with any Applicable Laws), subject at all times, to compliance with the provisions of the Articles 135 to 164 and the rights of the Qualifying Investors and Promoter in respect of their respective Affirmative Vote Matters and Key Matters. Each Investor Observer, and each Investor Nominee Director that is not a member of any Board committee shall have the right to be invited to and attend each meeting of such Board committee (other than the Executive Committee) and shall have the right to receive materials for discussion at Board committee meetings. Each Investor Nominee Director shall have the right to be appointed on all committees of the Board (other than the Executive Committee) including the audit committee and the nomination and remuneration committee, provided that in respect of each committee that is required by Applicable Law to comprise of a majority of independent directors, where a Baring Nominee Director is already appointed as a member, and where the Board comprises of more than 2 (two) Independent Directors, the Investor-1 Nominee Director (if so appointed by Investor-1) and the Investor-5 Nominee Director shall be appointed on such committee on and from the same date that the Board comprises of more than 2 (two) Independent Directors. It is clarified that where the Board comprises of more than 2 (two) Independent Directors, and the Investor -1 has not appointed the

Investor-1 Nominee Director, Investor-5 shall have the right to appoint the Investor-5 Nominee Director forthwith (and on the same date as appointment of such additional Independent Directors) on all such committees of the Board which require majority of Independent Directors to be appointed on account of Applicable Law. The provisions of Articles 152 to 160 and Articles 165 to 169 of these Articles relating to Board Meetings of the Company shall be applicable *mutatis mutandis* to the meeting of such committee(s) (other than the Executive Committee) of the Board (including provisions relating to Investor Observers). Without prejudice to the foregoing, the Investors shall be provided with copies of unabridged reports and minutes of meetings of the said Board committees within 5 (Five) days from the conclusion of the Board Meetings. Additionally, within 5 (Five) Business Days from submission of an internal and statutory, tax and other audit reports before the audit committee of the Board, the Investors, Investor Nominee Directors and Investor Observers shall be provided with a copy of the said audit reports. Notwithstanding the foregoing, no decision taken by any committee (other than the Executive Committee) that does not have full representation of the Investor Nominee Directors and Investor Nominees as required hereunder shall be implemented unless the same is deliberated upon, and voted upon by the Board (in the case of Key Matters) or the Board or Shareholders (in the case of Investor Affirmative Vote Matters) in the manner provided for in these Articles.

#### **Video Participation:**

159. The Directors may participate and vote in the Board Meetings via video conferencing or any other means of contemporaneous communication, in the manner permitted under Applicable Law and by the Ministry of Corporate Affairs, Government of India from time to time. Notwithstanding the aforesaid, it is clarified that in relation to any Investor Affirmative Vote Matters, Investors' Consent shall be required before the Board may transact or take any decision in relation to the Investor Affirmative Vote Matters over a video conference and in relation to any Promoter Affirmative Vote Matters, Promoter Consent shall be required before the Board may transact or take any decision in relation to the Promoter Affirmative Vote Matters over a video conference.

#### **Resolution by Circulation:**

160. Subject to the applicable provisions of the Act, a written resolution circulated to all the Directors or members of committees of the Board whether in India or overseas and confirmed in writing by a majority of such Directors who are entitled to vote on the resolution, shall be as valid and effective as a resolution duly passed at a meeting of the Board or committee of the Board called and held in accordance with these Articles and the Charter Documents; provided however that such resolution has been circulated in draft form (together with agenda, an explanatory statement setting out in reasonable details the rationale for proposing the resolution, information and appropriate documents required to reach a decision), to all the Directors and the Investor Observers. If the resolution proposed to be passed by circulation pertains to an Affirmative Vote Matter, such circular resolution shall be valid and effective only if it has received the necessary Investors' Consent or Promoter Consent, as applicable. No decision in respect of a Key Matter may be passed by circulation.

### **GENERAL MEETINGS**

#### **Shareholders' Meetings:**

161. The Annual General Meeting shall be held in each Calendar Year within 6 (Six) months following the end of the previous Financial Year of the Company.

## Shareholders Meeting Notice:

162. A minimum of 21 (Twenty-One) days' prior written notice of any Shareholders' Meeting shall be provided to all Shareholders unless each of the Qualifying Investors and the Promoter have given written approval for such Shareholders' Meeting to be called at shorter notice ("**Scheduled Shareholders' Meeting**"). The notice of the Scheduled Shareholders' Meeting shall be in writing and shall be accompanied by a written agenda, setting out in reasonable detail, the business / matters to be discussed at such Scheduled Shareholders' Meeting and shall conform to the requirements of the Act ("**Shareholders' Meeting Agenda**") together with copies of all papers relevant for such meeting (the Shareholders' Meeting Agenda and the copies of all papers relevant for such Shareholders Meeting collectively being referred to as the "**Shareholders' Meeting Notice**"). Additionally, the Company shall ensure that sufficient information is included with such Shareholders' Meeting Notice to the Shareholders to enable each of the Shareholders to make a decision on the issue in question at such Shareholders' Meeting. No Affirmative Vote Matter or Key Matter shall be taken up for discussion at the Shareholders' Meeting, unless the same is part of the Shareholders' Meeting Agenda. The Company, Promoter and Investors further agree that: (i) a Key Matter may be discussed at a Shareholders' Meeting but shall not be put to a vote unless the same was discussed at a Board Meeting held in advance of the Shareholders' Meeting; and (ii) an Affirmative Vote Matter may be discussed at a Shareholders' Meeting but shall not be put to a vote unless the same was approved by way of an Investors' Consent and the Promoter Consent (as applicable). .

## Quorum:

163. Subject to any additional requirements under the Act, in order to constitute quorum at any Shareholders' Meeting, at least Shareholders holding more than 50% (Fifty Per Cent) of the Equity Share Capital shall be present at such Shareholders Meeting. Additionally, the quorum for Shareholders' Meetings shall also comply with the following requirements ("**Shareholders' Meeting Quorum Requirement**"):
- (1) The quorum shall at all times include the Promoter, provided, however, if the Promoter resigns as the Managing Director of the Company, then the Promoter shall not mandatorily be required for constituting quorum at a Shareholders' Meeting. If a Shareholders' Meeting is adjourned due to absence of the Promoter, then no such quorum rights shall be available to the Promoter at the Adjourned Shareholders' Meeting; and
  - (2) where an Investor Affirmative Vote Matter or a Key Matter is being included in a Shareholders' Meeting Agenda, the quorum of the Shareholders' Meeting to which the Shareholders' Meeting Agenda relates shall also need to comprise of each of the Qualifying Investors' nominee. If such quorum is not present within 1 (One) hour from the time appointed for the Shareholders' Meeting (the "**Non-Quorate Shareholders' Meeting**") then, if such:
    - 163.1 Non-Quorate Shareholders' Meeting was convened in accordance with the provisions of Article 163 above and if the Shareholders' Meeting Agenda for such Non-Quorate Shareholders' Meeting does not contain any Affirmative Vote Matters, then subject to the Shareholders' Meeting Quorum Requirement, the Shareholders present at such Non-Quorate Shareholders' Meeting shall be deemed to constitute a valid quorum and the Shareholders may proceed to discuss and decide on the matters included in the Shareholders' Meeting Agenda. Any decisions so taken in the Non-Quorate Shareholders' Meeting shall be binding on the Company; and
    - 163.2 Non-Quorate Shareholders' Meeting is not convened in accordance with Article 163 above or if the Shareholders' Meeting Agenda for such Non-Quorate Shareholders' Meeting includes an Affirmative Vote Matter, then unless the Shareholders' Meeting Quorum Requirements are met, the said Shareholders'

Meeting shall be adjourned and re-convened (the “**Adjourned Shareholders’ Meeting**”) at the same time and place, 7 (Seven) days later, or at such later time and place which may be agreed to by a majority of Shareholders. At such an Adjourned Shareholders’ Meeting, subject to Applicable Law, the Shareholders present at such Adjourned Shareholders’ Meeting shall be deemed to constitute a valid quorum, provided, however, that in the event the Shareholders’ Meeting Agenda for such Adjourned Shareholders’ Meeting includes an Investor Affirmative Vote Matter and the Shareholders’ Meeting Quorum Requirements under Article 163.2 are not met, then such Adjourned Shareholders’ Meeting shall be adjourned and re-convened (the “**Second Adjourned Shareholders’ Meeting**”) at the same time and place, 7 (Seven) days later, or at such later time and place details whereof may be agreed to by a majority of the Shareholders. In the event the Shareholders’ Meeting Quorum Requirements under Article 163 are not met for such Second Adjourned Shareholders’ Meeting, then the Company shall issue a notice in writing to the Investors setting out the details of such Investor Affirmative Vote Matter which was included in the Shareholders’ Meeting Agenda of such Second Adjourned Shareholders’ Meeting (“**Shareholder AVM Notice**”) requesting the Investors to provide either their consent or dissent to such Affirmative Vote Matter within a period of 15 (Fifteen) Business Days from the date of delivery (in accordance with Article 204) of such notice to the Investors (“**Shareholder AVM Notice Period**”). Except where a Qualifying Investor provides its dissent in respect of such Affirmative Vote Matter within the Shareholder AVM Notice Period, a Shareholders’ Meeting may be re-convened (the “**Third Adjourned Shareholders’ Meeting**”) upon expiry of the Shareholder AVM Notice Period or upon receipt by the Company of consent from each of the Qualifying Investors, whichever is earlier, at a time and place details whereof may be agreed to by majority of the Shareholders. At such Third Adjourned Shareholders’ Meeting, subject to Applicable Law, the Shareholders present at such Third Adjourned Shareholders’ Meeting shall be deemed to constitute a valid quorum solely for the purpose of discussing and voting on the Affirmative Vote Matter that was identified in the Shareholder AVM Notice. It is agreed that: (a) the failure of an Investor to respond to the Shareholder AVM Notice within the Shareholder AVM Notice Period shall not constitute a dissent by the Investor to the Affirmative Vote Matter; (b) any representative(s) of the Investors present at such Third Adjourned Shareholders’ Meeting shall have the right to vote against an Affirmative Vote Matter irrespective of such Investor not having responded to the Shareholder AVM Notice; and (c) unless a Qualifying Investor votes against an Affirmative Vote Matter at such Third Adjourned Shareholders’ Meeting, such Affirmative Vote Matter may be transacted at such Third Adjourned Shareholders’ Meeting even if Investors’ Consent has not been accorded for such Affirmative Vote Matter.

It is hereby clarified that the Shareholders’ Meeting Quorum Requirements under this Article 163 (subject to the limitations specified therein) shall apply to each Shareholders’ Meeting (whether or not such a Shareholders’ Meeting is convened in accordance with Article 163.1 above including where no Affirmative Vote Matter is being taken up for discussions and the requirement will equally apply to an Adjourned Shareholders’ Meeting).

#### **REQUIRED ACTIONS AND AUTHORITY**

164. Subject to Article 165 to 169 herein below and subject to any additional requirements under the Act, the Articles or these Articles (including, for avoidance of doubt, in respect of any Affirmative Vote Matters):



- 164.1 at a duly convened Board Meeting of the Company in accordance with Article 154 above, all decisions shall be taken by a simple majority (the affirmative vote of greater than 50% (Fifty Per Cent) of the Directors present and voting at a Board Meeting duly called and for which requisite quorum is present as required under these Articles and the Act, as the case may be); and
- 164.2 at a duly convened Shareholders' Meeting, all decisions shall be deemed to be passed if the same has received the affirmative vote of the majority of Shareholders present and voting through poll (subject to Article 199), and not show of hands, in the manner as required under the Act, and for which requisite quorum is present as required under these Articles.

#### **AFFIRMATIVE VOTE MATTERS**

165. Subject to Articles 155 and 163 neither the Company nor any of its Shareholders or Directors or any respective delegates shall take any action or decision in relation to any of the matters set out in of Annexure II Part A ("Investor Affirmative Vote Matters") without receipt of the Investors' Consent in respect to Affirmative Vote Matters. Neither the Company nor any of its Shareholders or Directors or any respective delegates shall take any action or decision in relation to any of the matters set out in of Annexure II Part C ("Promoter Affirmative Vote Matters") without the Promoters' Consent in respect to Promoter Affirmative Vote Matters. For the purposes of these Articles, the term "Affirmative Vote Matters" means the Promoter Affirmative Vote Matters and/or the Investor Affirmative Vote Matters, as applicable. Subject to the above and additional requirements specified under the Act, no decisions or actions shall be undertaken by the Company in relation to the Affirmative Vote Matters unless the same has been approved by the Board in compliance with the provisions of these Articles.

#### **Affirmative Vote Matters of the Company:**

166. Except as specifically provided for in Article 197.1 in connection with Investor-1, the Company, its Shareholders, Directors, officers, committees, committee members, employees, agents or any of their respective delegates shall not directly or indirectly, take any action or decision in respect of any of the Investor Affirmative Vote Matters without receipt of Investors' Consent (subject to Articles 155 and 163) and Promoter Affirmative Vote Matters without receipt of Promoter Consent. . In furtherance to the above, the Company, Promoter and the Investors hereby agree that:
- 166.1 in the case of a Board Meeting or a meeting of a committee or sub-committee of the Board: (1) the Affirmative Vote Matters proposed to be discussed at any Board Meeting must be included in the Board Meeting Agenda and Board Meeting Notice circulated in connection with the said Board Meeting in accordance with Article 154 above; and (2) the Board may only approve an Investor Affirmative Vote Matter if the same has been approved by way of Investors' Consent and the relevant Promoter Affirmative Vote Matter if the same has been approved by way of Promoter Consent;
- 166.2 in case of a circular resolution of the Board, the Board shall only approve the relevant Investor Affirmative Vote Matter upon receipt of Investors' Consent and a Promoter Affirmative Vote Matter upon receipt of Promoter Consent; and
- 166.3 at a Shareholders Meeting, no Affirmative Vote Matter shall be approved without receipt of Investors' Consent or Promoter Consent (as applicable) including where such Investor' Consent or Promoter Consent is received pursuant to Article 166.1 and 166.2 above. It is hereby clarified that if Investors' Consent and Promoter

Consent (as applicable) have been obtained prior to a Board Meeting in relation to a particular Affirmative Vote Matter, then Investors' Consent or the Promoter Consent (as applicable) shall not be required prior to taking up of the said Affirmative Vote Matter at a Shareholders' Meeting.

