

Capital Small Finance Bank

CAPITAL SMALL FINANCE BANK LIMITED

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NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT AN EXTRAORDINARY GENERAL MEETING OF THE SHAREHOLDERS OF CAPITAL SMALL FINANCE BANK LIMITED (THE "BANK") WILL BE HELD ON FRIDAY, OCTOBER 22, 2021 AT 11:30 A.M. BY MEANS OF VIDEO CONFERENCING ("VC") / OTHER AUDIO-VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESS

This notice of meeting is given pursuant to Section 101 of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) in accordance with the Articles of Association of the Bank.

SPECIAL BUSINESS:

Resolution No. 1

TO CONSIDER AND APPROVE RAISING OF CAPITAL THROUGH AN INITIAL PUBLIC OFFER OF EQUITY SHARES

To consider, and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 23, 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013, and the rules and regulations made thereunder, (including any statutory modifications or re-enactment thereof, for the time being in force), (the "**Companies Act**"), and in accordance with and subject to the provisions of the Securities Contracts (Regulation) Act, 1956, and the rules and regulations made thereunder, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "**SEBI Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**") and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by the Reserve Bank of India (the "**RBI**"), foreign exchange laws and regulations, applicable rules, regulations and clarification issued by the Securities and Exchange Board of India (the "**SEBI**") and any other applicable laws, rules and regulations, in India or outside India (including any amendment thereto or re-enactment thereof for the time being in force) (collectively, the "**Applicable Laws**"), and in accordance with the provisions of the Memorandum of Association and the Articles of Association of the Bank and the uniform listing agreements to be entered into between the Bank and the respective stock exchanges where the Equity Shares are proposed to be listed (the "**Stock Exchanges**"), and subject to any approvals as may be required from the Government of India ("**Gol**"), the Registrar of Companies, Punjab and Chandigarh at Chandigarh ("**RoC**"), SEBI, RBI and all other appropriate statutory authorities and departments (the "**Regulatory Authorities**") and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions and sanctions, which may be agreed to by the Board of Directors of the Bank (hereinafter referred to as the "**Board**" which term shall include a duly

authorized committee thereof for the time being exercising the powers conferred by the Board including the powers conferred by this resolution), the consent and approval of the shareholders be and is hereby accorded to create, issue, offer and allot Equity Shares which may include a fresh issue of Equity Shares (the “**Fresh Issue**”) and an offer for sale of Equity Shares (“**Offer for Sale**”) by certain existing shareholders of the Bank (the “**Selling Shareholders**”), (the “**Offer for Sale**” and together with the “**Fresh Issue**”, the “**Offer**”) in the Offer, for cash either at par or premium such that the amount being raised pursuant to the Fresh Issue aggregates up to ₹ 6,000 million (with an option to the Bank to retain an over-subscription to the extent of 1% of the net Offer, for the purpose of rounding off to the nearest integer to make allotment while finalizing the basis of allotment in consultation with the designated stock exchange), at a price to be determined by the Bank in consultation with the Book Running Lead Managers (“**BRLMs**”) appointed in relation to the Offer and in accordance with the offer agreement, through the book building process in terms of the SEBI Regulations or otherwise in accordance with Applicable Laws, at such premium or discount per Equity Share as permitted under Applicable Laws and as may be fixed and determined by the Bank in consultation with the BRLMs in accordance with the SEBI Regulations, out of the authorized share capital of the Bank to any category of person or persons as permitted under Applicable Laws, who may or may not be the shareholder(s) of the Bank as the Board may, in consultation with the BRLMs decide, including anchor investors, if any, one or more of the members of the Bank, eligible employees (through a reservation or otherwise), Hindu Undivided Families, employees working in India or abroad, registered foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, venture capital funds, foreign venture capital investors, alternative investment funds, non-resident Indians, state industrial development corporations, insurance companies, provident funds, pension funds, national investment fund, insurance funds set up by army, navy, or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India, trusts/societies registered under the Societies Registration Act, 1860, development financial institutions, systemically important non-banking financial companies, Indian mutual funds, members of group companies, Indian public, bodies corporate, companies, private or public or other entities, whether incorporated or not, authorities, and to such other persons including high net worth individuals, retail individual bidders or other entities, in one or more combinations thereof and/or any other category of investors as may be permitted to invest under Applicable Laws by way of the Offer in consultation with the BRLMs and/or underwriters and/or the stabilizing agent and/or other advisors or such persons appointed for the Offer and on such terms and conditions as may be finalised by the Board, in consultation with the BRLMs through an offer document, prospectus and/or an offering memorandum, as required, and that the Board in consultation with the BRLMs and in accordance with the offer agreement may finalise all matters incidental thereto as it may in its absolute discretion thinks fit.”

“**RESOLVED FURTHER THAT**, the shareholders take note of the Board’s invitation to the existing shareholders of the Bank to participate in the Offer by making an Offer for Sale in relation to such number of Equity Shares held by them, and which are eligible for the Offer for Sale in accordance with the SEBI Regulations, as the Board may determine in consultation with the BRLMs and in accordance with the offer agreement, as applicable, subject to the receipt of consent of SEBI, Gol, RBI, the RoC and/or such other approvals, permissions and sanctions of all other concerned regulatory authorities and departments, if and to the extent necessary, and subject to such conditions and modifications as may be prescribed in granting such approvals, permissions and sanctions, at a price to be determined by the book building process in terms of the SEBI Regulations, for cash at such premium per share as may be fixed and determined by the Bank in consultation with the BRLMs and in accordance with the offer agreement, to such category of persons as may be permitted or in accordance with the SEBI Regulations or other applicable law, if any, as may be prevailing at that time and in such manner as may be determined by the Board in consultation with the BRLMs and/or underwriters and/or the stabilizing agent and/or other advisors or such persons appointed for the Offer.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized on behalf of the Bank to make available for allocation a portion of the Offer to any category(ies) of persons permitted under Applicable Law, including without limitation, retail individual bidders or eligible employees of the Bank (the “**Reservation**”) or to provide

a discount to the offer price to retail individual bidders or eligible employees of the Bank (the “Discount”); and to take any and all actions in connection with any Reservation or Discount as the Board may think fit or proper in its absolute discretion, including, without limitation, to negotiate, finalize and execute any document or agreement, and any amendments, supplements, notices or corrigenda thereto; seek any consent or approval required or necessary; give directions or instructions and do all such acts, deeds, matters and things as the Board may, from time to time, in its absolute discretion, think necessary, appropriate, or desirable; and settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing.”

“**RESOLVED FURTHER THAT** the Equity Shares issued or transferred pursuant to the Offer shall be listed at one or more recognized stock exchanges in India.”

“**RESOLVED FURTHER THAT** in accordance with the provisions of Sections 23, 62(1)(c), 42 and any other applicable provisions, if any, of the Companies Act, 2013, and subject to such further corporate and other approvals as may be required, the approval of the members is hereby accorded to allot Equity Shares for an amount aggregating up to ₹ 1,500 million, to certain investors prior to filing of the red herring prospectus with SEBI (“Pre-IPO Placement”), at such price as the Board in consultation with the BRLMs and in accordance with the offer agreement, as applicable, underwriters, placement agents and / or other advisors, in light of the then prevailing market conditions and in accordance with the Companies Act, the SEBI Regulations and other applicable laws, regulations, policies or guidelines, further In the event of happening of Pre-IPO Placement, the size of the Offer would be reduced to the extent of Equity Shares issued under Pre-IPO Placement.”

“**RESOLVED FURTHER THAT** in relation to the Offer, the Board either by itself or a sub-committee constituted by the Board be and is hereby authorized to do such acts, deeds and things as the Board or such sub-committee in its absolute discretion deems necessary or desirable in connection with the Offer, including, without limitation, the following:

- a. To make applications, seek clarifications, obtain approvals, consents and seek exemptions from, the Bank’s lenders, industry data providers and/or parties with whom the Bank has entered into various commercial and other agreements including without limitation customers, suppliers, strategic partners of the Bank and/or any/all concerned governmental and regulatory authorities in India, including, the RBI, SEBI, the relevant registrar of companies and any other governmental or statutory authorities as may be required in connection with the Offer and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required and wherever necessary, incorporate such modifications / amendments as may be required in the draft red herring prospectus (“DRHP”), the red herring prospectus (“RHP”) and the prospectus as applicable;
- b. To finalize, settle, approve, adopt and file in consultation with the BRLMs where applicable, the DRHP, the RHP and the prospectus, the preliminary and final international wrap and any amendments, supplements, notices, addenda or corrigenda thereto, and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations/corrections/ modifications as may be required by SEBI, the RoC or any other relevant governmental and statutory authorities or in accordance with Applicable Laws;
- c. To decide in consultation with the BRLMs and in accordance with the offer agreement, the Offer Price; and to decide in consultation with the BRLMs, the Offer size, timing, pricing, Discount, Reservation and all the terms and conditions of the Offer, including the price band (including offer price for anchor investors, if any), bid period, and to do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including to make any amendments, modifications, variations or alterations in relation to the Offer;

- d. To appoint and enter into and terminate (if required) arrangements and/or agreements with the BRLMs, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, registrars, legal advisors, auditors, and any other agencies or persons or intermediaries to the Offer and to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the mandate letter with the BRLMs and negotiation, finalization, execution and, if required, amendment of the offer agreement with the BRLMs;
- e. To negotiate, finalise and settle and to execute and deliver or arrange the delivery of the DRHP, the RHP, the prospectus, offer agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow agreement, agreements with the registrar to the offer and all other documents, deeds, agreements and instruments whatsoever with the registrar to the Offer, legal advisors, auditors, stock exchange(s), BRLMs, any Selling Shareholders and any other agencies/intermediaries in connection with the Offer with the power to authorize one or more officers of the Bank to execute all or any of the aforesaid documents or any amendments thereto as may be required or desirable in relation to the Offer;
- f. To open and operate bank accounts in terms of the escrow agreement and to authorize one or more officers of the Bank to execute all documents/deeds as may be necessary in this regard;
- g. To open and operate bank accounts of the Bank in terms of Section 40(3) of the Companies Act, 2013, as amended, and to authorize one or more officers of the Bank to execute all documents/deeds as may be necessary in this regard;
- h. To authorize and approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;
- i. To accept and appropriate the proceeds of the Offer in accordance with the Applicable Laws;
- j. To approve code of conduct as may be considered necessary by the IPO Committee or as required under applicable laws, regulations or guidelines for the Board, officers of the Bank and other employees of the Bank;
- k. To approve the implementation of any corporate governance requirements that may be considered necessary by the Board or the IPO Committee or as may be required under the applicable laws or the SEBI Listing Regulations, as amended and listing agreements to be entered into by the Bank with the relevant stock exchanges, to the extent allowed under law;
- l. To issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Bank with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorize one or more officers of the Bank to sign all or any of the aforesaid documents;

- m. To authorize and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer;
- n. To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, including without limitation, to finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, share certificates in accordance with the relevant rules, in consultation with the BRLMs and in accordance with the offer agreement, as applicable;
- o. To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign and / or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more officers of the Bank to execute all or any of the aforestated documents;
- p. To make applications for listing of the Equity Shares in one or more stock exchange(s) for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of the Bank where necessary;
- q. To settle all questions, difficulties or doubts that may arise in regard to the Offer, including such issues or allotment, terms of the IPO, utilisation of the IPO proceeds and matters incidental thereto as it may deem fit;
- r. To submit undertaking/certificates or provide clarifications to the SEBI, RoC and the relevant stock exchange(s) where the Equity Shares are to be listed;
- s. To negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing;
- t. To delegate any of its powers set out under (a) to (s) hereinabove, as may be deemed necessary and permissible under Applicable Laws to the officials of the Bank;
- u. To approve suitable policies on insider trading, whistle-blowing, risk management, and any other policies as may be required under the SEBI Listing Regulations or any other Applicable Laws;
- v. To approve the list of 'group of companies' of the Bank, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the DRHP, the RHP and the Prospectus;

- w. Deciding, negotiating and finalising the pricing and all other related matters regarding the Pre-IPO Placement, including the execution of the relevant documents with the investors in consultation with the BRLMs and in accordance with Applicable Laws;
- x. Taking on record the approval of the Selling Shareholders for offering their Equity Shares in the Offer for Sale;
- y. To approve any last-minute changes to the DRHP;
- z. To withdraw the DRHP or the RHP or to decide to not proceed with the Offer at any stage in accordance with Applicable Laws and in consultation with the BRLMs and in accordance with the offer agreement, as applicable.