167. Any Investors' Consent or Promoter Consent in relation to any of their respective Affirmative Vote Matters in the manner as set out in these Articles will apply only in relation to the facts and materials disclosed in the context in which such Investors' Consent or Promoter Consent, as applicable, for the relevant Affirmative Vote Matter is being sought. Each of the Shareholders agree to exercise their rights as the Shareholders in a manner such that the Company complies, at all times, with the provision of Articles 165 to 168.
168. If the Promoter and the Investors have provided Promoter Consent or the Investors' Consent (as applicable) in relation to an Affirmative Vote Matter prior to the Board Meeting or a Shareholders' Meeting in accordance with these Articles, then the Promoter and such Investors shall not prevent, in any manner, (a) their respective Nominee Directors, at a Board meeting; and (b) their representatives, at a Shareholders' Meeting, from voting in favour of such Affirmative Vote Matter. If Promoter Consent or the Investors' Consent is provided by a Nominee Director of the Promoter or an Investor in a Board Meeting, then the Promoter and such Investor (as applicable) shall not prevent in any manner, their representatives, at a Shareholders' Meeting, from voting in favour of such Affirmative Vote Matter.
169. The rights of the Qualifying Investors in relation to the Affirmative Vote Matters under these Articles (including under the Articles 165 to 168) shall terminate in accordance with Article 195 below. Notwithstanding the foregoing, each Investor shall continue to have rights under Articles 165 to 168 (including associated rights under these Articles) so long as such Investor holds (or in case of (i) a Baring Investor, the Baring Investors collectively hold and (ii) an Evolvence Investor, the Evolvence Investor collectively hold) at least 7.5% (Seven and a Half Per Cent) of the Fully Diluted Share Capital, provided that, if (i) either the Baring Investors or Evolvence Investors or (ii) both the Baring Investors and the Evolvence Investors severally hold at least 7.5% (Seven and Half Per Cent) of the Fully Diluted Share Capital but collectively hold 7.5% (Seven and a Half Per Cent) or more of the Fully Diluted Share Capital, then the Baring Investors and Evolvence Investors as a bloc but not severally shall be entitled to exercise Affirmative Vote Matters (and associated rights) under these Articles. The foregoing proviso shall not apply if either the Baring Investors or the Evolvence Investors have assigned their respective Investor Affirmative Vote Matter to any Incoming Investor or any new investor (excluding Affiliates of Investors) in the Company in accordance with Article 182.3 or pursuant to Articles 182.5 and 182.6.
170. Notwithstanding anything to the contrary, in relation to all matters pertaining to Affirmative Vote Matters set out in paragraphs 2, 4, 5, 11 and 13 of Part A of Annexure 2, all references under Article 135 to 164 to "*Qualifying Investors*" shall be deemed to include Investor-1 and the term "*Investors' Consent*" therein shall be construed accordingly.

#### COVENANTS OF THE COMPANY

171. The Company hereby undertakes and covenants to the Investors as follows:
- 171.1 Business Plan: Each business plan of the Company ("**Business Plan**") will be the annual operating plan for the Company and will be finalized by the Key Management Team in advance of a Financial Year. Each Business Plan shall contain *inter alia* the operating performance budget, capital expenditure, operating

expenditure and borrowing details, besides other key performance indicators. At least 30 (Thirty) days prior to the commencement of each subsequent Financial Year, the Business Plan shall be submitted by the Key Management Team to the Board for its review. The Board shall meet not less than 30 (Thirty) Business Days prior to the commencement of the relevant Financial Year to consider and adopt such revised Business Plan..

171.2 Management Time:

- (i) The Promoter and the Key Management Team are in charge of the management and operations of the Company. The Promoter, unless otherwise agreed to by the Qualifying Investors and the Promoter, will continue to be in-charge and responsible for the day-to-day management of the Company.
- (ii) Unless the Promoter and the Qualifying Investors mutually decide otherwise in writing, the Promoter shall be the Managing Director of the Company in accordance with the provisions of the MD Agreement. If on account of Applicable Law, the term for which the Promoter can be appointed as the Managing Director is required to be shorter than as set out under the MD Agreement (due to restrictions on tenure on a managing director under Applicable Law), then the Company, Promoter and Investors shall mutually agree on the manner in which such MD Agreement shall be modified (including incorporate relevant renewal provisions as applicable under Applicable Law) in order to give effect to the understanding of the Company, Promoter and Investors under this Article 171.2(ii) hereto. So long as the Promoter holds at least 5% (Five Per Cent) of the Fully Diluted Share Capital, the Promoter will devote all or substantially all of his business time and attention to the Business, and shall not participate in any business other than that of the Company and its Subsidiaries.

171.3 Books and Records: The Company shall keep proper, complete and accurate books of account in Rupees (INR) in accordance with Indian accounting standards / Indian GAAP.

171.4 Related Party Transactions: The Company, Promoter and Investors hereby agree that any and all agreements, contracts, or similar arrangements (including lending or investment transactions, infrastructure sharing agreements, referral and commission arrangements, etc.) existing as on date or proposed to be entered into between the Company and the Related Parties, shall: (a) be conducted on an arm's length basis; (b) comply with Applicable Law; (c) not be unlawful or illegal; and (d) be carried out subject to receipt of necessary corporate authorizations from the Board, audit committee of the Board, the Shareholders and Investors' Consent ("Related Party Principles"). All Related Party shall be entered into in compliance with the Related Party Principles and subject to obtainment of Investors' Consent under Annexure II Part A.

171.5 The Company shall, as soon as reasonably practicable, upload the KYC data to the Central KYC Registry pursuant to the provisions of Prevention of Money Laundering (Maintenance of Records) Rules, 2005, and shall provide timely, frequent and periodic updates regarding the compliance with this covenant to the Investors in writing.

171.6 The Company shall, within 3 (Three) months from the Closing Date, upload the Central Registry of Securitization Asset Reconstruction and Security Interest of India under the provisions of the SARFAESI Act, 2002, , and shall provide evidence confirming the compliance of this covenant to the Investors.

- 171.7 The Company shall, within the timeline stipulated under the Payment of Bonus Rules, 1975, file the annual return as required under the Payment of Bonus Rules, 1975 for the financial year 2018-19 and provide a confirmation in writing to the Investors within 1 (One) month of such filing.
- 171.8 The Company shall, within 1 (One) month from the Closing Date, implement a policy to ensure that notice requirements under the Payment of Gratuity Act, 1972 in respect of opening and closure of branch offices are complied with on a going forward basis, and shall provide evidence confirming the compliance of this covenant to the Investors.
- 171.9 The Company shall, within 3 (Three) months from the Closing Date, set up an internal complaints committee at each office/ branch employing 10 or more employees under the SH Act and file the annual reports with the relevant district offices in accordance with the SH Act, and shall provide evidence confirming the compliance of this covenant to the Investors .
- 171.10 The Company shall, within 3 (Three) months from the Closing Date, procure the pending licenses for its branches under the relevant shops and establishments act, and shall provide evidence confirming the compliance of this covenant to the Investors.
- 171.11 On and from the Closing Date and until the completion of the conditions/covenants set out in Articles 171.5 to 171.10 above in a manner satisfactory to the Investors, the Board Meeting Agenda shall include the status of compliance with each of the conditions set out in Articles 171.5 to 171.10 above (including supporting documents, necessary background and all other related correspondence/information).
- 171.12 On and from the Closing Date, the Board shall be appraised of any material communication made or received by the Company to or from the RBI, as the case may be details and the Board Meeting Agenda shall include the status in relation to such communication. For the purpose of this Clause, 'material communication' shall mean any communication received by a Company outside the Ordinary Course of Business or which is likely to have an adverse financial impact on the Business and (ii) any communication made or received by the Company to or from the RBI in relation to RBI's annual inspection.

#### INFORMATION RIGHTS

172. With relation to the Company, the Investors shall be entitled to receive through the Company and/or the Promoter:
- 172.1 monthly management reports (or MIS) in Agreed Form within 15 (Fifteen) Days from the end of each month for the said month;
- 172.2 within 20 (Twenty) Business Days after the end of each Financial Quarter, un-audited Financial Statements for the Company (including profit & loss, balance sheet, cash flow statement, management reports and all other related documents, if any, which form part of the documents submitted to the Board) for such Financial Quarter and for the period from the beginning of the prevailing Financial Year to the end of such Financial Quarter, and a balance sheet as of the end of such Financial Quarter;

- 172.3 within 75 (Seventy-Five) days after the end of each Financial Year, audited Financial Statements for the Company (including income and cash flows, management reports, Shareholders' equity of the Company and all other related documents, if any, which form part of the documents submitted to the Board) for such year and a balance sheet as of the end of such Financial Year;
- 172.4 details of any events, occurrences or circumstances which may have a material impact on the Company or the Business, promptly upon the knowledge of any member of the Key Management Team of such event, fact or circumstance, and no later than a period of 2 (Two) Business Days of such Key Management Team becoming aware of such event, occurrence or circumstance;
- 172.5 any information in relation to the resignation of any Director (other than an Investor Nominee Director) or member of the Key Management Team, within 2 (two) Business Days of receipt of such resignation by the Board;
- 172.6 within 15 (Fifteen) Business Days of receipt, a copy of material filings, correspondence, submissions and documentation submitted by or on behalf of the Company with any Governmental Authority (including the RBI). For the purpose of this Article 172 'material filings' shall mean all filings made with RBI in terms of the RBI Master Directions;
- 172.7 copies of all RBI audit reports and comments covering the Business and credit rating reports received from Credit Information Companies within 15 (Fifteen) Business Days of their receipt by the Company;
- 172.8 within 5 (Five) Business Days of receipt, a copy of any material communication made or received by the Company to or from any Governmental Authority, as the case may be. For the purpose of this Article 172 'material communication' shall mean any communication received by a Company outside the Ordinary Course of Business or which is likely to have an adverse financial impact on the Business;
- 172.9 within 5 (Five) Business Days of receipt, a copy of any notice alleging breach of any Applicable Law or any litigation or proceeding against the Company, where the amount involved is equal to or higher than INR 2,000,000 (Rupees Two Million) or involving criminal prosecution of the Directors;
- 172.10 all minutes of the Board or a committee of the Board and Shareholder Meetings within 5 (Five) Business Days after finalisation of the minutes of the Board Meeting or Board committee meeting or Shareholders' Meeting (provided that no minutes of a meeting of the Board or its committees or Shareholders' Meeting shall be finalized unless the draft of such minutes has been approved by the Directors that have attended such a meeting);
- 172.11 any other information as may be reasonably requested by the Investors, as soon as practicable upon receipt of a written request by the Company from the Investors for such information, but in no event no later than 10 (Ten) days of each such request; and
- 172.12 Business Plan of the Company, 30 (thirty) days prior to the commencement of the relevant financial year in relation to which such Business Plan is being adopted.

(collectively, "Information Rights").

173. The Investors shall be entitled (through themselves and also through their respective appointed advisors), to visit and inspect the Company during normal business hours, and seek access to books and accounting records of the Company and make extracts and copies there from at its own expense, to have full access to the key management, property and assets of the Company, and to discuss their business and finances with the Directors of the Company / Key Management Team (collectively, **"Inspection Rights"**). In relation to the Inspection Rights, each Investor that seeks to exercise its Inspection Rights hereby agrees as follow:

173.1 at least 3 (Three) Business Days prior notice of the Inspection shall have to be provided by the Investor to the Company;

173.2 the information shared with the Investors / their advisors and representatives as a part of the Inspection shall be maintained as 'confidential' by the Investors, their representatives and advisors on the same terms and conditions set out in clause 13 of the Shareholders' Agreement (provided that each of the Investors shall be allowed to share such information with the other Investors); and

173.3 such Inspection Rights may be exercised by the Investors at their own cost.

### **PRE-EMPTIVE RIGHTS**

174. **Pre-Emption Right:** If the Company proposes to issue any Securities of any type or class (**"New Securities"**) to any Person(s) (**"Proposed Recipient"**) other than in a QIPO or under the ESOP plan or pursuant to issuance or conversion (if applicable) of the Additional Promoter Instruments (such issuance being referred to as the **"Proposed Issuance"**), then the Company shall provide the Eligible Shareholders the first right to subscribe to all or part of the New Securities on a pro-rata basis in the Proposed Issuance on the same terms and conditions as proposed to be offered to the Proposed Recipient in the manner set out below:

174.1 **Notice:** The Board shall provide a written notice (**"Issuance Notice"**) to the Eligible Shareholders not less than 45 (Forty-Five) days prior to the Proposed Issuance, setting out: (i) the aggregate number of New Securities proposed to be issued and the terms and conditions of such New Securities (including, but not limited to, any conversion rights, conversion terms etc.); (ii) the price per Equity Share (which in case of convertible Securities shall be determined on an as if converted basis); (iii) the expected date of closing of the Proposed Issuance; (iv) and each of the Eligible Shareholders' pro-rata share of the amount proposed to be raised in such Proposed Issuance (where such pro-rata share will be determined on the basis of the inter se shareholding of the Eligible Shareholders in the Company); and (v) any term sheets and other documentation in respect of the Proposed Issuance, if already entered into between the Company and the Proposed Recipient.

174.2 **Exercise of Rights:** Within 15 (Fifteen) Business Days from the receipt of the Issuance Notice (**"Issuance Response Period"**), each of the Eligible Shareholders shall be entitled to give a written notice to the Company (**"PER Acceptance Notice"**), specifying the number of New Securities it intends to subscribe to (**"Accepted New Securities"**), provided that such number of Accepted New Securities shall not exceed such Eligible Shareholders' pro-rata share of the New Securities, and communicate an intention (if any) to subscribe to any additional New Securities proposed to be issued in the Proposed Issuance.

174.3 Un-Accepted New Securities: If any of the Eligible Shareholders (i) do not deliver a PER Acceptance Notice within the Issuance Response Period, or (ii) decline to subscribe to any New Securities, or (iii) deliver a PER Acceptance Notice for a part of its pro-rata share of the New Securities, (such Shareholder being, a "Non-Subscribing Party") then the Company shall offer the remaining New Securities (the "Un-Subscribed New Securities") to one or more Eligible Shareholders which have exercised their respective right to subscribe to all of their pro-rata share of the Proposed Issuance ("Subscribing Party") under the Articles 174 to 175, within 3 (Three) days from the expiry of the Issuance Response Period. The Subscribing Party shall communicate its decision to subscribe to Un-Subscribed New Securities by no later than 7 (Seven) days from the receipt of an offer from the Board to subscribe to such Un-Subscribed New Securities on the same terms and conditions as stated in the Issuance Notice ("Second Issuance Response Period"). The Subscribing Party will have to confirm its decisions to purchase the Un-Subscribed New Securities by issuing an addendum to the original PER Acceptance Notice, whereby adding the Un-Subscribed New Securities to the originally stated Accepted New Securities. If a Subscribing Party elects to subscribe to the Un-Subscribed New Securities or any part thereof, then the same shall constitute Accepted New Securities for the purposes of the Articles 174 to 175. If more than one Subscribing Parties communicate their intention to acquire all or part of the Un-Subscribed New Securities then, such Un-Subscribed New Securities shall be allotted to the Subscribing Parties to the extent of their pro-rata share of such Un-Subscribed New Securities (where such pro-rata share is calculated on the basis of the inter-se shareholding ratio between the Subscribing Parties). Notwithstanding anything stated under this Article 174.3, it is hereby clarified that, if pursuant to any exercise of rights by any Investor under this Article 174.3, such Investor's shareholding percentage (along with its Affiliates) in the Equity Share Capital will exceed 24.99% (Twenty Four Decimal Point Ninety Nine Per Cent), then such Investor will only be permitted to acquire any New Securities which exceed 24.99% (Twenty Four Decimal Point Ninety Nine Per Cent) after obtaining specific Promoter Consent. If no such consent is communicated by the Promoter at least 5 (Five) Business Days prior to the proposed date of issuance of the New Securities, the New Securities which were to be issued to such Investor which will result in its shareholding exceeding 24.99% (Twenty Four Decimal Point Ninety Nine Per Cent) shall be treated as Un-Subscribed New Securities, and such Investor will not be entitled to subscribe to them.

174.4 Issuance: If any Eligible Shareholder delivers a PER Acceptance Notice (including under Article 174.3), then such Investor or Promoter shall be obligated to subscribe to, and the Company will be obligated to issue to such Investor or Promoter, the Accepted New Securities simultaneously with the Proposed Recipient's subscription to the New Securities, as reduced by the number of Accepted New Securities of all Investors and Promoter that have delivered a PER Acceptance Notice (including, in this respect under Article 174.3). The Company shall complete the Proposed Issuance to the Proposed Recipient and to the Eligible Shareholders that have delivered a PER Acceptance Notice (under Article 174.2 and Article 174.3 whichever is later) within 90 (Ninety) days from the expiry of the Issuance Response Period or Second Issuance Response Period, as the case may be, provided that, where the subscription by the Eligible Shareholders or the Proposed Recipient requires any prior Governmental Approvals, the time period for all subscription by such relevant Person under this Article 174 will be extended until the expiry of 7 (Seven) Business Days from the date of receipt of the last of such Governmental Approvals.

- 174.5 Revival: If the Proposed Recipient fails to complete its subscription to the relevant number of New Securities (i.e. as reduced by the Accepted New Securities of the relevant Eligible Shareholders, if any) for any reason within the time period stated in Article 174.4 above, then the rights of the Investors in respect of a Proposed Issuance will be revived, and the Company will be required to once again comply with the provisions of Article 174 prior to issuing any Un-Subscribed New Securities to a Proposed Recipient.
- 174.6 If none of the Eligible Shareholders deliver a PER Acceptance Notice within the Issuance Response Period, then the Company may issue all of the New Securities to the Proposed Recipient, provided that the terms and conditions (including the price per New Security) on which the New Securities are issued are no more favourable to the Proposed Recipient than those offered to the Eligible Shareholders in the Issuance Notice.
- 174.7 Any change to the terms and conditions of issuance of the New Securities to the Proposed Recipient or Subscribing Party (as compared to terms and conditions specified in the Issuance Notice) shall require the Company to deliver a fresh Issuance Notice, and the requirements of this Article 174 would have to be followed once again.
- 174.8 The Company shall not issue any Securities directly or indirectly without ensuring full compliance with the provisions of this Article 174. It is clarified that, nothing contained in this Article 174 shall apply to any issuance of Securities in a QIPO, under the ESOP Plan or pursuant to issuance or conversion (if applicable) of the Additional Promoter Instruments.
- 174.9 ESOP Plan: The Company has adopted an ESOP Plan and is proposing to adopt the Amended ESOP Plan (subject to receipt of necessary Board and Shareholders' Approval) which shall form part of the ESOP Plan. The Board shall determine the employees, who shall be eligible to receive stock options under the ESOP Plan (including the Amended ESOP Plan). For the sake of clarity, the Promoter (including his/her Relatives) will not be entitled to receive any Equity Shares under the ESOP Plan or the Amended ESOP Plan or be entitled to receive any sweat equity shares from the Company). Additionally, issuance of any ESOP in excess of the ESOP Plan (including the Amended ESOP Plan) shall require: (a) prior written consent from Investors holding more than 50% (Fifty Per Cent) of the voting rights exercisable by the Investors.
- 174.10 Any issue of Equity Shares to the employees under the ESOP Plan shall be dilutive to the Promoter, Investors and Shareholders in proportion to their fully diluted shareholding percentage in the Company.
- 174.11 All the Shareholders shall at all times exercise their respective rights in the Company in support of the adoption and implementation of the ESOP Plan.
175. **Additional Promoter Instruments:**
- 175.1 The Investors hereby agree and acknowledge that the Promoter, at his sole discretion, has the right to call upon the Company to issue, and to subscribe, to (i) fully paid up or partly paid up warrants or (ii) any other instruments mutually agreed between the Promoter and the Investors ("**Additional Promoter Instruments**") in the following manner:



- (i) <sup>1</sup>at any time prior to the earlier of: (i) date of closing of the First Round Fund Raise ("**First Additional Promoter Instrument Period**") or (ii) March 31, 2021, at an issue price of INR 596.29 (Rupees Five Hundred Ninety Six Rupees and Twenty Nine Paise) per Additional Promoter Instrument which would (upon conversion (if applicable)) entitle the Promoter to receive 744,699 (Seven Hundred and Forty Four Thousand Six Hundred and Ninety Nine) Equity Shares ("**First Additional Promoter Instruments**"); and/ or
- (ii) at any time prior to the earlier of: (i) the expiry of 3 (Three) years from the Closing Date; or (ii) date of closing of the Second Round Fund Raise ("**Second Additional Promoter Instrument Period**"), at an issue price of INR 1078.62 (Rupees One Thousand Seventy Eight and Sixty Two Paise) per Additional Promoter Instrument which shall (upon conversion (if applicable)) entitle the Promoter to receive 272,748 (Two Hundred and Seventy Two Thousand Seven Hundred and Forty Eight) Equity Shares ("**Second Additional Promoter Instruments**").

For the purpose of this Article 175, the term "**First Round Fund Raise**" shall mean the further issuance of Securities/ Equity Shares made by the Company post the Closing Date and the term "**Second Round Fund Raise**" shall mean any issuance of Securities/ Equity Shares made by the Company after the closing of the First Round Fund Raise.

- 175.2 In case the First Additional Promoter Instruments and/ or the Second Additional Promoter Instruments issued to the Promoter under Article 175.1 are exercisable or convertible Securities, then the First Additional Promoter Instruments or the Second Additional Promoter Instruments shall be exercised or converted(as applicable) to Equity Shares before the expiry of the First Additional Promoter Instrument Period or the Second Additional Promoter Instrument Period, respectively.
- 175.3 Each Investor confirms and agrees that, it shall exercise their respective rights as Shareholders (including any applicable rights under these Articles) to enable the Promoter to subscribe to and/ or convert any Additional Promoter Instruments as contemplated in this Article 175. Further, the Company and the Board shall undertake all necessary actions to facilitate the issuance, subscription and/ or conversion of the Additional Promoter Instruments (including, obtaining all required Governmental Approvals) as soon as possible.
- 175.4 The Investors acknowledge that any issuance/ conversion (as applicable) of the Additional Promoter Instruments shall be dilutive to all the Shareholders in proportion to their shareholding percentage in the Company (and no preferential rights of pre-emption or anti-dilution are being provided to any Investors in respect of such issuance/ conversion (as applicable)).
- 175.5 The Company shall not issue any additional warrants or other convertible Securities to the Promoter, other than the Additional Promoter Instruments, without the prior written consent of the Qualifying Investors.
- 175.6 The Company agrees and undertakes that, so long as an Investor holds at least 7.5% (Seven and a Half Five Per Cent) of the Fully Diluted Share Capital, the

<sup>1</sup> Clause 175.1 (i) substituted pursuant to the approval of members at the Extraordinary General Meeting held on August 25, 2020.

Company shall not enter into any arrangements or agreements with any existing or future investor in the Company that have the effect of establishing rights or otherwise benefiting such other investor in a manner more favourable in any material respect to such Investor than the rights and benefits provided to the Investors under these Articles, unless, in any such case, the Investors are also provided with such rights and benefits.

#### ANTI DILUTION

176. Anti-Dilution: Prior to the QIPO, in the event of a Down-round, each AD Investor shall be entitled to a broad based weighted average anti-dilution protection in accordance with the formula set forth under Annexure VI with respect to the Equity Shares held by such AD Investor that were acquired (whether by primary subscription or by a secondary acquisition) at a price higher than the Down-round Price. In such an event, the Company, Promoter and Investors shall forthwith take necessary steps to give effect to the broad based weighted average anti-dilution protection of each AD Investor by the Company undertaking a fresh issuance of additional Securities to the AD Investor at the lowest permissible price under Applicable Law (including by way of a rights issue) or implement an alternate mechanism permissible under Applicable Laws, such that the AD Investor is issued the additional Equity Shares arising from Annexure VI. However, the Company, Promoter and Investors hereby agree and acknowledge that to give effect to any such mechanisms, there shall at no point of time, be a requirement for the Promoter and Promoter Shareholders to Transfer any Securities.
177. Notwithstanding anything to the contrary contained in these Articles, for purposes of Article 176 above, the reference therein to New Securities shall not include any Equity Shares proposed to be issued by and / or actually issued by the Company: (a) under the ESOP Plan approved by the Board; or (b) pursuant to issuance or conversion (if applicable) of the Additional Promoter Instruments All money amounts shall, for the purposes of all of the foregoing calculations, be expressed in INR.
178. The Company shall obtain in a timely manner all applicable Government Approvals and Consents from any Governmental Authorities for giving effect to the provisions of the Articles 176 to 180.
179. Notwithstanding anything to the contrary contained hereunder, each of the AD Investors shall be entitled to nominate any of their respective Affiliates, at their sole discretion, to acquire/hold the Securities to be issued to such AD Investors pursuant to the provisions of the Articles 176 to 180.
180. No issuances of Securities may be undertaken by the Company unless the provisions of the Articles 176 to 180 are given effect to and unless all applicable Government Approvals and Consents from any Governmental Authorities have been obtained for giving effect to this Articles 176 to 180.

#### TRANSFER RESTRICTIONS

181. Any agreement or arrangement to Transfer any Securities other than in the manner set out in these Articles shall be null and void. The Company hereby agrees and confirms that it shall not record any such Transfer or agreement or arrangement to Transfer on its books and shall not recognize or register any equitable or other claim to, or any interest in, such Securities which have been Transferred in any manner other than as permitted under these Articles and all such Transfers shall be deemed to be a breach of these Articles. None of the Investors shall be under any obligation to provide any indemnifications or incur any obligations (including any covenants and representations or warranties in relation to

non-compete and/ or non-solicit) towards any Person (other than in respect of Article 186 and 194 only, representations, warranties and indemnities in relation to authority, capacity, and title) respectively in the event of a Transfer of any of their Securities pursuant to Article 184 (*Tag Along Right*), Article 191 (*Qualified Initial Public Offering*), Article 192(*Third Party Sale*) and Article 194 (*Drag Along Right*). The Promoter shall not be required to provide any representations, warranties or indemnities pertaining to the withholding of Taxes in relation to the Transfer of Securities by any Investor to any Person.

182. Transfer by the Investors:

182.1 Subject to provisions contained in Article 182.2 below and in respect of Investor-1 the restrictions under Article 199, and except as otherwise contemplated in this Article, the Investors shall be permitted to Transfer any or all of its Securities to any Person, including, but not limited to, its Affiliates provided that prior to executing such a Transfer of the Investor Shares, the Investors shall procure that the transferee executes a Deed of Adherence. For the avoidance of doubt, it is hereby clarified that the restrictions set out in this Article 182 and Article 199, shall not be applicable to any Transfers of Securities by the Investors pursuant to a buy-back or any capital reduction being undertaken by the Company in accordance with Applicable Law and the other provisions of these Articles.