“RESOLVED FURTHER THAT the Equity Shares so allotted under the Offer (including any reservation or green shoe option) shall be subject to the Memorandum of Association and the Articles of Association of the Bank and shall rank *pari passu* in all respects with the existing Equity Shares of the Bank including rights in respect of dividend.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions and any issue and allotment of Equity Shares pursuant to the Offer, the Board and any other committee thereof, in consultation with the BRLMs and in accordance with the offer agreement, as applicable, be and is hereby authorized to determine the terms of the Offer including the class of investors to whom the Equity Shares are to be allotted, the number of Equity Shares to be allotted, issue price, premium amount, discount (as allowed under Applicable Laws), listing on one or more Stock Exchanges in India as the Board in its absolute discretion deems fit and do all such acts, deeds, matters and things and to negotiate, finalize and execute such deeds, documents agreements and any amendment thereto, as it may, in its absolute discretion, deem necessary, proper or desirable including arrangements with BRLMs, underwriters, escrow agents, legal advisors, etc., to approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise, in regard to the Offer, allotment of the Equity Shares, and utilization of the Offer proceeds, if applicable and such other activities as may be necessary in relation to the Offer and to accept and to give effect to such modifications, changes, variations, alterations, deletions and/or additions as regards the terms and conditions as it may, in its absolute discretion, deem fit and proper in the best interest of the Bank and the Offer, without requiring any further approval of the members and that all or any of the powers conferred on the Bank and the Board pursuant to these resolutions may be exercised by the Board or such Committee thereof as the Board may constitute in its behalf.”

“RESOLVED FURTHER THAT subject to compliance with Applicable Laws such Equity Shares as are not subscribed may be disposed of by the Board in consultation with the BRLMs to such persons and in such manner and on such terms as the Board in its absolute discretion thinks most beneficial to the Bank including offering or placing them with banks/financial institutions/ investment institutions/mutual funds/ bodies corporate/ such other persons or otherwise.

“RESOLVED FURTHER THAT in connection with any of the foregoing resolutions, the members of the Board and such other persons as may be authorized by the Board, on behalf of the Bank, be and are hereby severally authorized to execute and deliver any and all other documents, papers or instruments, issue and provide certificates and to do or cause to be done any and all acts or things as may be necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing resolutions for the Offer; and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Bank in so doing and any document so executed and delivered or acts and

things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Bank, as the case may be.”

“**RESOLVED FURTHER THAT** a copy of the above resolution, certified to be true by any Director or Company Secretary, be forwarded to concerned authorities for necessary actions.”

Resolution No. 2

TO CONSIDER AND APPROVE ADOPTION OF NEW ARTICLES OF ASSOCIATION

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

“**RESOLVED THAT** pursuant to the provisions of Sections 5 and 14 of the Companies Act, 2013 and the rules made thereunder, each as amended, and other applicable provisions, if any, and in order to align the Articles of Association of the Bank (the “**Articles of Association**”) with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”), and Stock Exchanges where the Equity Shares of the Bank are proposed to be listed, the set of existing Articles of Association of the Bank, be and is hereby substituted with the amended set of Articles of Association placed before the shareholders of the Bank and the same be approved and adopted as Articles of Association of the Bank subject to approval of the Reserve Bank of India, in total exclusion and substitution of the existing Articles of Association.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Bank (“**Board**”) and such other persons as may be authorised by the Board be and are hereby severally authorised to do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution including filing of necessary forms with the Registrar of Companies, Punjab and Chandigarh at Chandigarh.

“**RESOLVED FURTHER THAT** any of the Directors and/or the Company Secretary is authorized to certify the true copy of the aforesaid resolutions.”

Resolution No. 3

AMENDMENT TO CSFB LIMITED — EMPLOYEES STOCK OPTION PLAN 2018 FOR MATERIAL RISK TAKERS

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

“**RESOLVED THAT** pursuant to Section 62(1)(b) of the Companies Act, 2013 (the “**Act**”) and other applicable provisions, if any, of the Act, and the applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“**SBEB & SE Regulations**”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other rules, regulations, circulars and guidelines as may be applicable and subject to such approvals, consents, permissions and approvals as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (‘the Board’, which term shall include its duly empowered Committee(s) constituted/ to be constituted by it to exercise its powers including the powers conferred by this resolution), the approval of the Members be and is hereby accorded to the amendments to **CSFB Limited — Employees Stock Option Plan 2018 for Material Risk Takers** (“**MRT Plan**”) as described in the Explanatory Statement.”

“RESOLVED FURTHER THAT it is hereby noted that the amendments to the MRT Plan are not prejudicial to the interests of the current option grantees of the Company and are being carried out to meet the regulatory requirement in terms of the SBEB & SE Regulations once the Company is listed.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized on behalf of the Company to make and carry out any modifications, changes, variations, alterations or revisions in the MRT Plan or to suspend, withdraw or revive the MRT Plan, in accordance with applicable laws prevailing from time to time, as it may deem fit, to give effect to this resolution.”

RESOLVED FURTHER THAT for the purpose of bringing into effect this resolution and generally for giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to take all steps and do all things and give such directions as may be required, necessary, expedient, incidental or desirable for giving effect to the above and to settle any question or difficulty that may arise in this regard in the best interest of the Company.”

Resolution No. 4

AMENDMENT TO CSFB LIMITED — EMPLOYEES STOCK OPTION PLAN 2018

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

“RESOLVED THAT pursuant to Section 62(1)(b) of the Companies Act, 2013 (the “Act”) and other applicable provisions, if any, of the Act, and the applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SBEB & SE Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other rules, regulations, circulars and guidelines as may be applicable and subject to such approvals, consents, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (‘the Board’, which term shall include its duly empowered Committee(s) constituted/ to be constituted by it to exercise its powers including the powers conferred by this resolution), the approval of the Members be and is hereby accorded to the amendments to **CSFB Limited — Employees Stock Option Plan 2018 (“ESOP Plan”)** as described in the Explanatory Statement.”

“RESOLVED FURTHER THAT it is hereby noted that the amendments to the ESOP Plan are not prejudicial to the interests of the current option grantees of the Company and are being carried out to meet the regulatory requirement in terms of the SBEB & SE Regulations once the Company is listed.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized on behalf of the Company to make and carry out any modifications, changes, variations, alterations or revisions in the ESOP Plan or to suspend, withdraw or revive the ESOP Plan, in accordance with applicable laws prevailing from time to time, as it may deem fit, to give effect to this resolution.”

“RESOLVED FURTHER THAT for the purpose of bringing into effect this resolution and generally for giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to take all steps and do all things and give such directions as may be required, necessary, expedient, incidental or desirable for giving effect to the above and to settle any question or difficulty that may arise in this regard in the best interest of the Company.”

Resolution No. 5

TO APPROVE THE INVESTMENT LIMIT OF NON-RESIDENT INDIANS AND OVERSEAS CITIZENS OF INDIA ON REPATRIATION BASIS, ON A RECOGNIZED STOCK EXCHANGE

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

“RESOLVED THAT pursuant to the applicable provisions of the Foreign Exchange Management Act, 1999, as amended, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the Consolidated Foreign Direct Investment Policy bearing DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, as amended, the Companies Act, 2013, as amended, as the case may be and all other applicable acts, rules, regulations, provisions and guidelines (including any statutory modifications or re-enactments thereof for the time being in force) and subject to all applicable approvals, permissions and sanctions of the Reserve Bank of India, Ministry of Finance, Government of India, the Ministry of Corporate Affairs, Government of India and other concerned authorities and subject to such conditions as may be prescribed by any of the said concerned authorities while granting such approvals, permissions or sanctions which maybe agreed to by the Board of Directors of the Bank, the consent of the members of the Bank be and is hereby accorded to permit the non-resident Indians and overseas citizens of India to purchase or acquire or hold on their own account and to make investment in the Equity Shares of the Bank on repatriation basis, on a recognized stock exchange, subject to the condition that the aggregate of such holdings by non-resident Indians and overseas citizens of India shall not exceed 24% of the paid-up equity share capital of the Bank, provided however, that the shareholding of each non-resident India or overseas citizen of India shall not exceed 5 percent of the total paid-up equity share capital of the Bank on a fully diluted basis on repatriation basis, on a recognized stock exchange.

“RESOLVED FURTHER THAT, to give effect to the above resolutions, Mr. Sarvjit Singh Samra, Managing Director of the Bank and/or Mr. Munish Jain, Chief Operating Officer of the Bank and/or Mr. Amit Sharma, Company Secretary of the Bank and/or any director of the Bank, be and are hereby jointly and severally authorised to do all such acts, deeds, matters and things, including to settle any question, difficulty or doubt that may arise and to finalise and execute all documents and writings as may be necessary, including intimating the Reserve Bank of India of the increase in aforesaid limits and to comply with any other requirements, if any, in this regard.”