182.2 The Investors shall not at any time sell or Transfer any Investor Shares to a Restricted Person or, without the prior written consent of the Promoter, Transfer any Investor Shares to a Prohibited Transferee. However, the restriction on the sale or Transfer of Investor Shares to a Prohibited Transferee shall automatically expire immediately prior to the occurrence of earlier of the following events:

- (i) listing of the Equity Shares of the Company (whether pursuant to a QIPO, IPO or otherwise); and/or
- (ii) a Drag Trigger Event (*as defined hereinafter*).

182.3 Subject to Articles 195 and 196 below, where, an Investor ("**Selling Investor**") sells less than all of the Investor Shares held by it to any Person other than its Affiliate ("**Incoming Investor**"), the Selling Investor shall be entitled to assign the rights of the Selling Investor under these Articles, subject to the following conditions: (a) the Bloc Rights available with the Selling Investor immediately prior to such a sale shall be available and exercised by the Incoming Investor and the Selling Investor as a bloc ("**Investor Bloc**"); (b) the Non-Bloc Rights available with the Selling Investor immediately prior to such a sale shall be available and exercised by the Incoming Investor and the Selling Investor severally; and (c) each of the rights (whether being a Bloc Right or a Non Bloc Rights) shall be exercised by a member of the Investor Bloc, subject to complying with the ownership of shareholding requirements set out under Articles 195 and 196 hereto. Subject to the foregoing, the manner in which the Investor Bloc shall exercise the Bloc Rights shall be stipulated by the Selling Investor in writing and shall be notified to the Promoter and the Company in writing, such that: (i) such rights are exercised solely by the Selling Investor, (ii) such rights are exercised solely by the Incoming Investor, (iii) such rights are exercised jointly by the Selling Investor and Incoming Investor, and (iv) one or more such rights are exercised by the Selling Investor and the remainder of such rights are exercised by the Incoming Investor. Without prejudice to the foregoing, there shall be no restrictions on the manner in which the Selling Investor and the Incoming Investor agree (inter-se) or decide to the exercise of rights available to them as a bloc, as long as the obligations of the Company, the Promoter and the other Investors towards the Investor Bloc does not exceed their

obligations towards the Selling Investor as specified in these Articles immediately prior to the sale, and any communication by the Selling Investor or the Incoming Investor (as the case may be) to the Company or the Promoter will bind all members of the Investor Bloc. Each of the members of the Investor Bloc shall also be bound by the obligations applicable to the Selling Investor under these Articles.

- 182.4 Subject to the restrictions set out under Articles 181 to 188, Articles 195 to 196, and Article 197 (in relation to Investor-1), if a Selling Investor completely exits the Company pursuant to sale of the Investor Shares to an Incoming Investor, then such Incoming Investor shall, upon purchase of the Investor Shares be entitled to exercise all of the rights that were available to the Selling Investor under these Articles immediately prior to such sale in compliance with the provisions of Articles 195 and 196 (and if Investor-1 is the Selling Investor, such rights being assessed in the hands of the Incoming Investor as though restrictions applicable to Investor-1 pursuant to Article 197 have ceased to apply) , provided that:
- (i) the transfer of rights to the Incoming Investor pursuant to Article 182.4 above shall not result in the Incoming Investor being entitled to any rights other than the rights of the Selling Investor under these Articles and the Promoter, the Company and/or such other Investors not being subject to any obligations exceeding the obligations owed by the Promoter, the Company and the such other Investors to the Selling Investor under these Articles immediately prior to the sale; and
  - (ii) the Incoming Investor shall also be bound by the obligations of the Selling Investor in the same manner as the Selling Investor is bound by under these Articles (other than obligations under Article 199, if Investor-1 is the Selling Investor).
- 182.5 It is hereby clarified that, if the Baring Investors sell any of the Investor Shares held by them to any Incoming Investor, then such Incoming Investor shall not be entitled to aggregate its shareholding percentage in the Company with Evolve Investors to meet the Minimum Shareholding Threshold required to exercise or be entitled to its right to nominate a Baring Nominee Director under Article 138 and rights in relation to Investor Affirmative Vote Matters under Articles 165 to 168 above and will need to comply with such a threshold on a standalone basis. Notwithstanding anything contained herein, it is clarified that, if at the time of complete exit by Baring Investors, the Incoming Investor acquires 5% (Five Per Cent) or more of the Fully Diluted Share Capital but less than 7.5% (Seven and a Half Per Cent) of the Fully Diluted Share Capital, then such an Incoming Investor shall be entitled to appoint 1 (One) Investor Observer to the Board and if the Incoming Investor acquires more than 7.5% (Seven and a Half Per Cent) of the Fully Diluted Share Capital, it shall be entitled to appoint the Baring Nominee Director to the Board. Further, by way of abundant caution, it is clarified that in event of a transfer by either of the Baring Investors or in the event of a transfer by either of the Evolve Investors to an Affiliate, the incoming Affiliate will still be entitled to aggregate its shareholding percentage in the Company with the Baring Investors and/or the Evolve Investors, as the case may be, to meet the Minimum Shareholding Threshold.
- 182.6 Subject to the Article above, If the Evolve Investors sells any of the Investor Shares held by them to any Incoming Investor, then such Incoming Investor shall not be entitled to aggregate its shareholding percentage in the Company with the Baring Investors to meet the Minimum Shareholding Threshold required to

exercise or be entitled to its rights to appoint an Investor Observer under Article 141 and rights in relation to Investor Affirmative Vote Matters under Articles 165 to 168 above and will need to comply with such a threshold on a standalone basis. Notwithstanding anything contained herein, it is clarified that, if at the time of complete exit by Evolve Investors, the Incoming Investor acquires 5% (Five Per Cent) or more of the Fully Diluted Share Capital, then Evolve Investors will have the right to transfer its right to appoint 1 (One) Investor Observer to the Board to such Incoming Investor.

183. Transfer by the Promoter:

183.1 Except to the extent permitted under Article 183.2 (*Permitted Transfer*) below, the Promoter, the Promoter Shareholders and their respective Affiliates shall not (whether directly or indirectly) Transfer any of the Promoter Shares without Investors' Consent. Subject to receipt of such Investors' Consent, the Promoter, the Promoter Shareholders and their Affiliates shall also be required to comply with the provisions of 184 (*Investor Tag Along Right*) below. Without prejudice to the foregoing, subject to Articles 195 to 196 below (*Termination Provisions*), the Promoter, the Promoter Shareholders and their respective Affiliates shall not, except to the extent permitted under Article 183.2 below:

- (i) transfer any Equity Shares including by way of creation of any Encumbrance (including pledge, execution of any non-disposal undertakings, etc.);
- (ii) grant any proxy, or enter into or agree to be bound by any voting trust, with respect to any of the Securities held by it; and/or
- (iii) take any action, which in any such case is inconsistent with the provisions of the Articles 181 to 188, including, but not limited to enter into agreements or arrangements with respect to the acquisition, disposition or voting of Securities, in any manner which is inconsistent with the provisions of these Articles or any other Transaction Documents.

183.2 Without complying with the provisions of Article 183.1 above and Article 184 below, the Promoter, the Promoter Shareholders and their Affiliates shall collectively be permitted to Transfer the Promoter Shares held by them to an un-Affiliated Third Party not being a Restricted Person or Prohibited Person ("**Permitted Promoter Transferee**") up to the limits set forth below:

- (i) transfer of Promoter Shares constituting 3% (Three Per Cent) of the Fully Diluted Share Capital as on the Closing Date, at any time post the Closing Date but prior to the 4<sup>th</sup> (Fourth) anniversary of the Closing Date ("**Tranche 1 Promoter Shares**"). The Tranche 1 Promoter Shares may be Transferred by the Promoter, the Promoter Shareholders and/or their Affiliates in one or more tranches and the date of Transfer of the Tranche 1 Promoter Shares shall be referred to as the "**Tranche 1 Sale Date**"; and
- (ii) in addition to the Tranche 1 Promoter Shares, post the expiry of 12 (Twelve) months from the Tranche 1 Sale Date but prior to the 4<sup>th</sup> (Fourth) anniversary of the Closing Date, the Promoter, the Promoter Shareholders and their Affiliates shall be entitled to sell / Transfer additional Promoter Shares representing 3% (Three Per Cent) of the Fully Diluted Share Capital as on the date of the said Transfer plus any un-divested Tranche 1 Promoter Shares (cumulatively referred to as the "**Tranche 2 Promoter Shares**"). Tranche 2 Promoter Shares may be Transferred in one or more tranches; and

- (iii) transfer of Shares by the Promoter to his Immediate Relatives and *vice-versa* (including any entity wholly owned and controlled by the Promoter and his Immediate Relatives) ("**Permitted Affiliates**") provided that, the Promoter and the Permitted Affiliates shall jointly and severally be responsible to the Investors for all obligations of the Promoter under these Articles, and any rights of the Promoter under these Articles will be exercised by the Promoter and its Permitted Affiliates who hold any Equity Shares as a single bloc, where any communication by the Promoter to the Company will bind all the Affiliates of the Promoter holding Securities in the Company.

183.3 Prior to executing any Transfers, the Promoter shall procure that the transferee of the Promoter Shares under Article 183.2 above executes a Deed of Adherence and agree to be subject to the provisions of these Articles in the same capacity as the Promoter.

184. Tag Along Rights:

184.1 Subject to Article 183.2 (*Promoter Permitted Transfer*), if the Promoter and/or any of their Affiliates ("**Promoter Transferor**") proposes to Transfer any Promoter Shares or other Securities (in either case, a "**Tag Along Offer**"), to any Person not being the Promoter or his Permitted Affiliates (a "**Potential Buyer**") in respect of all or some of the Securities held by them, the Promoter Transferor shall deliver a notice (a "**Tag Along Notice**") to the Investors which shall *inter alia* specify: (a) the number of Securities the Promoter Transferor intends to sell to the Potential Buyer (the "**Promoter Proposed Sale Shares**"); (b) the price at which the Promoter Transferor intends to Transfer such Promoter Proposed Sale Shares and confirmation that no consideration other than cash consideration is payable to the Promoter Transferor;; (c) the identity of the Potential Buyer and any other terms and conditions of the Tag Along Offer; and (d) confirm to the Investors that (i) the Promoter Transferor has received an offer from the Potential Buyer to buy the Tag Along Shares (as defined in Article 184.3 below) and (ii) the Potential Buyer has been made aware that the Investors are being offered Tag Along Rights.

184.2 The maximum number of Securities in respect of which each Investor shall be entitled to exercise their Tag Along Right shall be the number of Securities held by such Investor that represents such Investor's pro-rata share of the Promoter Proposed Sale Shares (as determined on the basis of the inter-se shareholding ratio between the Promoter Shareholders and each Investor that exercises such tag along right) ("**Pro Rata Tag Along Right**"). Notwithstanding the above, in the following circumstances the Investors would be entitled to exercise their tag along right in respect of all Securities held by them in the Company ("**Full Tag Along Right**"): (a) if upon sale of the Promoter Proposed Sale Shares, the shareholding percentage of the Promoter Shareholders (together with their Affiliates) in the Equity Share Capital on an aggregate basis will reduce to below 25% (Twenty Five Per Cent) of the Fully Diluted Share Capital or 20% (Twenty Per Cent) of Equity Share Capital; or (ii) if any transactions involving the sale of the Promoter Proposed Sale Shares will result in a Change in Control of the Company, (including on account of exercise of the Drag Along Right in accordance with these Articles). For the purposes of these Articles, a "**Change in Control**" means where pursuant to a single transaction or a series of inter-connected transactions, more than 50% (Fifty Percent) of the ownership of the Equity Share Capital of the Company undergoes change and/ or a new investor / new investor group acquires the right to nominate more than 50% (Fifty percent) of the Board (excluding the Independent Directors).