Resolution No. 6

PAYMENT OF REMUNERATION BY WAY OF COMMISSION TO THE NON-EXECUTIVE DIRECTORS, OTHER THAN CHAIRMAN

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

“RESOLVED THAT pursuant to the provisions of Section 197, 198, and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder (“the Act”), applicable provisions of the Banking Regulation Act, 1949 (including any statutory modification(s) or reenactment(s) thereof for the time being in force), Guidelines on Compensation of Non-executive Directors of Private Sector Banks, applicable rules, circulars and other guidelines issued by the Reserve Bank of India and “Comprehensive Compensation policy for Non-Executive Director of the Company, and any other law/guidelines applicable from time to time, the

Non-executive Directors of the Bank (i.e. Directors who are neither the Managing Director nor the Whole Time Directors) be paid such sum, as may be decided by Board in accordance with applicable laws not exceeding the limit prescribed by the Reserve Bank of India from time to time, to any of such Director(s) in such manner and in all respects as may be decided by the Nomination & Remuneration Committee of the Bank, subject to in aggregate of overall ceiling of 1% (one percent) of the net profits of the Bank (computed in the manner referred to in section 198 of the Companies Act, 2013), and such payments shall be made for each year commencing from April 1, 2021, in addition to payment of sitting fees and reimbursement of expenses incurred for attending meetings of the Board and its Committees”

“**RESOLVED FURTHER THAT** approval of the members be and is hereby granted for the payment of annual remuneration of more than 50% of the total annual remuneration payable to all non-executive directors, to a single non-executive director, as approved by the Board (includes committee thereof)”

**By the Order of the Board
For Capital Small Finance Bank Limited**

**Date: 30.09.2021
Place: Jalandhar**

**Sd/-
Amit Sharma
M. No.: FCS10888
Company Secretary**

NOTES

1. The Explanatory Statement under Section 102 of the Companies Act, 2013, as amended, in respect of the special businesses is annexed herewith and forms part of the notice. The Board of Directors of the Bank at its meeting held on September 23, 2021 considered that the special business under Item No. 1, 2, 3, 4, 5 & 6 being considered unavoidable, be transacted at the EGM of the Bank. In view of the outbreak of COVID-19 global pandemic, and pursuant to the Ministry of Corporate Affairs (“MCA”) Circulars No. No. 14/2020, dated 08th April, 2020, No. 17/2020, dated 13th April, 2020, No. 22/2020 dated 15th June, 2020, No. 33/2020 dated 28th September, 2020, No. 39/2020 dated 31st December, 2020 and No. 10/2021 dated 23rd June, 2021 (collectively referred to as “MCA Circulars”), the physical attendance of the members at the EGM Venue is not required and the EGM be held through video conferencing (“VC”) or other audio visual means (“OAVM”). In compliance of the above MCA circulars, the forthcoming EGM will thus be held through VC or OAVM. The deemed venue for the EGM shall be the Registered Office of the Bank.
2. **IN TERMS OF THE MCA CIRCULARS AS MENTIONED ABOVE, THE PHYSICAL ATTENDANCE OF THE MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE EGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.**
3. Since the EGM will be held through VC/OAVM Facility, the Route Map is not annexed with this Notice.
4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), and MCA Circulars, the Bank is providing facility of remote e-voting to its Members in respect of the business to be transacted at the EGM. For this purpose, the Bank has entered into an agreement with Central Depository Services (India) Limited (“CDSL”) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system during the EGM will be provided by CDSL.
5. The Members can join the EGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Scrutinizer, etc. who are allowed to attend the EGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
7. The Notice is being electronically sent to all the members of the Bank, whose name appear as on September 24, 2021 on the Register of Members/List of Beneficial Owners as received from CDSL/NSDL and who have registered their e-mail addresses with the Bank and/or with the Depositories. It is however, clarified that all the persons who are members of the Bank as on October 15, 2021 (including those members who may not have received this Notice due to non- registration of their e-mail IDs with the Bank or the Depositories) shall be entitled to vote in relation to the resolutions specified in this Notice.
8. On account of the threat posed by COVID-19 and in terms of the MCA Circulars, the Bank will send EGM Notice along with the all the required annexures with regard to the abovementioned resolutions in electronic form only. The hard copy of any document will not be sent.

9. Only those members, who are present in the meeting through VC or OAVM facility and have not cast their vote on resolutions through remote e-voting before the EGM and are otherwise not barred from doing so, shall be allowed to vote through e-voting system at the EGM.
10. All documents referred to in the Notice calling the EGM and the Explanatory Statement are available on the website of the Bank for inspection by the Members.
11. In line with the MCA Circulars, the Notice calling the EGM has been uploaded on the website of the Bank at www.capitalbank.co.in. The EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the EGM) i.e. www.evotingindia.com.

12. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER

The remote e-voting period begins on Tuesday, October 19, 2021 at 9:00 A.M. and ends on Thursday, October 21, 2021 at 5:00 P.M. During this period shareholders, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, October 15, 2021 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

- a) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- b) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- c) Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for individual Shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for the bank is in progress. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on the Bank’s name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on the Bank’s name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

For Shareholders holding shares in Physical Form and shareholders other than individual holding in Demat form.

- a) All the shareholders should log on to the e-voting website: www.evotingindia.com
- b) Click on “Shareholders / Members” tab
- c) Now enter your User ID
 - For CDSL: 16 digits beneficiary ID
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in physical form should enter folio number registered with the Bank.
- d) Next enter the Image Verification as displayed and Click on Login.
- e) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- f) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Physical Form and shareholders other than individual holding in Demat form.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Bank / Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Bank records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or Bank please enter the member id / folio number in the Dividend Bank details field.

- g) After entering these details appropriately, click on “SUBMIT” tab.
- h) Shareholders holding shares in physical form will then directly reach the Bank selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- i) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- j) Click on the EVSN for the relevant <**CAPITAL SMALL FINANCE BANK LIMITED**> on which you choose to vote.
- k) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- l) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- m) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- n) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- o) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

- p) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

13. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES/BANK FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Bank/RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

14. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the EGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Bank will be displayed.
2. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the EGM.
3. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
4. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. As the EGM is being conducted through VC/OAVM, for the smooth conduct of proceedings of the EGM, Members are encouraged to send their queries on any matter related to the said resolutions in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@capitalbank.co.in or amit1.sharma@capitalbank.co.in. Such questions by the Members shall be taken up during the meeting and replied by the Bank suitably.
7. Members who would like to express their views/ask questions during the EGM may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@capitalbank.co.in or amit1.sharma@capitalbank.co.in.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Bank reserves the right to restrict the number of speakers depending on the availability of time for the EGM.
9. Institutional Investors who are Members of the Bank, are encouraged to attend and vote in the EGM through VC/OAVM Facility.

15. THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE EGM (VENUE VOTING) ARE AS UNDER:

1. The procedure for e-Voting on the day of the EGM is same as the instructions mentioned above for Remote e-voting.

2. Only those shareholders, who are present in the EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM.
3. If any votes are cast by the shareholders through the e-voting available during the EGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM. However, they will not be eligible to vote at the EGM.

Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Bank at the email address viz; cs@capitalbank.co.in (designated email address by the Bank), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

16. Other Information:

1. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. October 15, 2021 only shall be entitled to avail the facility of remote e-Voting.
2. The e-voting period commences on October 19, 2021 (9:00 a.m. IST) and ends on October 21, 2021 (5:00 p.m. IST). The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.

3. The Members who have cast their vote by remote e-voting prior to the EGM may also attend and participate in the proceedings of the EGM through VC/OAVM but shall not be entitled to cast their votes again.
4. The shareholders can opt for only one mode of voting i.e. Remote e-voting or e-voting during the EGM through VC/OAVM.
5. The Board of Directors have appointed Ms. Harshita Aggarwal (M No.: ACS 55717) Practicing Company Secretary, Scrutinizer to scrutinize the voting at the EGM and remote e-voting process in a fair and transparent manner.
6. The Scrutiniser shall after the conclusion of voting at the EGM, will submit consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare results (consolidated) within 48 hours from the conclusion of the meeting.
7. The result declared along with the Scrutinizer's Report shall be placed on the Bank's website and on the website of CDSL immediately viz. www.capitalbank.co.in and www.evotingindia.com respectively. The results shall also be displayed on the notice board at the Registered Office of the Bank.
8. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Bank as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-voting or e-voting during the EGM.
9. Any person, who acquires shares of the Bank and becomes a Member of the Bank after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if he/she is already registered with CDSL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, ANNEXURE TO AND FORMING PART OF THE NOTICE DATED SEPTEMBER 30, 2021

ITEM NO. 1

TO CONSIDER AND APPROVE RAISING OF CAPITAL THROUGH AN INITIAL PUBLIC OFFER OF EQUITY SHARES

The Board of Directors of the Bank (hereinafter referred to as the “**Board**” which term shall include a duly authorized committee thereof for the time being exercising the powers conferred by the Board including the powers conferred by this resolution) was informed that the Bank was pursuing a growth and expansion strategy with the aim of having a strong footprint in north India up to Delhi by Fiscal 2024, and such expansion required adequate growth capital. Further, the uncertainties caused by the COVID-19 pandemic had added further impetus to have a capital cushion for the Bank to face foreseeable and unforeseeable future business risks. Therefore, on account of various factors such as the requirement of capital to augment growth, to manage risk and to better position itself as per its business plan, the Bank wishes to raise capital in the current Fiscal.

In light of these reasons, the Bank proposes to undertake an initial public offer of its equity shares of face value of ₹10 each (the “**Equity Shares**”) which may include, a fresh issue of Equity Shares (the “**Fresh Issue**”) and an offer for sale of Equity Shares (“**Offer for Sale**”) by certain shareholders of the Bank (the “**Selling Shareholders**”), (the “**Offer for Sale**” and together with the “**Fresh Issue**”, the “**Offer**”) and listing of the Equity Shares on one or more of the stock exchanges. The Bank intends to undertake the Offer and list its Equity Shares at an opportune time in consultation with the book running lead managers (the “**BRLMs**”) appointed for the Offer and other advisors to be appointed for the Offer and subject to applicable regulatory and other approvals, to the extent necessary.

In view of the above and in terms of Section 62(1)(c), and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, each as amended, the approval of the shareholders of the Bank is required through a special resolution.

The Bank proposes to create, offer, issue and allot in the Fresh Issue such number of Equity Shares, for cash either at par or premium such that the amount being raised pursuant to the Offer aggregates to Fresh Issue of up to ₹ 6,000 million on such terms and at such price and at such time as may be considered appropriate by the Board of Directors of the Bank (the “**Board**”), or a duly authorised committee thereof, to the various categories of permitted investors, who may or may not be the shareholder(s) of the Bank, in the initial public offer by way of book building method under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. The Equity Shares, if any, allotted vide the Offer shall rank in all respects *pari passu* with the existing equity shares of the Bank.

The proceeds from the Offer will be utilised for the purpose of augmenting the Bank’s Tier – 1 capital base to meet the Bank’s future capital requirements such as organic growth and expansion and to comply with regulatory requirements for enhanced capital base, as may be prescribed in the future and for general corporate purpose.

The Equity Shares are proposed to be listed on the BSE Limited, the National Stock Exchange of India Limited and any other stock exchange as determined by the Board at its absolute discretion (together, the “**Stock Exchanges**”) and the Bank will be required to enter into listing agreements with each of the Stock Exchanges.

The Bank will not make an offer of Equity Shares to the Promoters of the Bank in the Offer. However, the directors (except independent directors) or the key managerial personnel of the Bank may apply for the Equity Shares in the various categories under the Offer in accordance with the SEBI Regulations.

Other than through their participation in the Offer as mentioned above, none of the directors or managers or key managerial personnel of the Bank or the relatives of the said persons are interested in the said resolution.