- 184.3 In the event that the Investors wish to exercise their rights under this Article 184, the Investors may send a written notice (the "**Tag Along Acceptance Notice**"), within 30 (Thirty) days of receipt of the Tag Along Notice, to the Promoter Transferor requiring him/her to ensure that, along with the number of Promoter Proposed Sale Shares mentioned in the Tag Along Notice, the Potential Buyer also acquires the Tag Along Shares (the "**Tag Along Shares**") for the same consideration and upon the same terms and conditions as mentioned in the Tag Along Notice. The Promoter Transferor shall procure that the Potential Buyer acquiring the Promoter Proposed Sale Shares and the Tag Along Shares, executes a Deed of Adherence and shall be bound by the terms and conditions of these Articles.
- 184.4 It is clarified that the offer of the Tag Along Notice shall not require the Investors to provide any indemnifications or incur any obligations including any covenants and representations or warranties in relation to non-compete and/ or non-solicit towards any Potential Buyer or any other Person (other than representations, warranties and indemnities in relation to authority, capacity and title). The Promoter shall not be required to provide any representations, warranties or indemnities pertaining to the withholding of Taxes in relation to the Transfer of Securities by any Investor to any Potential Buyer or any other Person.
- 184.5 In the event that the Potential Buyer is unwilling or unable to acquire all the Tag Along Shares upon the same terms and conditions as mentioned in the Tag Along Notice, then none of the Promoter Proposed Sale Shares or the Tag Along Shares shall be Transferred to the Potential Buyer, unless otherwise agreed between the Company, Promoter and Investors.
- 184.6 Notwithstanding anything to the contrary in this Article 181 to 188, the Promoter Transferor shall not be entitled to Transfer any Promoter Proposed Sale Shares to any Potential Buyer unless the Potential Buyer simultaneously purchases and pays for all of the Tag Along Shares.
185. Change in Control Tag Along: The Company, Promoter and Investors further agree that, if there is a Change in Control in the Company, where such a Change in Control has occurred without the Transfer of any Promoter Shares to the Person acquiring Control (not being the Promoter or the Investors or their respective Affiliates) ("**Control Buyer**"), then each Investor who has not Transferred Securities in the Change in Control transaction shall have a full tag along right (but not obligation) requiring the Control Buyer to purchase its 100% (One Hundred Percent) of such Investor's shareholding in the Company on the same terms on which the Control Buyer is purchasing Equity Shares of the Company as a part of the Change in Control transaction. The procedure for Tag Along Right prescribed under Article 184 shall *mutatis mutandis* apply to exercise of such a Full Tag Along Right.
186. Transfer to Affiliates: Subject to the provisions of these Articles, each Investor shall be entitled to Transfer its shareholding in the Company to its Affiliates without any restrictions, provided that such transferee shall execute a Deed of Adherence prior to such Transfer agreeing to be bound by the obligations of the transferring Shareholder under these Articles.
187. Deed of Adherence: The Company, Promoter and Investors agree to ensure that each Person to which it proposes to Transfer any Equity Shares, shall execute a Deed of Adherence to these Articles simultaneously with such Transfer, and agrees to adhere to and be bound by the terms and conditions, agreements, duties, liabilities and obligations of these Articles that are applicable to the transferring Party. Each of the Company, Promoter and Investors that proposes to Transfer any Equity Shares shall provide to the other Parties

(including the Company), immediately upon any Transfer of any Equity Shares to any Person in accordance with the terms of these Articles, a written notice identifying such Person and the provisions of these Articles under which such Transfer is permissible, along with a copy of the Deed of Adherence. For avoidance of doubt, the Shareholders specifically agree and acknowledge, that upon a Transfer of Shares held by it to any of its Affiliates or Third Parties, all references in this Article 181 to 188 to such Shareholder, either as a Shareholder, a Selling Investor, Promoter Transferor or an Investor shall include references to the Affiliate of such Person who holds any Securities. The Deed of Adherence shall be executed substantially in the format set out in Annexure III hereto and upon execution of such a Deed of Adherence, subject to Article 169, Article 182.3, Article 183.2, Article 196, Article 197, and Article 204, the incoming Shareholder shall automatically become entitled to all the rights, benefits, privileges as well as all liabilities and obligations of the selling Shareholder under these Articles, as applicable. By such execution, the incoming Shareholder shall be deemed to have become party to these Articles, without the requirement of any act of or notice on the part of any of the Company, Promoter and Investors.

188. Further Assurances: Each of the Company, Promoter, Investors and other Shareholders of the Company shall take or cause to be taken all such actions as may be necessary or reasonably requested in order to expeditiously consummate each sale to which it is a party under the terms of these Articles, and any related transactions, including executing, acknowledging and delivering consents, assignments, waivers and other documents or instruments, furnishing information and copies of documents, filing applications, reports, returns, filings and other documents or instruments with Governmental Approvals are obtained in an expeditious manner in relation to Transfer pursuant to the provisions of these Articles. Where any Transfer of Securities under this Article 181 to 188 requires any Government Approvals, then the timelines specified herein shall be deemed to be extended to such date as is 15 (Fifteen) Business Days from the date of receipt of such Government Approval.
189. The Company shall implement ESOP Plan for its employees in accordance with the provisions of these Articles and the terms of the ESOP Plan. Any sale of Equity Shares received by an employee ("ESOP Shareholder") of the Company pursuant to exercise of employee stock option under the ESOP Plan shall be subject to right of first refusal of the Shareholders as set forth below:
- 189.1 If any ESOP Shareholder upon exercise of stock options pursuant to the ESOP Plan, proposes to Transfer ("Selling ESOP Shareholder") all or part of the Equity Shares ("ROFR Sale Shares") held by such Selling ESOP Shareholder to any Person ("Proposed Transferee"), then such Selling ESOP Shareholder hereby unconditionally and irrevocably grants to the other Shareholders (other than ESOP Shareholders) ("ROFR Shareholders"), in proportion to their *inter se* shareholding percentage in the Company, calculated on a fully diluted basis, a prior right to purchase all or a portion of the ROFR Sale Shares at the same price and on the same terms and conditions as those offered to such Person ("Right of First Refusal").
- 189.2 Upon a Selling ESOP Shareholder sending a proposal to, or receiving a proposal from, ("Proposal") any Person (hereinafter the "Proposed Transferee") for purchase of ROFR Sale Shares held by such Selling ESOP Shareholder, which the Proposed Transferee has indicated that it proposes to accept, or which the Selling ESOP Shareholder(s) intends to accept, as the case may be, the Selling ESOP Shareholder shall immediately notify the ROFR Shareholders and the Company of the Proposal ("Transfer Notice"). The Transfer Notice shall set forth the name and other material particulars of the Proposed Transferee, the number of ROFR Sale



Shares, the price per ROFR Sale Share and other terms of the Transfer and an undertaking from the Selling ESOP Shareholder(s) stating that the offer or intention to purchase, as the case may be, is bona fide. The Proposal and any other document executed by the Selling ESOP Shareholder and/or the Proposed Transferee (whether binding or non-binding by whatever name called) in relation to the Proposal ("**Proposal Documents**") shall also be annexed to the Transfer Notice. The Selling ESOP Shareholder shall ensure that such Proposal Documents explicitly state that such transaction is subject to the Right of First Refusal of the ROFR Shareholders.

- 189.3 The ROFR Shareholders may exercise their Right of First Refusal with respect to all or part of their inter-se proportionate entitlement of the ROFR Sale Shares ("**Accepted ROFR Sale Shares**"), by either a written notice issued collectively, or by separate written notices issued individually ("**ROFR Acceptance Notice(s)**"), to the Selling ESOP Shareholder(s) within 30 (thirty) days of receipt of the Transfer Notice. Each Electing Shareholder's ROFR Acceptance Notice may also set forth such additional portion of the ROFR Sale Shares as such Electing Shareholder is willing to purchase, should ROFR Shareholders elect to purchase less than their respective proportionate entitlement of the ROFR Sale Shares.
- 189.4 In the event that 1 (one) or more ROFR Shareholders do not elect to exercise their Right of First Refusal (each such Shareholder, a "**Non-electing Shareholder**"), and 1 (one) or more ROFR Shareholder elect to exercise their Right of First Refusal (each such Shareholder, an "**Electing Shareholder**"), the Electing Shareholders shall be entitled, but not obligated, to purchase all the Declined ROFR Sale Shares, pro rata to their inter se shareholding. For the purposes of this Article, "**Declined ROFR Sale Shares**" shall mean such of the ROFR Sale Shares as are not purchased by a ROFR Shareholder pursuant to its Right of First Refusal under this Article 187A.
- 189.5 Within 15 (fifteen) days of the date of the ROFR Acceptance Notice(s), the Selling ESOP Shareholder and the Company shall notify each Electing Shareholder ("**Final Transfer Notice**") of the number of new ROFR Sale Shares that they are entitled to purchase ("**Final Shareholder ROFR Sale Shares**") after the full application of the principles set forth in this Article 187A. It is hereby clarified that the term "**Final Shareholder ROFR Sale Shares**" shall, with respect to each Electing Shareholder, be the sum of the Accepted ROFR Sale Shares and such Shareholder's entitlement to the Declined ROFR Sale Shares, in accordance with ROFR Acceptance Notice issued by the Shareholder and the principles of Article 187A(iii).
- 189.6 The Selling ESOP Shareholder(s) shall be bound to sell the Final Shareholder ROFR Sale Shares to the Electing Shareholders, and such Final Shareholder ROFR Sale Shares shall be purchased by the Electing Shareholders, within a period of 30 (thirty) days from the date of the Final Transfer Notice.
- 189.7 To the extent that the ROFR Shareholders do not exercise their Right of First Refusal, the Selling ESOP Shareholder(s) may Transfer the ROFR Sale Shares (other than the aggregate of the Final Shareholder ROFR Sale Shares) to the Proposed Transferee, subject to (A) the principle set out in Article 187A(viii), (B) such Transfer being effected at a price not lower than the price per Share, and on terms and conditions no more favourable than those, specified in the Transfer Notice, and (C) within the time period specified in Article 187A(ix).

189.8 Notwithstanding anything contained in this Article 187A, the Company shall not effect any Transfer of ROFR Sale Shares to the Proposed Transferee if each of the Investors and the Promoter has on reasonable grounds not approved such Proposed Transferee, it being expressly understood and agreed that each of the Investors and the Promoter shall be entitled to reject such Proposed Transferee if it determines that such third person or party purchaser shall be detrimental to the interests of the Company.

189.9 If the Selling ESOP Shareholder fails to consummate the Transfer of ROFR Sale Shares (other than the aggregate of the Final Shareholder ROFR Sale Shares) to the Proposed Transferee within 90 (ninety) days from the date of the Final Transfer Notice, the provisions of this Article 187A shall apply mutatis mutandis to any subsequent Transfer by the Selling ESOP Shareholder.

### EXIT OPTIONS

190. The Company shall and the Promoter shall procure that the Company shall use best endeavours to provide the Investors with an exit in the manner set out hereinafter.

191. Qualified Initial Public Offering : At any time during the IPO Period, the Company shall make best endeavours to conduct an initial public offering by listing the Equity Shares of the Company on one or more of the Recognised Stock Exchanges. Such an initial public offering shall be conducted in accordance with the provisions of this Article 192 ("Qualified IPO" or "QIPO"). The Promoter shall exercise his voting rights in favour of such a QIPO.

191.1 Merchant Banker: For the purposes of the QIPO, the Company shall appoint one or more merchant banker(s) of repute (each a "Merchant Banker")(acting reasonably in consultation with the Investors (acting reasonably). The terms and conditions of such QIPO including the size of the issue, the price of the Equity Shares and related matters shall be determined by the Merchant Banker and shall be incorporated in a plan prepared for the QIPO ("IPO Plan"). The Company, Promoter and Investors shall procure that, such an IPO Plan shall be submitted by the Merchant Banker to the Board within 90 (Ninety) days from its appointment for approval by the Board (subject to any approval rights of the Qualifying Investors under these Articles in respect of the Investor Affirmative Vote Matters, as applicable). The QIPO

191.2 of the Company shall be conducted in compliance with the Board approved IPO Plan and the provisions of this Article 192. The Company and the Merchant Banker shall require the prior consent of the Board or of any committee constituted by the Board for overseeing conduct of the QIPO, to make any material changes to the IPO Plan, in each case, subject to any approval rights of the Investors under these Articles in respect of the Investor Affirmative Vote Matters.

The QIPO can be conducted by way of (a) a fresh issue of Equity Shares of the Company; (b) an offer for sale by the Shareholders ("OFS" or "Offer For Sale"); and/or (c) by way of a combination of both, as determined along with the Merchant Banker(s), provided that, each Investor shall have the right to include its Equity Shares in the OFS during the QIPO. Where the QIPO has an OFS component, the Investors shall have a first right to offer all or part of their Equity Shares in such offer for sale on a pro rata basis in proportion to their respective shareholding percentage in the Equity Share Capital of the Company on the relevant date. Further, if any of the Investors wish to make any secondary placement of their respective Equity Shares to institutional investors/funds, i.e., as a part of a pre-IPO

placement between the filing of the draft red herring prospectus and a final red herring prospectus with the Governmental Authorities under Applicable Laws, the Company agrees to take all necessary steps and do all such acts, deeds and things as may be necessary to facilitate such secondary placement.

- 191.3 If the Investors offer the Securities held by them in an OFS in terms of Article 192.1 above, the Promoter and the Company hereby confirm and undertake to do the following:
- (i) if upon tendering of all and not less than all Investor Shares in an OFS by the Investors, any balance Equity Shares are required to be offered to meet the then existing mandatory initial public offering norms prescribed by SEBI, Recognized Stock Exchanges where the Equity Shares are proposed to be listed or any other regulatory authority whose consent is required for the completion of the QIPO, then the Promoter (directly or through his Affiliate) may (at their discretion) offer Equity Shares held by them to meet such regulatory requirements, failing which the Company shall make a fresh issue of the requisite number of Equity Shares;
  - (ii) ensure that the total offer of Securities to the public shall constitute not less than such percentage (as prescribed under the then prevalent rules and Applicable Laws) of the total issued and paid up share capital of the Company to comply with the listing requirements of the Recognized Stock Exchange and the SEBI;
  - (iii) provide all information and ensure compliance with all applicable provisions under the ICDR and the LODR and other regulations existing at the time of the QIPO and subsequent listing of the Equity Shares of the Company for trading on a Recognized Stock Exchange; and
  - (iv) in the event of an OFS in which the Investors offer their Securities, and subject to the Investors providing the Company with requisite authority, the Company agrees to indemnify and hold harmless the Investors for including its Securities in such OFS, from and against Losses caused by any untrue statement of a material fact contained in any statement or prospectus relating to such OFS, or caused by any omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading by the Company or the Promoter, provided that such misstatement or omission is not on account of any gross negligence or wilful default on the part of the Investors. It is hereby clarified that nothing under this Article 191 to 195 shall make the Promoter and/or Company liable for any third party actions including any default by the Merchant Bankers.
- 191.4 The Company shall, and the Promoter shall use best efforts to procure that the Company shall, obtain such Consents and Government Approvals as may be necessary to complete the QIPO.
- 191.5 Subject to Applicable Law, all fees and expenses required to be paid in respect of the QIPO including statutory filings and registration fees, and fees payable to Merchant Banker, underwriters, book-runners, issue registrars or other intermediaries involved in any manner in relation to the QIPO shall be borne and paid for by the Company. Any expenses that may be incurred by the Investors towards legal fees in connection with the offering of Securities held by them shall be borne by the respective Investors.
- 191.6 None of the Investors or any of their respective Affiliates shall be named or deemed as a 'promoters' of the Company in the prospectus or any other documents

related to a public offering or otherwise nor shall any declaration be made to this effect, unless otherwise agreed by each of the Investors in writing. None of the obligations of the Promoter shall be applicable to any of the Investors and/or their respective Affiliates and the Investors and/or their respective Affiliates shall not be required to offer or make available Securities held by them in the Company for the purposes of any mandatory lock-in as applicable to 'promoters' under the ICDR Regulations in respect of public offerings or otherwise. If pursuant to any Applicable Law any Securities are required to be locked-in, the Promoter Shareholders and their Affiliates shall offer or make available Promoter Shares for the purposes of the mandatory lock-in as applicable under the relevant Applicable Law. In the event a regulatory authority takes a view or draws an inference that any of the Investors and/or their respective Affiliates are 'promoters', then the Company and/or the Promoter shall co-operate with the Investors and/or their respective Affiliates to make such representations and make full disclosures to such body or authority as may be required by the Investors and/or their respective Affiliates to dispel or correct such inference or view or make any amendments to these Articles and/or Articles as required by the relevant Investor.

191.7 In the event that:

- (i) as a requirement under Applicable Law in connection with the QIPO, the Investors have consented to any alteration to the rights of the Investors as set out in these Articles and/or the rights attaching to its Securities (such alterations being, collectively, the "Conforming of Rights"); and
- (ii) within 6 (Six) months of the filing of the red herring prospectus (the "RHP") ("Listing Cut-Off Date"), the QIPO does not complete such that the entire issued Share Capital of the Company is not admitted to trading on a Recognized Stock Exchange by the end of such time period;

then, the rights of the Investors under these Articles shall be automatically reinstated and Investors shall have the right to issue a notice to the Company requiring it to take all steps required to place them in the same position and possess the same preferential and other rights the Investors had the benefit of immediately prior to the Conforming of Rights. Upon the Investors serving such notice to the Company shall, and the Promoter shall use best efforts to procure that the Company shall, within 30 (Thirty) days of the Listing Cut-Off Date (if the QIPO has not closed by the Listing Cut-Off Date) or, if earlier, the date on which the QIPO process is cancelled, withdrawn, discontinued or postponed, undertake all necessary actions to ensure that the Investors are placed in the same position and all rights of the Investors are reinstated in the original form.

192. Third Party Sale: In the event that the Investors have been unable to exit the Company during the IPO Period, then during the 12 (Twelve) months after the expiry of the IPO Period, the Company and the Promoter shall use best endeavours to arrange and facilitate the sale of 100% (One Hundred Per Cent) of the Investor Shares to a Third Party (not being an Affiliate of the Promoter) through a sale process set out under this Article 193 ("Qualifying Sale"):

192.1 The Company shall initiate the Qualifying Sale by issuing a written notice to the Investors ("Qualifying Sale Notice").

192.2 The Company shall, in consultation with the Investors (acting reasonably) appoint a reputed investment banker. The Investors will have the first right to Transfer all of their respective Securities and the Company shall cause the investment banker to

undertake all necessary actions to find a suitable Third Party purchaser to purchase 100% (One Hundred Per Cent) of the Investor Shares held by the Investors.

192.3 Within 15 (Fifteen) Business Days from the receipt of a Purchase Offer from a Third Party purchaser ("Purchaser"), the Company and the Promoter shall notify the Purchase Offer to the Investors in writing. The Purchase Offer shall *inter alia* include the following details:

- (i) the exact nature of the transaction proposed;
- (ii) the identity of the Purchaser;
- (iii) the price and other terms on which the Securities are proposed to be sold ("Purchase Price"); and
- (iv) the estimated time for completion of the Qualifying Sale.

On receiving the Purchase Offer, any of the Investors may request the Company and the Promoter to provide any additional information relating to the Purchase Offer, which they reasonably may require.

192.4 Subject to Article 194 below, the Investors may, at their sole discretion accept or decline a Purchase Offer. In the event that, an Investor accepts a Purchase Offer, then the sale by such Investor must be completed within 120 (One Hundred and Twenty) days from the acceptance of the Purchase Offer by the Investor.

192.5 In the event the Qualifying Sale is consented to by the Investors and involves a sale of all Securities of the Company, the Investors shall have a right to offer all or a part of the Securities held by them, before any other Shareholder, including the Promoter, for sale in such Qualifying Sale. For this purpose, each of the Investors shall indicate the number of Securities that they propose to offer in such Qualifying Sale. If at this stage, an Investor elects to conduct part sale (despite having had the opportunity to sell all of the Securities held by it for sale in such Qualifying Sale), on account of holding the remaining stake, such Investors shall not be entitled to exercise the Drag Along Rights under Article 195 and same shall be deemed to be forfeited.

193. Nothing under this Article 191 to 195 shall discharge the Company from its obligations to assist the Investors in obtaining an exit in accordance with the provisions of Articles 192 and 193 above. Additionally, where such an exit is procured by way of a QIPO, the provisions of Article 192 shall continue to apply to such a QIPO.

194. Drag Along Right: Subject to Article 194 above, if post the expiry of the IPO Period and for a period of 24 (Twenty Four) months thereafter, the Dragging Investors have not fully exited the Company by selling 100% (One Hundred Per Cent) of their Investor Shares for any reason (such event, a "Drag Trigger Event"), then the Dragging Investors shall have a right to exit the Company by selling their Investor Shares to any *bona fide* Third Party other than the Affiliates of the Dragging Investors (including a Prohibited Person, but excluding a Restricted Person) in accordance with the provisions of this Article 195. As a part of such a sale, the Dragging Investors shall also have the right to call upon the Promoter and the Promoter Shareholders and the Promoter / Promoter Shareholders shall be under an obligation to sell a part or their entire shareholding in the Company as part of such Third Party sale at the same price and on the same terms relating to the price, as may be applicable in such third party sale transaction by the Dragging Investors ("Drag Along Right"). The Promoter / Promoter Shareholders shall, if required, also provide covenants

in relation to non-compete and non-solicit and provide warranties and indemnities in relation to the Business and their authority and capacity to execute the sale of their Securities including the title to the Securities held by them, as are standard and customary in a transaction where a promoter has been dragged by investors. The Drag Along Right shall be exercised in compliance with the provisions set out below:

- 194.1 The Dragging Investors may at their sole discretion choose to, as soon as reasonably practicable, collectively appoint a merchant banker (at the cost of the Company) of repute ("**Drag Merchant Banker**") to identify a Person (other than its Affiliates, including a Prohibited Person but not a Restricted Person) (such Person, a "**Proposed Purchaser**") to purchase all or any of the Securities of the Company. It is clarified, that for the purpose of appointment of the Drag Merchant Banker, the Dragging Investors shall propose names of 3 (Three) Drag Merchant Bankers, out of which 1 (One) Merchant Banker shall be appointed by the Investors other than the Dragging Investors, the Company and its Board within 15 (fifteen) days of the intimation of the 3 (three) Merchant Bankers by the Dragging Investors. If the Company, its Board and the other Investors are not able to agree on the Merchant Banker within this period, then the Dragging Investors will have the ability to appoint any one of the Merchant Bankers identified by them as the Merchant Banker in connection with the exercise of the Drag Along Right. The Drag Merchant Banker shall procure, after evaluating potential purchasers, from the Proposed Purchaser, the highest price that the Proposed Purchaser is willing to pay for acquiring up to 100% (One Hundred Per Cent) of the Securities of the Company ("**Proposed Purchaser's Price**"), the exact percentage of Equity Share Capital that it is willing to purchase ("**Proposed Purchaser's Offer**") and the total consideration (calculated on the basis of the Proposed Purchaser's Price) that the Proposed Purchaser shall pay for the purchase of the Proposed Purchaser's Offer ("**Proposed Purchaser's Consideration**").
- 194.2 Where the Proposed Purchaser's Offer procured by Dragging Investors in accordance with Article 195.1 above is for a total number of Securities greater than the aggregate number of Investor Shares held by the Dragging Investors, the Dragging Investors shall be entitled to exercise their Drag Along Right by collectively issuing a notice ("**Drag Along Notice**") to the Promoter and the Promoter Shareholders, requiring the Promoter and the Promoter Shareholders to sell all or part of the Securities held by the Promoter/Promoter Shareholder (at the discretion of the Investors), as long as the Dragging Investors sell all of their Securities to the Proposed Purchaser (such Securities of the Promoter/Promoter Shareholders, being dragged being hereafter referred to as the "**Dragged Securities**"). The Promoter (or his Affiliates) shall sell, all such Dragged Securities as specified in the Drag Along Notice, to the Proposed Purchaser, at a price per Security determined on the basis of the Proposed Purchaser's Price and being equal to the price per Equity Share at which each Dragging Investor is selling its shareholding. The Drag Along Notice shall *inter alia* state the following: (a) the number of Equity Shares the Proposed Purchaser intends to purchase from each of the Dragging Investors; (b) the number of Dragged Securities that the Proposed Purchaser will acquire; (c) the price (including any intangible consideration or any consideration other than cash) at which the Dragging Investors will Transfer their Equity Shares to the Proposed Purchaser which shall be the same as the price per Equity Share for the Dragged Securities; and (d) the identity of the Proposed Purchaser and all other material terms and conditions of the Proposed Purchaser's Offer. Upon receipt of the Drag Along Notice, the Promoter and the Promoter Shareholders shall be obligated to Transfer the Dragged Securities held by them and/or their Affiliates to the Proposed Purchaser at the Proposed Purchaser's Price, provided that the terms of sale of the Dragged Securities held by the Promoter and

their Affiliates shall not, other than in relation to the obligation to provide covenants for non-compete and non-solicit and warranties and indemnities in relation to the Business as per this Article 195 be in any manner less favourable than the terms of sale of the Investor Shares to the Proposed Purchaser.

- 194.3 Upon appointment of the Drag Merchant Banker by the Dragging Investors, the Promoter and the Company shall render assistance to the Dragging Investors to enable the Dragging Investors to exercise their rights under this Article 195 including, providing all necessary documents and information required for any valuation exercise by any valuation firm identified by the Dragging Investors or the Drag Merchant Banker, or any due diligence exercise proposed to be carried out by the Dragging Investors, or by or on behalf of the Proposed Purchaser, including in respect of the Equity Shares held by the Promoter.
- 194.4 The Company and the Promoter confirm and acknowledge that there shall be no liability on the part of any of the Dragging Investors if any proposed sale to a Proposed Purchaser is not consummated for any reason, regardless of whether the Investors have delivered a Drag Along Notice. Further, if a proposed sale to a Proposed Purchaser is not consummated for any reason, regardless of whether a Dragging Investor delivered a Drag Along Notice, it shall not prejudice or restrict any of the Dragging Investors from dragging the Dragged Securities to any other Person.
- 194.5 Neither the Company nor the Promoter Shareholders shall, under any circumstance, Transfer any of the Securities held by them in any manner, except as provided for in this Article 195 after delivery of a Drag Along Notice in accordance with the provisions of Article 195, and the Company shall not record or give effect to any Transfer that is in violation of the foregoing.
- 194.6 Notwithstanding anything to the contrary in these Articles, nothing contained in this Article 191 to 195 will apply after the completion of an IPO or a QIPO.
- 194.7 In the event that any one of the Investors exercise the Drag Along Right under this Article 195, each of the other Investors shall be entitled to sell 100% (One Hundred Per Cent) of their shareholding in the Company to the Proposed Purchaser as per the term of the Proposed Purchaser's offer and the procedure of Full Tag Along Rights as set out in Article 184 hereto shall *mutatis mutandis* apply to all sales pursuant to any exercise of the Drag Along Right by a Dragging Investor, and the Qualifying Investors (other than the Dragging Investors) shall have priority to sell their Securities as per the terms set out herein in priority over the sale of Securities held by the Promoter pursuant to exercise of the Drag Along Right by the Dragging Investors under this Article 195.