Furthermore, in the event that Equity Shares are allotted to investors pursuant to pre-IPO placement of Equity Shares prior to registering of the red herring prospectus relating to the Offer with the Registrar of Companies, Punjab and Chandigarh at Chandigarh, price at which such pre-IPO placement shall be made shall be subject to prevailing market conditions, and shall be decided by the Bank in consultation with the BRLM to the Offer and in accordance with the offer agreement.

No change in control of the Bank or its management of its business is intended or expected pursuant to the Offer.

Further, in relation to the Offer, the Bank is required to identify its promoters who shall be named in the draft red herring prospectus, red herring prospectus and the prospectus (collectively, the "Offer Documents") proposed to be filed by the Bank. As part of the Offer, the promoters so identified along with other eligible entities are required to fulfil the condition of the minimum promoters' contribution of 20% of the capital of the Bank on post-Offer basis. In this regard, please note that the persons identified as promoters are eligible to contribute to the minimum promoters contribution in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, ("**SEBI ICDR Regulations**") and persons forming part of promoter group are not eligible to contribute to the minimum promoters' contribution.

It is informed to the shareholders of the Bank that due to ill-health, insignificant shareholding, less involvement in the conduct of business of the Bank, certain promoters of the Bank, as detailed below, requested the board of directors of the Bank to declassify them as promoters of the Bank in view of the proposed Offer.

Sr. No	Name of the Promoter
1	Brig. Swarn Singh Saini (retd.)
2	Bhagwant Singh Sangha
3	Parkash Kaur Pooni
4	Gursharan Kaur Dhillon

It is further informed to the shareholders that the Bank have identified the following individuals (members of the promoter group) who meet the criteria laid down under the SEBI ICDR Regulations and the Companies Act, as its promoters. Accordingly, the below mentioned individuals identified by the Bank have consented to be named as promoters of the Bank in the Offer Documents and to offer their Equity Shares for the minimum promoters' contribution towards the proposed Offer in terms of the SEBI guidelines.

Sr. No.	Name of the members of Promoter Group holding Equity Shares in the Bank
1	Amarjit Singh Samra
2	Navneet Kaur Samra
3	Surinder Kaur Samra

None of the directors, key managerial personnel and relatives of directors and/or key managerial personnel (as defined in the Companies Act, 2013) are concerned or interested in the proposed resolution, except in the ordinary course of business.

The Board recommends the resolutions in Item No.1 of the Notice for your approval as a special resolution. Accordingly, approval of the members of the Bank is sought to issue Equity Shares under Section 62(1)(c) and

other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, each, as amended.

ITEM NO. 2

TO CONSIDER AND APPROVE ADOPTION OF NEW ARTICLES OF ASSOCIATION

In order to undertake the proposed Initial Public Offering, the Bank will be required to ensure that the articles of association of the Bank (the “Articles of Association”) conform to the requirements prescribed by relevant stock exchanges prior to the filing of draft red herring prospectus with the Securities and Exchange Board of India and the relevant stock exchanges where Equity shares of the Bank are proposed to be listed. The Bank therefore proposes to adopt a new set of Articles of Association that shall conform to the requirements and directions provided by the stock exchanges and contain such other articles as required by a public limited company under applicable laws including the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended.

The Board of Directors vide resolution passed on September 23, 2021 had approved the amendments proposed in the Articles of Association.

A draft of the amended Articles of Association with the proposed amendments is enclosed as **Annexure 1** to this notice.

All Articles of Part II shall automatically terminate and cease to have any force and effect and shall stand deleted and be deemed to be removed from the Articles of Association from the date of receipt of final listing and trading approvals from the stock exchanges for commencement of trading of the Equity Shares of the Company pursuant to the initial public offer and the provisions of Part I shall continue to be in effect and be in force, without any further corporate or other action, by the Bank or by its shareholders.

None of the directors, key managerial personnel and relatives of directors and/or key managerial personnel (as defined in the Companies Act, 2013) are concerned or interested in the proposed resolution, except in the ordinary course of business.

Accordingly, approval of the members of the Bank by special resolution is sought to approve the Item no 2 regarding the adoption of proposed new set of Articles of Association under Section 14 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, each, as amended.

ITEMS NO. 3 AND NO. 4:

AMENDMENT TO CSFB LIMITED — EMPLOYEES STOCK OPTION PLAN 2018 FOR MATERIAL RISK TAKERS AND AMENDMENT TO CSFB LIMITED — EMPLOYEES STOCK OPTION PLAN 2018

Capital Small Finance Bank Limited (‘**Company**’) adopted the CSFB Limited — Employees Stock Option Plan 2018 for Material Risk Takers (‘**MRT Plan**’) and CSFB Limited — Employees Stock Option Plan 2018 Employees Stock Option Plan, 2018 (‘**ESOP Plan**’), which is being implemented by the Company.

Based on the approval of the Board of Directors (‘**the Board**’), Nomination and Remuneration Committee and subject to the approval of the Members, it is proposed that the MRT Plan and ESOP Plan be amended in order to comply with the regulatory requirements in terms of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (‘**SEBI SBEB & SE Regulations**’).

In view of above, approval of Members is sought by way of a Special Resolution for Item No. 3 and 4 of the accompanying Notice, for authorizing the Board to amend the MRT Plan and ESOP Plan and do all such acts, matters, deeds and things and to take all steps and do all things and give such directions as may be required,

necessary, expedient, incidental or desirable for giving effect to the amendment of the MRT Plan and ESOP Plan.

A draft of the MRT Plan and ESOP Plan with the proposed amendments shall be available for inspection through electronic mode, basis the request being sent on cs@capitalbank.co.in.

Details of the key variations of the MRT Plan and ESOP Plan are provided below:

1. Key Variations in the MRT Plan:

It is proposed to include the following variations in the MRT Plan:

No.	Clause No.	Present Position	Variations Proposed
1.	2.12	<p>Exercise Price</p> <p>Exercise Price under the MRT Plan referred to the price payable by the MRT for the Exercise of the Options granted under the MRT Plan, which shall be face value of the equity shares at the time of Grant of Options/Vesting.</p>	<p>While a company is free to determine the exercise price, the exercise price is required to be in compliance with the accounting standards provided under Regulation 15 of the SEBI SBEB & SE Regulations. Clause 2.12 of the MRT Plan is being amended to reflect the above position..</p>
2.	4.3	<p>Duration of the MRT Plan</p> <p>The MRT Plan is to stay in force till March 31, 2024.</p>	<p>The MRT Plan is being revised to provide that the MRT Plan shall be in force: (a) till its termination by the Company as per provision of the Applicable Law, or (b) until all Options granted under the MRT Plan have been exercised or have expired by reason of lapse of time, whichever is earlier.</p>
3.	6	<p>Power of the compensation committee</p> <p>The compensation committee has been provided the authority to undertake various action in relation to the grant and exercise of options. Presently, the scope of authority provided is in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014.</p>	<p>Under Schedule 1, Part B of the SEBI SBEB & SE Regulations, the compensation committee is also required to lay down:</p> <ul style="list-style-type: none"> (a) the procedure for funding the exercise of options; and (b) the procedure for buy-back of specified securities issued under SEBI SBEB & SE Regulations, if to be undertaken at any time by the company, and the applicable terms and conditions, including: (i) permissible sources of financing for buy-back; (ii) any minimum

			<p>financial thresholds to be maintained by the company as per its last financial statements; and (iii) limits upon quantum of specified securities that the company may buy-back in a financial year.</p> <p>The MRT Plan is being revised to incorporate the above in the ambit of authority of Nomination and Remuneration Committee.</p>
4.	9.1 and 9.7	<p>Policy for vesting in case of death or permanent incapacity</p> <p>The MRT Plan presently provides for vesting of all the options granted in case of death or permanent incapacity.</p>	<p>A company implementing an employee stock option scheme is required to frame an appropriate policy with respect to the death or permanent incapacity of an employee, subject to applicable laws under the SEBI SBEB & SE Regulations. Further, the cliff period of 1 year is not applicable in case of death or permanent incapacity. The MRT Plan is being amended to include the above clarification to be applicable on the Company after Listing.</p>
5.	9.6	<p>Treatment of options in case of retirement on superannuation</p> <p>Presently the MRT Plan does not provide for the treatment of options in case of retirement.</p>	<p>In the event of retirement or superannuation, the options granted to an employee which have not vested, will not expire, and continue to vest in accordance with their respective vesting schedules as per company's policies after the Listing, per the amendment being proposed in the MRT Plan.</p>
6.	12.1	<p>Vesting of options after cessation of employment</p> <p>The MRT Plan provided that continuation of service will not be a precondition for vesting of granted Options.</p>	<p>The position has been revised to provide that continuation of service shall be a precondition for vesting of granted Options, except as provided under the applicable laws.</p>
7.	13.3	<p>Cash settlement of options</p> <p>The MRT Plan provided for cash settlement to the Options.</p>	<p>The SBEB & SE Regulations has clarified the ambit of cashless exercise to include only sell to cover method, where such number of shares will be sold to enable to cover – the payment of the exercise price, the amount necessary to meet</p>

			the option holder's tax obligations and other related expenses pursuant to exercise of the options. The MRT Plan is proposed to be amended to clarify the scope of cashless exercise.
8.	15.1	<p>Modification of the plan</p> <p>Presently, the construct is that an amendment to the MRT Plan require board and shareholders' approval.</p>	Companies can vary the terms of the scheme to meet any regulatory requirement without seeking shareholders' approval under the SEBI SBEB & SE Regulations. Per the proposed amendment, post the listing, the Board or the Nomination and Remuneration Committee may revise any of the terms and conditions of MRT Plan to meet any regulatory requirement without seeking shareholders' approval.