## TERM & TERMINATION

195. Without prejudice to the provisions of Clause 10.3 of the Restated and Amended Shareholders' Agreement and notwithstanding anything else stated under the Shareholders' Agreement but subject to Articles 138 to 140 (*Baring Evolvence Board Right*), 141(*Evolvence Observer*) and 168 (*Affirmative Vote rights as block to Baring & Evolvence*) in the event that the shareholding percentage of an Investor (along with his Affiliates) falls below 7.5% (Seven and a Half Per Cent) of the Fully Diluted Share Capital but not below 5% (Five Per Cent) of the Fully Diluted Share Capital, then all rights of the said Investor under the Shareholders' Agreement and these Articles (including governance rights under Articles 135 to 173, but not rights available under Applicable Law) other than the following rights (and all rights appurtenant thereto) shall fall away:

- 195.1 Right to appoint Observers under Article 141;
  - 195.2 Exit rights under Articles 191, 192, 193
  - 195.3 Drag Along Rights under Article 194;
  - 195.4 Rights under Article 182;
  - 195.5 Tag Along Rights under Article 184;
  - 195.6 Right to assign the Shareholders' Agreement in favour of an Affiliate under Article 186 and Article 205;
  - 195.7 Inspection rights and visitation rights under Article 173 (except audit rights);
  - 195.8 Information and report rights under Article 172 and 173;
  - 195.9 Pre-emption rights under Article 174;
  - 195.10 Right to receive notices of the Board Meetings (including Board committee meetings) and Shareholder Meetings under Article 154 and 162;
  - 195.11 Anti Dilution Rights under Article 176 to 180;
  - 195.12 Right to appoint an observer on the Board (to the extent the same was available prior to the Investor shareholding percentage in the Company falling below 7.5% (Seven and Half Per Cent) of the Fully Diluted Share Capital under Article 141;
  - 195.13 Non-compete restrictions under Clause 11 of the Shareholders' Agreement;
  - 195.14 Rights under Articles 197 to 199 and Clauses 13 and 14 of the Shareholders' Agreement ; and
  - 195.15 All of the provisions of clauses 15 to 17 (*Miscellaneous*) of the Shareholders' Agreement.
196. Without prejudice to the provisions of Clause 10.3 of the Shareholders' Agreement and Article 197 above and notwithstanding anything else stated under the Shareholders' Agreement but subject to Articles 142 (*Baring Evolence Board Right*), 141 (*Evolence Observer*) and Article 168 (*Affirmative Vote rights as block to Baring & Evolence*), in the event that the shareholding percentage of an Investor falls below 5% (Five Per Cent) of the Fully Diluted Share Capital, then all rights of the said Investor under the Shareholders' Agreement and these Articles (including governance rights under Articles 135 to 173, but not rights available under law) other than the following rights (and all rights appurtenant thereto) shall fall away:
- 196.1 Right to appoint Observers under Article 141;
  - 196.2 Right to appoint an observer on the Board (to the extent the same was available prior to the Investor shareholding percentage in the Company falling below 7.5% (Seven and Half Per Cent) of the Fully Diluted Share Capital under Article 141;
  - 196.3 Rights under Article 182;
  - 196.4 Tag Along Rights under Article 184;



- 196.5 Right to assign the Shareholders' Agreement in favour of an Affiliate under Article 186 and Article 205;
- 196.6 Inspection and visitation rights under Article 173 (except audit rights);
- 196.7 Right to receive notices of the Board Meetings (including Board committee meetings) and Shareholder Meetings under Article 154 and 162;
- 196.8 Information and report rights under Articles 172 and 173;
- 196.9 Rights under Articles 197 to 199 and Clauses 13 and 14 of the Shareholders' Agreement;
- 196.10 Rights under Clauses 10, 13 and 14 of the Shareholders' Agreement;
- 196.11 Non-compete restrictions under Clause 11 of the Shareholders' Agreement; and
- 196.12 All of the provisions of clauses 15 to 17 of the Shareholders' Agreement (*Miscellaneous*),

#### MISCELLANEOUS

- 197. NVP Restrictions: Notwithstanding anything stated under these Articles, but subject to Article 182, the following provisions shall apply and shall unless otherwise expressly included below, override any provisions of these Articles dealing with the rights and obligations of Investor-1, provided that these provisions will not apply to or qua any Person(s) that acquire(s) Shares from Investor-1, so long as such Person is not an Affiliate of Investor-1:
  - 197.1 Investor-1 shall not exercise voting rights representing in excess of 4.999999% (Four Decimal Point Nine Nine Nine Nine Nine Per Cent) of the of any class of voting securities of the Company (as such terms are defined and used, and as such percentage is calculated, under the BHC Act provided that such restriction shall not apply in matters where Investor-1 exercises its voting rights in respect of matters solely relating to the Securities held by it (such as variations of rights attached to such Securities that would significantly and adversely affects its rights as a Shareholder);
  - 197.2 Additionally, Investor-1 shall be subject to the following transfer restrictions: so long as any Securities are held by Investor-1 (but not its unaffiliated transferees), such Securities may only be transferred by Investor-1 to an unaffiliated transferee, who shall not be a Person other than an NVP Eligible Transferee: ("**Additional Norwest Restrictions**")
    - (i) in connection with a widespread distribution of the Company's Shares; or
    - (ii) in transfers, in which such transferee shall receive less than 2% (Two Per Cent) of any class of the Company's voting shares on an as-if-converted basis; or
    - (iii) in transfers to a transferee that would control more than 50% (Fifty Per Cent) of the voting shares of the Company without any Transfer from Investor-1.

- 197.3 Transfer of any Securities under Article 184 (Tag Along Rights) shall also be subject to Additional Norwest Restrictions.
198. Exercise of Rights: For the purpose of these Articles, the Baring Investors shall be treated as a bloc in respect of the exercise of any and all rights of such Baring Investors, and any exercise of such right by any one of the Baring Investors will be deemed to be an exercise of such right by both the Baring Investor jointly. For avoidance of doubt, for the purposes of these Articles, each of the Baring Investors may freely assign or transfer any or all of their rights to the other Baring Investor, and shall have the ability to nominate the other Baring Investor for the purpose of any exercise of their rights (including, any pre-emptive rights, tag along rights or drag along rights). Notwithstanding anything to the contrary in these Articles, all shareholding thresholds in respect of the Baring Investors under these Articles shall be calculated on an aggregate basis (including, in connection with the determination of any fall away thresholds). Each of the Baring Investors shall be treated as an independent party in respect of their obligations under these Articles, and any and all liabilities arising on either of the Baring Investors (including, in respect of any representations and warranties provided by them) shall be several and not joint.
199. NVP Covenant: Notwithstanding anything to the contrary, the Company shall not undertake any changes to the Share Capital in a manner that results in Investor-1's aggregate shareholding to exceed 24.99% (Twenty Four Decimal Point Nine Nine Per Cent) of the total equity of the Company (as such term is defined and used, and as such percentage is calculated, under the BHC Act). In connection with the foregoing, Investor-1 will, in case of further issuances of Securities by the Company, exercise its subscription rights such that it does not exceed 24.99% (Twenty Four Decimal Point Nine Nine Per Cent) of the total equity of the Company (as such term is defined and used, and as such percentage is calculated, under the BHC Act).
200. Tax Returns and Reports: The Company shall use all reasonable endeavours to prepare or furnish to Investor-1 the following information relating to tax matters of the Company on or before the dates indicated below:
- 200.1 no later than February 15 of each Financial Year (or the first Business Day thereafter), a final statement of the Company's taxable income, based on Indian GAAP and translated into U.S. dollars, covering the prior Financial Year, and all other information as may be reasonably requested by an Investor in connection with the previous Financial Year to enable such Investor to timely satisfy its tax reporting obligations to its members in connection with the preparation of their own federal, state, and local income Tax Returns;
- 200.2 no later than February 15 of each Financial Year (or the first Business Day thereafter), tax receipts and any other relevant documents substantiating Tax payments to non-U.S. jurisdictions in the preceding Financial Year; and
- 200.3 no later than February 15 of each Financial Year (or on the first Business Day thereafter), an income statement, balance sheet, and information for the previous Financial Year with respect to any non-U.S. entities owned / controlled by the Company that are treated as disregarded foreign entities from a U.S. federal income tax perspective and identified as such by an Investor to the Company.
201. Auditors. Notwithstanding anything contained herein, the Company shall appoint such accountancy firm, as acceptable to the Baring Investors, as the statutory auditors of the Company in a manner such that the audit of the Company for the Financial Year ending March 31, 2019 and onwards is carried out by such accountancy firm.

## 202. Notices

202.1 Service of Notice. Unless otherwise stated, all notices, Approvals, instructions, demand or other communications to be given under the Shareholders' Agreement shall be made in writing and may be given by personal delivery, email (save as otherwise stated) or by sending the same by pre-registered mail addressed to the relevant Party at its address and email address set out below or at such other address or email address as the addressee has by 3 (Three) days' prior written notice specified to the other Parties. Each Party, as per the Shareholders Agreement shall be permitted to amend their correspondence details below subject to providing notice of at least 15 (Fifteen) days to all other Parties.

202.2 Details for notices. The details for notices for the purpose of the Shareholders Agreement are as follows:

202.3 If to the Company:

Address: G 1-2, New Market,  
Khasa Kothi Circle, Jaipur,  
Rajasthan - 302 001, India  
Attention: Mr. Rajendra Setia  
Email: [rajendra@skfin.in](mailto:rajendra@skfin.in)  
Telephone: 0141-4039-039

202.4 If to the Investors, as per the details set out in Annexure I.

202.5 If to Promoter:

Address: G 1-2, New Market,  
Khasa Kothi Circle, Jaipur,  
Rajasthan - 302 001, India  
Attention: Mr. Rajendra Setia  
Email: [rajendra@skfin.in](mailto:rajendra@skfin.in)  
Telephone: 0141-4039-039

203. Assignment: Except as permitted under these Articles, no Party shall be entitled to, assign, transfer, charge or otherwise deal with all or any of its rights and/or obligations under these Articles nor grant, declare, create or dispose of any right or interest in it, in whole or in part without the consent of other Parties. Nothing contained herein shall restrict the Investors from: (a) assigning any of its rights under these Articles (including, any pre-emption rights) to any of its Affiliates, as long as such Affiliate delivers a Deed of Adherence to the Company and the other Parties agreeing to be bound by the obligations of the assigning Party under these Articles (and upon such assignment, such Affiliate will be deemed to be an original party to these Articles), or (b) raising any Indebtedness from third party banks or financial institutions that is not a Restricted Person or a Prohibited Person ("Authorised Lenders"), provided that, such Authorised Lenders shall not have the ability to directly exercise any rights in respect of the Company, and no Equity Shares of the Investors shall be transferred to such Authorised Lenders bank or financial institution without compliance with the provisions of Articles 180 – 187A and the relevant Investor shall ensure the same. It is further clarified that, the Investor Shares encumbered in favour of Authorised Lender should not result in any violation or breach of Applicable Laws which may affect or impact the ability of the Company to operate the Business, or conflict with any regulatory approvals or licenses provided to the Company for the operation of its Business.

204. Dispute Resolution:

- 204.1 In the case of any dispute or claim arising in connection with or relating to these Articles, or the breach (where such breach has not been cured by the party in breach (the Company, Promoter or Investors, as the case may be) within 15 (Fifteen) days of a written notice thereof), termination or invalidity hereof, the Company, Promoter and Investors shall attempt to first resolve such dispute or claim through discussions between senior representatives of the Company and/or the Promoter Shareholders and/or the Investors, as the case may be.
- 204.2 If the dispute is not resolved through such discussions within 30 (Thirty) days after one party ("Claimant") has served a written notice on the other party ("Respondent"), requesting the commencement of discussions, the dispute or claim shall be finally settled by arbitration in accordance with the Rules of the Singapore International Arbitration Centre ("SIAC"), and such arbitration shall be administered by the SIAC.
- 204.3 For the purpose of such arbitration, there shall be an arbitration board consisting of 3 (Three) arbitrators ("Arbitration Board"), of which 1 (One) arbitrator shall be appointed by the Claimant and the other arbitrator shall be appointed by the Respondent, and the third arbitrator shall be appointed by such appointed arbitrators.
- 204.4 All arbitration proceedings shall be conducted in the English language, the seat of arbitration shall be Singapore, and the venue of arbitration shall be in Delhi.
- 204.5 The Arbitration Board shall decide any such dispute or claim strictly in accordance with the laws of India without regard to applicable conflict of laws principles.
- 204.6 Each party shall co-operate in good faith to expedite (to the maximum extent practicable) the conduct of any arbitral proceedings commenced under this Article.
- 204.7 The costs and expenses of the arbitration prior to the final award, including the fees of the arbitrators on the Arbitration Board, shall be borne equally by each party to the dispute or claim and each party shall pay its own fees, disbursements and other charges of its counsel and the arbitrators nominated by it provided that the Arbitration Board shall have the power to award costs in its final award. In addition the Arbitration Board would have the power to award interest on any sum awarded pursuant to the arbitration proceedings and such sum would carry interest, if awarded, until the actual payment of such amounts.
- 204.8 Any award made by the Arbitration Board shall be final and binding on each of the parties that were parties to the dispute.
- 204.9 Nothing shall preclude either party from seeking interim or permanent equitable or injunctive relief, or both, from any court having jurisdiction to grant the same. The pursuit of equitable or injunctive relief shall not be a waiver of the duty of the parties to pursue any remedy for monetary damages through the arbitration described in this Article.

# ANNEXURE I

## DETAILS OF THE INVESTORS

Investor	Constitution	Residency Status	Line of Business	Business Registration
Investor-1	Company	Mauritius	Investment Holding	C106002988
Investor-2	Private Company limited by shares under the Republic of Mauritius	Company Resident in Mauritius	To make investments	Certificate of Incorporation Registration number 141648 under section 24 of the Companies Act issued by the Registrar of Companies of the Republic of Mauritius.
Investor-3	Trust under the Indian Trusts Act, 1882, registered as a Category III Alternative Investment Fund under regulation 3(4)(c) of the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012	Resident in India	To carry out the activities of an Alternative Investment Fund as a Category III Alternative Investment Fund and raise resources on a private placement basis to make investments in portfolio companies.	Registered as Document No. 37 of 2017-18 of Book IV in the office of the Sub-Registrar, Vijaya Nagar, Bangalore
Investor-4	Limited life company limited by shares incorporated under the laws of Mauritius	Company Resident in Mauritius	The Principal activity of the company is to operate as Closed-End Fund	Certificate of Incorporation Registration number 113080 under section 24 of the Companies Act issued by the Registrar of Companies of the Republic of Mauritius.
Investor-5	Limited Liability Company	Company resident in Singapore	To make investments	Registration No. 201731044N

Investor-6	Company	Mauritius	Investment Holding	C119024080
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Details for Notices:

Investor	Telephone Number & Email ID	Notices to be sent in the Attention of	Investor Demat Account Details
Investor-1	Email: <a href="mailto:Dilshaad.Rajabalee@sannegroup.mu">Dilshaad.Rajabalee@sannegroup.mu</a> <a href="mailto:William.KeeMew@sannegroup.mu">William.KeeMew@sannegroup.mu</a>  Telephone: +230 467 3000	Address : SANNE, IFS Court, Bank Street, Twenty Eight, Cybercity, Ebene 72201, Mauritius  Attention: Dilshaad Rajabalee	DP ID: IN303173  Client ID: 20003871
Investor-2	Email: <a href="mailto:Barings@cimglobalbusiness.com">Barings@cimglobalbusiness.com</a>  Telephone: +230-212-9800	Address : C/o CIM Fund Services Ltd. 33 Edith Cavell Street, Port Louis, Republic of Mauritius  Attention: Yashin Foolah	DP ID: IN300126  Client ID: 11267110
Investor-3	Email: <a href="mailto:Barings@cimglobalbusiness.com">Barings@cimglobalbusiness.com</a>  Telephone: +91-124-4321100	Attention: Rahul Bhasin  To be sent to: Infinity Towers, Tower A, 9th Floor, DLF Phase II, Gurgaon 122002, India	DP ID: IN303173  Client ID: 20080777
Investor-4	Email : <a href="mailto:zakir.niamut@sannegroup.mu">zakir.niamut@sannegroup.mu</a> / <a href="mailto:rohit@evolvence.com">rohit@evolvence.com</a> / <a href="mailto:evolvencefund@sannegroup.com">evolvencefund@sannegroup.com</a> / <a href="mailto:ajit@evolvence.com">ajit@evolvence.com</a>  Telephone : +230 467 4000	Address : International Financial Services Limited, IFS Court, Bank Street, Twenty Eight, Cybercity, Ebene 72201  Attention : Zakir	DP ID: IN303173  Client ID: 20025150

	Facsimile : +230 467 4000	Hussein Niamut/ Sagar Agarwal	
Investor-5	Email: FWoo@tpg.com; <u>NKay@tpg.com</u>  Facsimile:+65 6390-5001	Address: 80 Raffles Place, #15-01, UOB Plaza, Singapore - 48624  Attention: Francis Woo / Nicholas Kay	DP ID: IN300054  Client ID: 10098433
Investor-6	Email : <u>zakir.niamut@sannegroup.mu/</u> <u>rohit@evolvence.com</u> / <u>evolvencefund@sannegroup.com</u> / <u>ajit@evolvence.com</u>  <u>Telephone : +230 467 4000</u>	Address : IFS Court, Bank Street, Twenty Eight, Cybercity, Ebene 72201, Mauritius Attention : Zakir Hussein Niamut/ Rohit Batra/ Ajit Kumar	DP ID : IN303719  CLIENT ID : 11060105

**ANNEXURE II PART A**  
**LIST OF INVESTOR AFFIRMATIVE VOTE MATTERS**

It is clarified that any monetary limits stated in this Annexure, unless specified otherwise are indicated on an aggregate basis, and such limits shall apply to both a single transaction and a series of transactions carried out in a particular Financial Year.

1. Any merger, demerger, restructuring, consolidation, joint venture, creation of Subsidiary or Affiliate (for the purposes of carrying on Business), acquisition of Shares or other equity interests or the sale, lease or other disposal of all or substantially all of Company's assets and Business.
2. Liquidation, dissolution or winding up of Company.
3. Entering by Company in a "New Line of Business". For the purposes of this Annexure, "New Line of Business" means carrying on a new category of non-banking financial services other than the Business, including but not limited to: (i) housing finance; (ii) unsecured lending including microfinance and personal loans (excluding lending to employees, dealers and distributors as carried on as on the date hereof); (iii) sponsor funding; (iv) real estate lending; and (v) institutional or corporate lending to large enterprises (but not lending to medium and small enterprise, which is an existing line of Business). Carrying on of activities incidental and ancillary to the Business shall not constitute commencement of a New Line of Business.
4. Appointment or removal of Investor Nominee Director to/from the Board except in the event that such a removal is pursuant to a disqualification under Applicable Law or if the Investors' Board nomination rights fall away as per the terms of these Articles (in which case the Investor Nominee Director shall be automatically removed from the Board). This Affirmative Vote Matter with respect to each Investor will be available only in relation to their respective Nominee Directors.
5. Altering of the rights of the Investor by way of alteration, amendment to or waiver of any provisions in the memorandum and articles of association of Company. Notwithstanding anything stated herein, the Investors agree that they shall not exercise their affirmative voting right under this paragraph 5 to block any alteration of their rights under the memorandum and articles of association which is required to give effect to an IPO or further issuance of Securities, if such IPO or further issuance of Securities has been approved as a Key Matter or an Affirmative Vote Matter (as applicable) provided that the proposed amendment to the memorandum and articles of association of the Company is in a form and manner acceptable to the Investors.
6. Formulation or deviation from the IPO Plan in the event that the IPO/QIPO is proposed to be completed prior to the December 31, 2020.
7. Any change in the name or registered office of the Company.
8. Any Related Party Transactions of the Company.
9. Making of any advance or loan or providing of any guarantee or credit to any Related Party.
10. Declaring any dividend or making any other distribution from the Company to its Shareholders, other than as set out in paragraph 11 below.
11. Declaration of any dividends, where dividends are accrued but unpaid in respect of the Securities held by Investor-1.



12. Any fresh issuance of Securities at a valuation lower than the Post Money Equity Valuation (*as defined in the Shareholders' Agreement*).
13. Creation of any new class or series of Shares, other than the Additional Promoter Instruments having preference to (or *pari passu* with) the Equity Shares with respect to dividends, voting, liquidation preferences, or conversion rights or the issuance of any debt instrument convertible into, or debt issued with warrants exercisable for, any Securities of the Company.
14. Any share sale by the Promoter Shareholders and/or its Affiliates other than as permitted under the Transaction Documents.
15. Licensing or divestment of intellectual property owned by the Company other than in the Ordinary Course of Business.
16. Any and all agreements, contracts, or similar arrangements (including lending or investment transactions, infrastructure sharing agreements, referral and commission arrangements, etc.) proposed to be entered into between the Company and the Related Parties (other than any investments or infusion of funds by the Promoter in accordance with the provisions of these Articles).
17. Any commitment or agreement to undertake any of the foregoing.

**ANNEXURE II PART B**  
**LIST OF KEY MATTERS**

1. Any issuance of or alteration in the Share Capital, whether by way of issue of Securities, buy-back, reduction of Share Capital or otherwise, or any alteration in the nature and extent of rights of any class of Share Capital.
2. Appointment or change to the Merchant Banker and adoption of the IPO Plan (including any amendments or deviations from such IPO Plan), save for matters covered under item 6 of Annexure II Part A;
3. Formulation and amendment of the ESOP Plan and issuance of any stock options there under in compliance with the provisions of Article 174.8 above.
4. Issuance of stock options in excess of the percentage set out in the ESOP Plan.
5. Approval of Company's annual Business Plan.
6. Issues connected with any litigation, arbitration or other legal or regulatory proceedings involving the Company which are outside the Ordinary Course of Business and where the claim involved is equal to or lower than Rs 2,000,000 (Rupees Two Million) including any settlement arising from such matters. It is hereby clarified that all litigations initiated by or against the Company in connection with collection/recovery of debt or repossession of security / collaterals provided by the Company's customers shall be considered as litigation in Ordinary Course of Business.
7. Constitution of committees of the Board.
8. Approving terms and conditions of payments to Directors.
9. Change in employment terms of members of the Key Management Team and recruitment of any new member of the Key Management Team.
10. Change/appointment of Statutory Auditor of the Company.
11. The establishment / creation of any mortgage, pledge, hypothecation, escrow, security interest or lien over the assets of Company or provision of guarantees by the Company to secure any Financial Indebtedness not raised in connection with the Business or if raised outside the Ordinary Course of Business.

## ANNEXURE II PART C

### LIST OF PROMOTER AFFIRMATIVE VOTE MATTERS

1. Altering of the rights of the Promoter by way of alteration, amendment to or waiver of any provisions in the memorandum and articles of association of Company. Notwithstanding anything stated herein, Promoter agrees that the Promoter shall not exercise his affirmative voting right under this paragraph 1 to block any alteration of his rights under the Memorandum and Articles which is required to give effect to (a) a further issuance of Securities, if such further issuance of Securities has been approved as a Key Matter, or (b) the exercise of the Drag Along Right.
2. Any sale by the Investors and/or their Affiliates of Shares to an identified purchaser in a single transaction or in a series of inter-connected transactions (other than pursuant to the Drag Along Right), which, upon completion of such sale(s), will result in a purchaser holding more than 50% (Fifty Per Cent) of the Fully Diluted Share Capital.
3. Any commitment or agreement to undertake any of the foregoing.

### ANNEXURE III FORMAT OF DEED OF ADHERENCE FOR TRANSFER OF SHARES

This Deed of Adherence dated [●] (this "Deed") to the Shareholders Agreement dated [●] is made and entered into amongst:

1. [f], a company established under the laws of [f] and having its registered office at [f] (hereinafter referred to as "Selling Shareholder", which expression shall unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);
2. [●] [*Insert name of the third party transferee*], a company incorporated and existing under the laws of [●] having its registered office at [●] (hereinafter referred to as the "Incoming Shareholder", which expression shall include its successors and permitted assigns).

The Company, Promoter and Investors shall each be individually referred to as an "Original Party" and collectively the "Original Parties".

Each of the Company, the Investors, the Promoter and the Incoming Shareholder are hereinafter individually referred to as a "Party" and jointly as the "Parties".

#### WHEREAS:

- A. The Original Parties have entered into a Shareholders Agreement dated [●] (the "Shareholders' Agreement");
- B. [●] ("Selling Shareholder") has Transferred [●] number of Equity Shares to the Incoming Shareholder and accordingly the Incoming Shareholder is executing this Deed; and
- C. In terms of the Shareholders Agreement, the Parties are desirous of executing this Deed.

#### NOW, THEREFORE THIS DEED WITNESSETH AS FOLLOWS:

1. **Consent to the terms of the Agreement by the Incoming Shareholder**

The Incoming Shareholder covenants, undertakes and agrees with the Original Parties that by its execution of this Deed it shall become a party to the Shareholders' Agreement and that it

shall be bound by and exercise all the rights available with the Selling Shareholder in accordance with the provisions of these Articles and shall further be bound by all obligations of the Selling Shareholder, as set out under the Transaction Documents. Without prejudice to the foregoing, the Securities held by the Incoming Shareholder shall be subject to the provisions of Article 181 to 188 (*Transfer Restrictions*) in the same manner as applicable to the Shares held by the Selling Shareholder.

**2. Representations and Warranties**

The Incoming Shareholder represents and warrants to the Original Parties that its execution of this Deed has been duly authorised and that such execution or compliance with its terms will not now, or at any time in the future, conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default or require any consent under, any agreement or other instrument they have executed or by which they are bound, or violate any of the terms and provisions of its statutory documents or any judgment, decree or order or any statute, rule or regulation applicable to it.

**3. Governing Law**

This Deed shall be governed by and be construed in accordance with the laws of India. The Parties hereby agree and confirm that the provisions of Clauses 15 (*Governing Law*) and 16 (*Dispute Resolution*) of the Shareholders Agreement shall apply *mutatis mutandis* to this Deed, as if set out specifically herein are incorporated into this Deed.

**4. Definitions**

Terms used but not defined herein shall have the meanings assigned to them in the Shareholders Agreement.

**5. Notice**

The Incoming Shareholder furnishes the following details for purpose of Clause 14 (Notice):

Attention:

Fax:

Email:

Telephone:

6. This deed shall in all respects be governed by and construed in accordance with the laws of India.

**IN WITNESS WHEREOF** this Deed has been executed as a deed on the date first above written.

**SELLING SHAREHOLDER**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**INCOMING SHAREHOLDER**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ANNEXURE IV**  
**KEY MANAGEMENT TEAM**

1. Rajendra Kumar Setia;
2. Shalini Setia;
3. Chief Financial Officer;
4. Company Secretary;
5. Head of SME lending;
6. State Head of Rajasthan;
7. State Head of Gujarat;
8. Head of credit;
9. Legal and Compliance Head;
10. HR Head;
11. Chief Operating Officer – North;
12. Chief Operating Officer – West;
13. Head of Collection; and
14. Head of Risk.

**ANNEXURE V**  
**LIST OF PROHIBITED TRANSFEREES**

1. AU Small Finance Bank;
2. Kogta Financial India Ltd;
3. Shriram Transport Finance Co. Ltd;
4. Shriram City Union Finance Ltd.;
5. IndusInd Bank Ltd.;
6. Kotak Mahindra Bank Ltd.;
7. Hinduja Leyland Finance Ltd.;
8. Cholamandalam Investment and Finance Co. Ltd.;
9. Mahindra & Mahindra Financial Services Ltd.;
10. Magma Fincorp Ltd.; and
11. IKF Finance Limited.

**ANNEXURE VI  
ANTI-DILUTION MECHANISM**

$\text{Additional Shares} = (\text{AA} / \text{NP}) - \text{Equity Shares}$

Equity Shares = Securities (reckoned on a Fully Diluted Share Capital basis) acquired by an AD Investor in a round of financing or a secondary acquisition that was above the Down-round Price

AA = The aggregate investment made by an AD Investor to acquire Equity Shares

$\text{NP} = \text{OP} * ((\text{CSO} + \text{CSP}) / (\text{CSO} + \text{CSAP}))$

Where:

NP = New Price

OP = The per share price at which the AD Investor subscribed to / acquired the relevant Equity Shares

CSO = the aggregate of Securities outstanding immediately prior to the Down-round reckoned on a fully diluted basis

CSP = the consideration received by the Company in the Down-round, divided by OP

CSAP = Number of Securities (on a Fully Diluted Share Capital' basis) actually issued in the Down-round

It is clarified that if an AD Investor has acquired Securities at different prices in different series of financing in the Company / different secondary acquisitions, then the above formula shall be applied severally to each such series of Securities. As a result, references to AA, NP, OP and Equity Shares shall be construed and applied in the context of each such series of Securities held by an AD Investor.

## **ANNEXURE VII**

### **NON-BANKING FIANCIAL COMPANIES IN THE FAMILY**

1. Diamond Capfin Pvt. Ltd; and
2. Rakam Credit Private Limited.