2. Key Variations in the ESOP Plan:

It is proposed to include the following variations in the ESOP Plan:

No.	Clause No.	Present Position	Variations Proposed
1.	2.8	<p>Definition of employee and the scope of the ESOP Plan</p> <p>Under the ESOP Plan "Employee" means:</p> <p>(i) a Permanent Employee of the Company who has been working in India or outside India; or</p> <p>(ii) a Director of the Company, whether a whole time director or not but excluding an Independent Director; or</p> <p>(iii) an employee as defined in clauses (i) or (ii) of a Subsidiary, in India or outside India, or of a Holding Company of the Company;</p> <p>but does not include-</p>	<p>The definition of an employee, except in relation to sweat equity, has been revised under SEBI SBEB & SE Regulations to include an employee as designated by the company, who is exclusively working in India or outside India. Further, the ambit of an employee has been expanded to include employees of group companies, including associate companies. The definition of employee is being revised in the ESOP Plan to reflect the above regulatory change, to be applicable on the Company after listing, as the Company would have to comply with the SEBI SBEB & SE Regulations upon listing.</p>

		<p>(a) an employee who is a Promoter or a Person belonging to the Promoter Group; or</p> <p>(b) a Director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity Shares of the Company.</p>	
2.	2.14	<p>Exercise Price</p> <p>Exercise Price under the ESOP Plan referred to the price payable by the employee for the Exercise of the Options granted under the ESOP Plan.</p>	<p>While a company is free to determine the exercise price, the exercise price is required to be in compliance with the accounting standards provided under Regulation 15 of the SEBI SBEB & SE Regulations. Clause 2.14 of the ESOP Plan is being amended to reflect the above position.</p>
3.	4.3	<p>Duration of the ESOP Plan</p> <p>The ESOP Plan was in force till September 30, 2019.</p>	<p>As there are subsisting Options, the ESOP Plan is being revised to provide that the ESOP Plan shall be in force: (a) till its termination by the Company as per provision of the Applicable Law, or (b) until all Options granted under the ESOP Plan have been exercised or have expired by reason of lapse of time, whichever is earlier. The Company has also granted 3,26,750 Options since September 30, 2019 including out of lapsed options, which shall be deemed to validly granted and shall vest and be exercisable as per the terms of the ESOP Plan.</p>
4.	6	<p>Power of the compensation committee</p> <p>The compensation committee has been provided the authority to undertake various action in relation to the grant and exercise of options. Presently, the scope of authority provided is in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014.</p>	<p>Under Schedule 1, Part B of the SEBI SBEB & SE Regulations, the compensation committee is also required to lay down:</p> <ul style="list-style-type: none"> (a) the procedure for funding the exercise of options; and (b) the procedure for buy-back of specified securities issued under SEBI SBEB & SE Regulations, if to be undertaken at any time by the company, and the applicable terms and conditions, including: (i) permissible

			<p>sources of financing for buy-back; (ii) any minimum financial thresholds to be maintained by the company as per its last financial statements; and (iii) limits upon quantum of specified securities that the company may buy-back in a financial year.</p> <p>The ESOP Plan is being revised to incorporate the above in the ambit of authority of Nomination and Remuneration Committee.</p>
5.	9.1 and 9.7	<p>Policy for vesting in case of death or permanent incapacity</p> <p>The ESOP Plan presently provides for vesting of all the options granted in case of death or permanent incapacity.</p>	<p>A company implementing an employee stock option scheme is required to frame an appropriate policy with respect to the death or permanent incapacity of an employee, subject to applicable laws under the SEBI SBEB & SE Regulations. Further, the cliff period of 1 year is not applicable in case of death or permanent incapacity. The ESOP Plan is being amended to include the above clarification to be applicable on the Company after Listing.</p>
6.	9.6	<p>Treatment of options in case of retirement on superannuation</p> <p>Presently the ESOP Plan does not provide for the treatment of options in case of retirement.</p>	<p>In the event of retirement or superannuation, the options granted to an employee which have not vested, will not expire, and continue to vest in accordance with their respective vesting schedules as per company's policies after the Listing, per the amendment being proposed in the ESOP Plan.</p>
7.	15.1	<p>Modification of the plan</p> <p>Presently, the construct is that an amendment to the ESOP Plan require board and shareholders' approval.</p>	<p>Companies can vary the terms of the scheme to meet any regulatory requirement without seeking shareholders' approval under the SEBI SBEB & SE Regulations. Per the proposed amendment, post the listing, the Board or the Nomination and Remuneration Committee may revise any of the terms and conditions of ESOP Plan to meet any regulatory requirement without seeking shareholders' approval</p>

3. Rationale for the variation of the ESOP Plan and MRT Plan:

- (a) The amendments, including those mentioned herein, are proposed to be undertaken in order to comply with the SEBI SBEB & SE Regulations on the listing of the Company, and make corresponding changes in the ESOP Plan and MRT Plan.
- (b) The proposed amendments also contain certain editorial changes.
- (c) The proposed amendments are not detrimental or prejudicial to the interests of the current option grantees of the Company.

4. Details of the employees who are beneficiaries of such variation:

All eligible employees to whom the options have been granted under the ESOP Plan and MRT Plan, respectively.

Non-promoter Directors (other than the Independent Directors) and other Key Managerial Personnel of the Company and its subsidiary(ies), are deemed to be concerned or interested, to the extent of stock options granted/ to be granted pursuant to the ESOP Plan and MRT Plan and to the extent of their shareholding in the Company, if any.

None of the other Directors of the Company, or their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at Item No. 3 and 4 of the Notice for approval by the Members.

ITEM NO 5

TO APPROVE THE INVESTMENT LIMIT OF NON-RESIDENT INDIANS AND OVERSEAS CITIZENS OF INDIA ON REPATRIATION BASIS, ON A RECOGNIZED STOCK EXCHANGE

It is informed to the members that the NRI shareholders are holding 21.77% of the paid-up share capital of the Bank as on June 30, 2021 as foreign direct investments on repatriable or Non repatriable.

Further, the Foreign Exchange Management Act, 1999, as amended, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the Consolidated Foreign Direct Investment Policy bearing DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, as amended, and the Companies Act, 2013, permits the non-resident Indians and overseas citizens of India to purchase or acquire or hold on their own account and to make investment in the Equity Shares of the Bank, subject to the condition that the aggregate of such holdings by non-resident Indians and overseas citizens of India shall not exceed 24% of the paid-up equity share capital of the Bank on repatriation basis, on a recognized stock exchange, provided however, that the shareholding of each non-resident India or overseas citizen of India shall not exceed 5% of the total paid-up equity share capital of the Bank on a fully diluted basis on repatriation basis, on a recognized stock exchange.

Accordingly, approval of the members of the Bank by special resolution is sought to fix the limit of 24% of paid up capital (at all times) for aggregate limit of 24% by non-resident Indians and overseas citizens of India on repatriation basis, on a recognized stock exchange.

None of the directors, key managerial personnel and relatives of directors and/or key managerial personnel (as defined in the Companies Act, 2013) are concerned or interested in the proposed resolution, except in the ordinary course of business.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the Members.

ITEM NO 6

PAYMENT OF REMUNERATION BY WAY OF COMMISSION TO THE NON-EXECUTIVE DIRECTORS, OTHER THAN CHAIRMAN

In terms of the provisions of the Companies Act, 2013 ("Act"), the Banking Regulation Act 1949 and in addition to various guidelines/circulars issued by the RBI or any other applicable law, Non-Executive Directors have been entrusted with vast responsibilities to make their role more objective and purposeful. Keeping in view the enhanced role, responsibilities and duties of directors, it is considered appropriate that the remuneration payable to Non-Executive Directors by the Bank should be commensurate with their increased role, responsibilities and duties. Till recently, the banks in private sector were allowed to pay only sitting fees to Non-Executive Directors and the Part Time Chairman is being allowed a fixed remuneration with the prior approval of RBI.

However, RBI vide Circular No. DBR. No. BC 97/29.67.001/2014-15 dated June 1, 2015 issued Guidelines on Compensation of Non-Executive Directors of Private Sector Banks (the 'Guidelines') emphasizing on the fact that in order to enable banks to attract and retain professional Directors, it is essential that such directors are appropriately compensated. In terms of these Guidelines, the Boards of Private sector Banks are now allowed, at its discretion, payment of compensation in form of profit related commission to the Non-Executive Directors (other than the Part-time Chairman), subject to the Bank making profits. Such compensation, however, was not to exceed Rs. 1 million per annum for each director. This compensation is in addition to sitting fees being paid to the Non-Executive Directors and reimbursement of their expenses for their participation in the Board and other meetings, subject to compliance with provisions of the act.

Further in terms of the provisions of section 197 of the Act, the remuneration payable to directors who are neither the Managing Director nor the Whole Time Directors shall not exceed One percent (1%) of the net profits of the company.

Considering the same the Shareholders of the Bank gave the approval for payment of Rs 10 lakh per such Director per year in the Annual General Meeting held on September 27, 2019.

The Reserve Bank of India vide their circular DOR.GOV.REC.8/29.67.001/2021-22 dated April 26, 2021, provides that in addition to sitting fees and expenses related to attending meetings of the board and its committees as per extant statutory norms/ practices, the bank may provide for payment of compensation to NEDs in the form of a fixed remuneration commensurate with an individual director's responsibilities and demands on time and which are considered sufficient to attract qualified competent individuals. However, such fixed remuneration for a NED, other than the Chair of the board, shall not exceed ₹20 lakh per annum.

Considering the above, the Nomination and Remuneration Committee in its meeting held on August 17, 2019, approved the amendment in the policy to reflect the above change in Comprehensive Compensation policy for Non-Executive Directors ("NED") and recommended the same to the Board for its approval. Board of Directors in their meeting held on September 23, 2021 approved the same. It is hereby recommended for the

approval of the Members, payment of compensation to NEDs in the form of a fixed remuneration commensurate, however, such fixed remuneration for a NED, shall not exceed the limit as may be prescribed by the Reserve Bank of India from time to time.

It is further informed that the approval of the members is being sought to grant the approval for the payment of annual remuneration of more than 50% of the total annual remuneration payable to all non-executive directors, to a single non-executive director, as approved by the Board (includes committee thereof)”

The Non-Executive Directors, and their relatives, are interested in this Resolution in so far as the same relates to their respective commission.

None of the Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution. The Board recommends this Resolution for your approval.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the Members.

**By the Order of the Board
For Capital Small Finance Bank Limited**

**Date: 30.09.2021
Place: Jalandhar**

**Sd/-
Amit Sharma
M. No.: FCS10888
Company Secretary**

Annexure 1

Draft of Amended Articles of Association of Capital Small Finance Bank Limited

(Incorporated under the Companies Act, 1956)

(Company Limited by Shares)

Part I

1	<p>The regulations contained in Table F, in the Schedule I to the Companies Act, 2013, shall not apply to the Company, except so far as such regulations are contained in these Articles.</p> <p>The provisions of The Banking Regulation Act, 1949 as may be amended from time to time, The Companies Act, 2013 and rules made there under as may be amended from time to time and Guidelines issued by the Reserve Bank of India from time to time shall have effect notwithstanding anything to the contrary contained in the Articles of Association of the Company.</p>	Provisions of Table "F" not applicable
DEFINITIONS		
2	<p>(i) The marginal notes hereto shall not affect the construction hereof.</p> <p>(ii) "1949 Act" means The Banking Regulation Act, 1949 and includes any statutory modifications or reenactment thereof for the time being in force.</p> <p>(iii) "the Act" means The Companies Act, 2013, and includes any statutory modification or re-enactment thereof for the time being in force; or the Companies Act, 1956, as applicable.</p> <p>(iv) "Beneficial Owner" means beneficial owner as defined in Section 2(1)(a) of the Depositories Act.</p> <p>(v) "Board of Directors" or "Board", means the collective body of the directors of the Company.</p> <p>(vi) "Chairman" means the Chairman of the Company who shall be appointed with the prior approval of the Reserve Bank of India and in accordance with the provisions of the 1949 Act;</p> <p>(vii) "the Company" or "this Company" means Capital Small Finance Bank Limited.</p> <p>(viii) "Corporate Agent Guidelines" shall mean Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015 read with Guidelines on Licensing of Corporate Agents dated July 14, 2005 issued by the IRDA and such other rules and regulations issued by IRDA as may be relevant for the Company</p> <p>(ix) "Depositories Act" means The Depositories Act, 1996 and any statutory modification or re- enactment thereof for the time being in force in India.</p> <p>(x) "Depository" means a company formed and registered under the Act and which has been granted certificate of registration to act as Depository under the Securities and Exchange Board of India Act, 1992.</p> <p>(xi) "FEMA" means The Foreign Exchange Management Act, 1999, read with various rules and regulations</p>	Interpretations

	<p>prescribed there under.</p> <p>(xii) "Financial Statement" means</p> <ol style="list-style-type: none"> 1) a balance sheet as at the end of the financial year; 2) a profit and loss account for the financial year; 3) cash flow statement for the financial year; 4) a statement of changes in equity, if applicable; and 5) any explanatory note annexed to, or forming part of, any document <p>(xiii) "Guidelines" shall mean the SFB Guidelines, the Money Changing Guidelines, the Corporate Agent Guidelines and such other rules and regulations issued by RBI or IRDA, as may be relevant for the Company.</p> <p>(xiv) "IRDA" shall mean the Insurance Regulatory and Development Authority of India.</p> <p>(xv) "Member" means the duly registered holder, from time to time of the shares of the company and beneficial owner(s) as defined in clause (a) of sub-section (1) of section (2) of the Depositories Act.</p> <p>(xvi) "Money Changing Guidelines" shall mean the Master Direction - Money Changing Activities dated January 1, 2016, issued by RBI (including any modification or reenactment thereof for the time being in force) along with any other instructions issued to authorised persons by RBI under Section 11 of FEMA and such other rules and regulations issued by RBI as may be relevant for the Company.</p> <p>(xvii) "Office" means the registered office for the time being of the Company.</p> <p>(xviii) "These presents" or "Articles" means these Articles of Association as originally framed or as altered from time to time.</p> <p>(xix) "Proxy" means an instrument whereby any person is authorised to vote for a Member at a general meeting on a poll.</p> <p>(xx) "Register" or "Register of Members" means the Register of Members required to be maintained pursuant to the Act and shall include the Register of Beneficial Owner(s) maintained by the Depository in respect of the company's shares held in dematerialized form.</p> <p>(xxi) "RBI" or "Reserve Bank of India" shall mean the Reserve Bank of India established under The Reserve Bank of India Act, 1934.</p> <p>(xxii) "Reserve Bank of India Act" shall mean The Reserve Bank of India Act, 1934, including any statutory modification or re-enactment thereof.</p> <p>(xxiii) "Rules" shall mean the Rules issued from time to time (including any statutory amendment or replacement thereto) under the Act.</p>	
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	<p>to time.</p> <p>(xxvii) "SFB Guidelines" shall mean the 'Guidelines for Licensing of Small Finance Banks in the Private Sector' dated November 27, 2014, as amended from time to time and 'Operating Guidelines for Small Finance Banks' dated October 6, 2016, as amended from time to time, read with the clarifications to the queries on the Guidelines for Licensing of Small Finance Banks in the Private Sector dated January 1, 2015, issued by the RBI and such other rules and regulations issued by RBI and as may be relevant for a small finance bank.</p> <p>(xxviii) "Special Resolution" and "Ordinary Resolution" shall have the meanings assigned thereto respectively by Section 114 of the Act.</p> <p>(xxix) "Tribunal" means "National Company Law Tribunal" constituted under the Act.</p> <p>(xxx) "In writing" or "written" include words printed, lithographed, typewritten, represented or reproduction in any mode in visible form.</p> <p>In these Articles unless there be something in the subject or context inconsistent therewith:-</p> <p>Words importing the masculine gender also include the feminine gender and words importing the singular number include where the context admits or requires the plural number and <i>vice versa</i>. Words importing persons shall include the Central or State Government, corporations, corporate bodies, firms, individuals, societies and other bodies whether incorporated or not. Subject as aforesaid, any words or expressions defined in the Act except where it is repugnant to the subject or context shall bear the same meaning in these Articles.</p> <p>Words not defined in these Articles, but defined either in the Act or 1949 Act or Reserve Bank of India Act, shall have the meaning assigned in such enactments, respectively, as the context may require.</p>	
3	Copies of the Memorandum and Articles of the Company shall be furnished by the Company to every Member at his request, within the period and on payment of such sum as may be prescribed by the Act.	Copies of Memorandum and Articles to be given to Members
	CAPITAL	
4	The Authorised Capital of the Company will be as stated in Clause V of the Memorandum of Association from time to time with power to increase or reduce the said Capital and to issue any part of its capital original or increased with or without any priority or special privilege subject to compliance with the 1949 Act, the Act, the Guidelines or any other Rules under applicable law, or subject to any postponement of rights or to any conditions or restrictions so that unless the conditions of issue otherwise prescribe such issue shall be subject to the provisions herein contained.	Capital
5	The Company in General Meeting may, from time to time,	Power to increase

	increase the capital by the creation of new shares of such amount as may be deemed expedient.	capital
6.	<p>Subject to the provisions of the Act and such Rules, the new shares may be issued upon such terms and conditions and with such rights and privileges subject to the 1949 Act, Guidelines and circulars that may be issued by the Reserve Bank of India from time to time, with a special or qualified right to dividend and in the distribution of assets of the Company.</p> <p>Any issue of shares which results in a person (by himself or acting in concert with any other person) acquiring 5% or more of the paid-up equity share capital or voting rights of the Company shall be made with prior approval of Reserve Bank of India.</p>	Conditions regarding issue of new shares
7	<p>Except in so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares, equity or preference, shall be considered as part of the existing share capital, shall rank <i>pari-passu</i> with the shares of that class, and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.</p>	New shares to rank <i>pari passu</i> with shares in existing capital
8	<p>Subject to the provisions of Sections 66 of the Act and to confirmation by the Tribunal, the Company may by Special Resolution, reduce its Share Capital and / or any Capital Redemption Reserve Account and / or the Securities Premium Account in any manner authorized under law and with, and subject to, any incidental authorization or consent required or such other steps that need to be undertaken in accordance with law.</p>	Reduction of capital
9	<p>The Company in General Meeting may:-</p> <p>(i) consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act;</p> <p>(ii) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum, so however, 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 share from which the reduced share is derived;</p> <p>(iii) cancel shares which, at the date of the passing of the resolution in that behalf, 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;</p> <p>(iv) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.</p>	Subdivision and consolidation of capital
	MODIFICATION OF CLASS RIGHTS	
10	<p>(i) If at any time the Share Capital by any reason is divided into different classes of shares, all or any of the rights</p>	

	<p>and privileges attached to each class will be effective and binding after approvals, if any, may subject to the provisions of the Act and whether or not the Company is being wound up, be varied, modified, abrogated or dealt with, with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed under the Act.</p> <p>(ii) To every such meeting the provisions of these Articles relating to general meeting shall mutatis mutandis apply.</p> <p>(iii) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly prohibited 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 <i>pari passu</i> therewith.</p>	
	SHARES	
11	<p>The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules, 1949 Act and other applicable laws:</p> <p>(a) Equity share capital</p> <p>(i) with voting rights; and / or</p> <p>(ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules and</p> <p>(b) Preference share capital</p>	Kind of Share Capital
12	<p>The shares in the capital shall be numbered progressively accordingly to their several denominations, and except in the manner hereinbefore mentioned, no share shall be subdivided.</p>	Shares to be numbered
13	<p>1. Where at any time the Board or the Company, as the case may be, propose to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:</p> <p>(A)</p> <p>(i) to the persons who at the date of the offer are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned below;</p> <p>(ii) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined.</p>	Further issue of Share Capital

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

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

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

(B) to employees under any scheme of employees' stock option subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under applicable law; or

(C) to any person(s), if it is authorised by a Special Resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the Act and the rules made thereunder;

2. Nothing in sub-clause (iii) of Clause (1)(A) shall be deemed:

(i) To extend the time within which the offer should be accepted; or

(ii) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

3. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of public offer, preferential offer or private placement, subject to and in accordance with the 1949 Act, RBI act and other Act, Rules and the Guidelines as applicable.

Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions in such manner as determined by the Board in accordance with the Act.

4. Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of

	<p>raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company in accordance with the provisions of the Act, 1949 Act and guidelines issued by the Reserve Bank of India from time to time.</p> <p>Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of such loans by a Special Resolution passed by the Company in a General Meeting.</p> <p>5. Notwithstanding anything contained in Article 13(4) hereof, where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:</p> <p>Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.</p>	
14	The Company shall not issue any shares on discount except in case of Sweat Equity shares in accordance with the terms and conditions prescribed in Section 54 of the Act and Rules issued thereunder.	Power to issue shares at discount
15	Subject to the provisions of the Act, 1949 Act and these Articles the shares in the capital of the Company for the time being (including any shares forming a part of any increased capital of the Company) shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such times as they may from time to time think fit and proper, and with full power with the sanction of the Company in General Meeting, to give to any person the option to call for or be allotted shares of any class of the Company either at par or at premium such option being exercisable at such time and	Shares under the control of the Director

	<p>for such consideration as the Directors think fit and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.</p>	
16	<p>Any application signed by the applicant for shares in the Company, followed by an allotment of any share therein, shall on acceptance of the shares by him within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is on the Register shall, for the purposes of the Act and these Articles, be a Member of the Company.</p>	Acceptance of Shares
17	<p>The money (if any) which the Board of Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them shall immediately on the inscription of the name of the allottee in the Register as the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by them accordingly.</p>	<p>Deposit and call etc to be a debt Payable immediately</p>
18	<p>Every Member or his heirs, executors or administrators shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being remain unpaid thereof, in such amounts, at such time or times and in such manner as the Board of Directors shall from time to time, in accordance with these Articles, require or fix for the payment thereof.</p>	Liability of Members
19	<p>The Company shall maintain a Register of Members, an Index of Members, a Register of Debenture Holders and an Index of Debenture Holders in accordance with Section 88 of the Act. The Company may exercise the powers conferred on it by Section 88 with regard to the keeping of a Foreign Register; and the Board may (subject to the provisions of those sections) make and vary such regulations as it may think fit in respect of keeping of any such Register.</p>	Register of Members
20	<p>The Register of Members, the Index of Members, the Register and Index of Debenture Holders and copies of all Annual Returns prepared under Section 92 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 92 of the Act shall, except when the Register of Members or Debenture holders is closed under the provisions of the Act or these presents, be open to inspection, on any working day at the time as the Board may determine, from time to time, for any Member or Debenture holder, other security holder or Beneficial Owner without any charges and for inspection by any other person on payment of such sum as may be prescribed by the Act. Any such Member, Debenture holder, other security holder or Beneficial Owner or other</p>	

	person may take extracts therefrom without fee or additional fee as the case may be or require a copy of such register, index or entries therein or return on payment of such sum as may be prescribed by the Act.	
21	Subject to Section 89 of the Act and 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 the absolute owner thereof and accordingly shall not (except as ordered by a Court/NCLT of competent jurisdiction or as by law required) be bound to recognize 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. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.	Trust not recognized
	SHARE CERTIFICATE	
22	The certificates of title to shares shall be issued under the Companies (Share Capital and Debentures) Rules, 2014 and other relevant provisions under applicable law.	Certificates of shares
23	Unless where the shares are issued in dematerialized form, every Member or allottee of shares shall be entitled to receive within 2 months after allotment or within 1 month after the application for the registration of transfer or transmission or within a period of six months from the date of allotment in the case of any allotment of debenture or within such other period as the conditions of issue shall be provided,- a) One certificate for all his shares without payment of any charge; or b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.	Members right to certificate
24	Share certificates shall be generally issued in marketable lots and where share certificates are issued in lots other than marketable lots, subdivision consolidation of share certificates into marketable lots shall be done by the Company free of charge.	
25	The company may issue such fractional coupons or letters of allotment as the Board of Directors may approve in respect of any of the shares of the Company on such terms as the Board of Directors think fit including the term relating to the period within which the fractional coupons or letters of allotment are to be surrendered for issuance of share certificates.	Fractional Coupons
26	Every certificate shall specify the name of the person in whose	Content of Share

	<p>favour it is issued. Every share shall be distinguished by its appropriate number and shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two Directors or by a Director and the company secretary, wherever the Company has appointed a company secretary, and the common seal shall be affixed in the presence of the persons required to sign the certificate.</p>	
27	<p>(a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divide or consolidated or where the pages on the reverse for recording transfers have been duly utilized, unless the certificate in lieu of which it is issued is surrendered to the Company.</p> <p>(b) Duplicate share certificates may be issued in lieu of those that are lost or destroyed or in replacement of those which are defaced, torn, old decrepit, worn out with the prior consent of the Board or such authority as the Board may direct on such fees as the Board thinks fit, not exceeding Rs.20 per certificate and on such reasonable terms, if any, as to evidence and indemnity the payment of out of pocket expenses incurred by the Company in investigating evidence, as the Board may think fit. The duplicate share certificate shall be issued within timeframe prescribed in the Rules.</p> <p>(c) Provided that no fee or such other amount as may be prescribed by applicable law shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>(d) The Company shall make entry of such share certificates issued in the Register of Renewed and Duplicate Share Certificates in such a manner and within such timeframe as prescribed in the Rules and Act.</p> <p>Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf.</p>	Duplicate Share Certificate
28	<p>If any share stands in the names of two or more persons, the person first named in the Register shall, as regards receipt of dividends, or cash bonus, or service of notice, or any other matter connected with the Company except voting at meetings and transfer of the shares, be deemed the sole holder thereof, but the joint holders of a share shall be severally as well as jointly liable for the repayment of all installments or calls and other payments due in respect of such shares.</p>	The first name of joint holders deemed sole holder
29	<p>In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one share certificate. The certificates of shares registered in</p>	Certificate to be delivered to any one person named

	the names of two or more persons shall be delivered to any one of such persons named in the Register which shall be sufficient delivery to all such holders.	in Register in case of joint holder
30	Save as herein or in the Act otherwise provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof, and accordingly, shall not except as ordered by a Court/NCLT of competent jurisdiction, or by statute, or the Act, be bound to recognize any equitable, beneficial or other claim to or interest in such share on the part of any other person.	Company to recognize Registered holder of shares as owner
31	No Member, who shall change his name, or who being a female shall marry, shall be entitled to receive any dividend or to vote in the name other than the one registered with the Company, until notice of the change of name or of marriage as the case may be is given to the Company in order that the same be registered after production of satisfactory evidence.	Notice of change of name or of marriage of member
32	Save as otherwise provided by Sections 67 and 68 of the Act, none of the funds of the Company shall be applied for the purchase of any share in the Company.	Funds of Company may not be applied for purchase of shares in the Company
33	The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the company	
	UNDERWRITING AND BROKERAGE	
34	The Company may at any time pay commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or other securities of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares, debentures or other securities of the Company but so that if the commission in respect of the shares, debentures or other securities shall be paid or payable out of capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed the rates prescribed under Section 40 (6) of the Act, relevant Rules thereunder and the 1949 Act. The commission may be paid or satisfied in cash or in shares, debentures or other securities of the Company or partly in one way and partly in the other.	Commission may be paid
	CALLS	
35	The Board of Directors may from time to time by a Resolution passed at a meeting of the Board make such calls as they think fit upon the Members in respect of all moneys unpaid (whether on account of the nominal value of the shares or by way of premium) on the shares held by them respectively and not by the conditions of all allotment thereof made payable at fixed times and each Member shall pay the amount of every call so made on him to the persons and at the time and place appointed by the Board of Directors. A call may be made	Calls to date from Resolution

	<p>payable by installments. A call may be revoked or postponed at the discretion of the Board.</p> <p>Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month or such time period as may be prescribed under applicable law from the date fixed for the payment of the last preceding call.</p>	
36	<p>A call shall be deemed to have been made at the time when the Resolution of the Directors authorized such call was passed and may payable by Members on such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Directors.</p>	
37	<p>a) Not less than 14 days' notice of every call shall be given specifying the time and place of payment provide that before the time for payment of such call the Directors may by notice in writing to the Members revoke or postpone the same.</p> <p>b) The Directors may from time to time, at their discretion extend the time fixed for the payment of any call by such Member(s) for such cause as the Directors may deem fit, but no Member shall be entitled to such extension save as a matter of grace and favour.</p> <p>c) If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed times, whether on account of the amount of 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 and of which due notice has been given and all the provisions herein contained in respect of calls shall relate to such amount or installment accordingly.</p> <p>d) 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 or allottee of the share in respect of which a call shall have been made or the installment shall be due shall pay interest on the same at 10% per annum or such lower rate as the board may determine, from the last day appointed for the payment thereof to the date of actual payment, but the Directors may in their absolute discretion waive payment of such interest wholly or in part.</p> <p>e) No Member shall be entitled to receive any dividend or to exercise any privilege as a Member until he shall have paid all calls for the time being due and payable on every share held by him whether alone or jointly with any person, together with interest and expenses, if any.</p>	Calls money
38	<p>Subject to the provisions of Sections 2(31), 73 and 74 of the Act and Rules made thereunder, the Board of Directors may, if it thinks fit, agree to and receive from any Member willing to advance the same, all or any part of the amounts of their respective shares beyond the sum actually called up; and upon the moneys so paid in advance or upon so much thereof from time to time and at any time thereafter, as exceeds the amount of the calls then made and due in respect of the shares on account of which such advances are made, the Board of</p>	Calls in advance

	<p>Directors may pay or allow interest, at 12% per annum as the Member paying the sum in advance and the Board of Directors agree upon. The Board of Directors may at their absolute discretion repay at any time any amount so provided that moneys paid in advance of calls shall not in respect thereof confer a right to dividend or to participate in the profits of the Company or any voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable by him.</p> <p>The provisions of the foregoing Articles shall <i>mutatis mutandis</i> apply to call on debentures of the company.</p>	
	FORFEITURE AND LIEN	
39	<p>If any Member fails to pay any call or installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board of Directors may, at any time thereafter while the call or installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. The provisions of 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 or by way of premium, as if the same had been payable by virtue of a call duly made and notified.</p>	Terms of Notice
40	<p>The notice shall name a day (not being less than 14 days from the date of the notice) and a place or places, on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment on or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable, will be liable to be forfeiture.</p>	In default of payment shares to be forfeited
41	<p>If the requirements of any such shares notice as aforesaid are not complied with, any shares in respect of which such notice has been given may, at any time thereafter and before payment of all calls or installments, interest and expenses due in respect thereof be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture subject to the applicable provisions of the Act.</p>	Notice of forfeiture
42	<p>When any share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register. Upon forfeiture, such Member shall cease to be a Member of the Company.</p>	Forfeiture of shares
43	<p>Any share so forfeited, shall be deemed to be the property of the Company, and may be sold, re-allotted or otherwise disposed of, either to the original holder thereof or to any other</p>	Power to annul forfeiture

	<p>person, upon such terms and in such manner as the Board of Directors may think fit. The Board may, before a sale or disposal of the forfeited shares, cancel such forfeiture on such terms as it thinks fit.</p>	
44	<p>Any Member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand, all calls, installments, interest, expenses and other moneys owing upon or in respect of such shares at the time of the forfeiture together with further interest thereon from the time of the forfeiture until payment at such rate as the Directors may determine and the Directors may enforce the payment of the whole or a portion thereof if they think fit but shall not be under any obligation to do so.</p> <p>The liability of such Member shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.</p>	Member liable to pay money owing at time of forfeiture and interest
45	<p>The forfeiture of a share shall involve extinction, at the time of the forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these presents are expressly saved.</p>	Effect of forfeiture
46	<p>A declaration in writing under the hand of any Director or the Secretary or any person authorized by the Board, from time to time that the call in respect of a share was made and has been duly forfeited by a resolution of the Directors to that effect 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;</p>	Execution and registration of transfer etc.
	<p>LIEN</p>	
47	<p>The Company shall have no lien on its fully paid-up shares / debentures.</p> <p>The Company shall have a first and paramount lien (i) on every share/debenture to the extent of all moneys called or payable at a fixed time in respect of such shares and (ii) on all shares/debentures (not being fully paid-up) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect.</p> <p>Any lien on shares/debentures shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures, Unless otherwise agreed, the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien, if any, on such shares/debentures. The Board of Directors may at any time declare any shares/debentures to be wholly or in part exempt from the provisions of this Article.</p>	Company's lien on Shares

48	For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell, shall have been served on such Member, or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment of the sum payable as aforesaid for 14 days after such notice.	Enforcement of lien by sale
49	The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards satisfaction of all moneys called and payable in respect of such shares and the residue (if any) paid to such Member or the person (if any) entitled to the shares at the date of the sale.	Validity of sale under enforcement of lien
50	Upon any sale after forfeiture or enforcing a lien in purported exercise of the powers hereinbefore given the Board of Directors may appoint some person to execute an instrument of transfer of the shares so sold and cause the purchaser's name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy (if any) of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	Remedy of person aggrieved by sale
51	Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any money shall preclude the forfeiture of such shares as herein provided.	Application of forfeiture
	TRANSFER AND TRANSMISSION OF SHARES	
52	No transfer shall be registered unless a proper instrument of transfer has been delivered to the Company. Every such instrument of transfer shall be duly stamped and executed both by the transferor and transferee and duly attested. The transferor shall be deemed to remain as the holder of such share until the name of the transferee shall have been entered in the Register in respect thereof.	Form of Transfer
53	The instrument of transfer of any share shall be in the prescribed form and in accordance with the requirements of Section 56 of the Act. Provided that, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. The Company shall use a form for transfer as maybe prescribed in the Act.. Provided further that, in case of transmission or transposition, where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or	Directors" right to register transfer

	<p>on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit within 15 days from the receipt of documents or such other time period as may be prescribed under applicable law.</p> <p>The Company shall ensure that transmission requests are processed for securities held in dematerialized mode and physical mode within seven days and twenty one days respectively, after receipt of the specified documents, or such other period as may be prescribed under applicable law.</p>	
54	<p>Notwithstanding anything contained herein, but subject to the provisions of Section 58 and Section 59 of the Act and subject to the provisions of the Securities Contracts (Regulation) Act, 1956, 1949 Act and the Rules and Regulations made thereunder and other applicable laws, the Directors may at their absolute discretion or in accordance with the Act or SEBI (Listing Obligations and Disclosures Requirement), 2015 (LODR Regulations) or any other act as maybe applicable or as amended from time to time, decline to register or acknowledge any transfer of shares and shall issue any valid objection or intimation to the transferee or transferor, as the case maybe, within a period of fifteen days from the date on which the instrument of transfer was delivered to the Company.</p> <p>The Company in particular may so decline in respect of the shares upon which the Company has a lien or whilst any monies in respect of the shares desired to be transferred or any of them remain unpaid, however the same shall be intimated to the transferor and transferee, as the case maybe within in the prescribed time. Any such refusal shall not be affected by the fact that the proposed transferee is already a Member. Provided that registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.</p>	Refusal to Register
55	<p>No person / group of persons shall acquire or agree to acquire directly or indirectly by himself or acting in concert with any other person, any shares of the Company or voting rights therein, in contravention to the provisions of the 1949 Act or the Guidelines. Any issue / acquisition of shares which results in a person holding (by himself or acting in concert with any other person) 5% or more of the paid-up equity share capital or voting rights of the Company shall be made with prior approval of Reserve Bank of India.</p>	Acquisition of shares/ voting rights
56	<p>Every instrument of transfer shall be presented to the Company duly dated, stamped for registration accompanied by the certificate or certificates of the shares to be transferred and such other evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the shares and generally under and subject to such condition and</p>	Instrument of transfer to be in custody of the Company

	<p>regulation as the Board of Directors shall from time to time prescribe; and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors. But may instrument of transfer which the Board of Directors may decline to register shall be returned to the person lodging the same.</p>	
57	<p>No fee shall be charged for registration of transfer or for effecting transmission or for registering any probates, succession certificate, Letters of administration, certificate of death or marriage, power of attorney or and other similar documents.</p>	No transferees
58	<p>The Board of Directors shall have power to close the transfer books, the Register of Members and/or the Register of Debenture holders or the register of other security holders at such time or times and for such period or periods, not exceeding 30 days at a time and not exceeding in the aggregate 45 days in each year, as the Board may deem expedient.</p> <p>Provided the Company shall comply with the provisions of the Act, SEBI (Listing Obligations and Disclosures Requirement), 2015 or any other act as maybe applicable or as amended from time to time.</p>	Closure of register or Record Date
59	<p>The legal heir, nominee, executors or administrators of a deceased Member shall be the only persons recognized by the Company as having any title to his share except in cases of joint holders, in which case the surviving holder or holders or the executors or administrators of the last surviving holders shall be the only persons entitled to be so recognised; but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him. The Company shall not be bound to recognise such executor or administrator, unless he shall have obtained probate or letters of administration or other legal representation, as the case may be, from a competent court in India. Provided nevertheless that in case, which the Board in its discretion considers to be special cases and in such cases only, it shall be lawful for the Board to dispense with the production of probates or letters of administration or such other legal representations upon such terms as to indemnity, publication of notice or otherwise as the Board may deem fit.</p> <p>Provided further that the Board shall ensure to allow every transmission in accordance with LODR Regulations and Act.</p>	Transmission of shares
60	<p>Any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Member or by any lawful means other than by a transfer in accordance with these presents, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect either to be registered himself as holder of the shares or to make such transfer of the shares as the deceased or insolvent Member could have made. In the event the successor elects to become a Member of the</p>	Company not liable for disregard of notice prohibiting registration of a transfer

	Company, he shall deliver or send a notice to the company in writing signed by him that he so elects. Such person may, with the consent of the Board (which the Board shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under the Article, or of his title, as the Board of Directors think sufficient, be registered as a Member in respect of such shares, or may, subject to the regulations as to transfer hereinabove contained, transfer such shares.	
61	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation of the Company or the Directors to accept any indemnity.	Power to refuse registration of transmission
62	The Company shall incur no liability or responsibility whatever in consequence of its registering or giving any effect to any transfer of shares, made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of a person having or claiming any equitable right, title or interest to or in the said shares notwithstanding that the Company may have had notice of such equitable right, title or interest, or notice prohibiting registration of such transfer and may have entered such notice referred hereto in any book or record of the Company, and the Company shall not be bound or required to regard or to attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, notwithstanding that the notice may have been entered in or referred to in some book or record of the Company, but the Company shall nevertheless, be at liberty to regard and attend to any such notice, and give effect thereto if the Board of Directors shall so think fit.	Company to have no liability or responsibility in case of claim by any apparent legal owner
63	The provisions of these Articles shall <i>mutatis mutandis</i> apply to the transfer of debentures and other securities of the Company or transmission thereof by operation of law.	
	DEMATERIALIZATION AND REMATERIALIZATION OF SECURITIES	
64	Dematerialization Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing shares, debenture and other securities, offer its fresh shares, debentures and other securities, in a dematerialized form pursuant to the Depositories Act and the rules framed there under, if any.	

	Option for investors	
65	<p>Subject to the company offering issuance of securities in dematerialized form, every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold securities with a Depository. Such person who is the Beneficial Owner of the securities at any time opt out of a Depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall in the manner and within the time prescribed, issue to the Beneficial Owner the required certificates of securities.</p> <p>If a person opts to hold his security with Depository, the Company shall intimate such Depository for details of allotment of security and on the receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the security.</p>	
	Securities in Depository to be in fungible form	
66	All securities held by a Depository shall be dematerialized and be in a fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owners.	
	Rights of Depositories	
67	<p>Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting the transfer of ownership of security on behalf of the Beneficial Owner.</p> <p>Save as otherwise provided in above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.</p> <p>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 the 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.</p>	
	Transfer of Securities	
68	Nothing contained in section 56 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.	

	<p>Distinctive numbers of Securities held in a Depository Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held in the dematerialized mode.</p> <p>Register and Index of Beneficial Owners of these Articles The Register and Index of Beneficial Owners maintained by a Depository shall be deemed to be the Register and Index of Members and security holders.</p> <p>Shares to be numbered Shares in the capital shall be numbered progressively according to their several denominations, provided however, that the provision relating to progressive numbering shall not apply to the shares of the Company which are dematerialized or may be dematerialized in future or issued in future or issued in future in dematerialized form. Except in the manner hereinbefore mentioned, no shares shall be subdivided. Every forfeited or surrendered share held in material form should continue to bear the number by which the same was originally distinguished.</p> <p>Issue of share certificates No share certificate(s) shall be issued for the shares held in a dematerialized form.</p> <p>Voting Rights of Beneficial Owner A Depository as a registered owner shall not have any voting right in respect of shares held by it in a dematerialized form. However, the Beneficial Owner as per the Register of Beneficial Owners maintained by the Depository shall be entitled to such rights in respect of the shares or securities held by him in the Depository. Any reference to the Member or joint Members in the Articles includes reference to Beneficial Owner or joint Beneficial Owner in respect of the shares held in Depository.</p>	
	<p>CONVERSION OF SHARES INTO STOCK</p>	
69	<p>a) Subject to the provisions of the Act and the 1949 Act, the Company may, by ordinary resolution:-</p> <ol style="list-style-type: none"> a. convert any paid-up shares into stock; and b. reconvert any stock into paid-up shares of any denomination. <p>b) Where shares are converted into stock, the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same</p>	

	<p>under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit; Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however, that such minimum shall not exceed the nominal amount of the shares for which the stock arose.</p> <p>c) The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.</p> <p>d) Such of the Regulations of the Company (other than those relating to share warrants), as are applicable to paid-up shares shall apply to stock and the words, "share" and "shareholder" in those regulations shall include "stock" and "stockholder" respectively.</p>	
	JOINT HOLDERS	
70	<p>(a) Where two or more persons are registered as the holders of any shares they shall be deemed to hold the same as joint tenants with benefits of survivorship.</p> <p>(b) The Company shall be entitled to decline to register more than 3 persons as the joint holders of any share.</p> <p>(c) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which is ought to be made in respect of such share.</p> <p>(d) On the death of any such joint holders the executors, administrators, survivor/s or legal heir/s shall be the only person or persons recognised by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing therein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.</p> <p>(e) Any one of such joint holders may give effectual receipts for any dividends or other moneys payable in respect of such shares.</p> <p>(f) Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive notice (which expression shall be deemed to include all documents)</p>	Rights of joint holders
	BUY BACK	
71	Notwithstanding anything contained in these Articles, but subject to the provisions of Section 68 to 70 of the Act, provisions of 1949 Act and guidelines issued by the Reserve Bank of India from time	Buyback of Securities

	to time, FEMA and any other applicable law for the time being in force, the company may purchase its own shares or specified securities in such manner as may be prescribed.	
	BORROWING POWERS	
72	<p>The Directors may, from time to time, by a resolution passed at a meeting of the Board borrow moneys for the purpose of the Company. Provided that the Directors shall not borrow moneys except with the approval of the Company in General Meeting by special resolution, where moneys to be borrowed together with the money already borrowed by the Company, apart from temporary loans obtained in its ordinary course of business and except as otherwise provided hereafter, shall exceed the aggregate of the paid-up capital of the Company and its free reserves or limits as set under the Act.</p> <p>Provided that nothing contained herein above shall apply to:-</p> <p>(i) any sums of moneys borrowed by the Company from any other banking companies or from the Reserve Bank, State Bank of India or any other banks established by or under any law for the time being in force; and</p> <p>(ii) acceptance by the Company in the ordinary course of business of deposits of money from the public, repayable on demand or otherwise and withdrawable by cheque, draft, order or otherwise</p> <p>The expression "temporary loans" means loans repayable on demand or within 6 months from the date of the loan such as short-term, cash credit arrangements, the discounting of bills and the issue of other short-term loans of a seasonal character, but does not include loans raised for the purpose of financial expenditure of a capital nature.</p>	Power to Borrow money
73	Subject to the provisions of the Act, the 1949 Act and guidelines issued by the RESERVE BANK OF INDIA from time to time, and these Articles, the Directors may raise and secure the payment of such sum or sums in such manner and upon such items and conditions in all respects as they think fit and in particular by the issue of bonds or redeemable debentures of debenture-stock, or any mortgage or charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future).	Issue of debentures
74	Any bonds, debenture stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	Debenture etc. to be under the control of the Directors
75	The Directors shall cause a proper register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages and charges specifically affecting the property of	

	the Company, and shall duly comply with requirements of the said Act in regard to registration of mortgages and charges and of copies of instruments creating charges. Such sum as may be prescribed by the Act shall be payable by any person other than a creditor or Member of the Company for each inspection of the Register of Charges.	
	GENERAL MEETING	
76	The Annual General Meeting shall be held in accordance with section 96 of the Act or any other notifications issued by the Ministry of Corporate Affairs from time to time and shall be called during business hours, on a day that is not a National Holiday and shall be held either at the Office of the Company or at some other place within the city, village or town in which the Office of the Company is situated or through electronic mode as the Board of Directors may determine and the notice calling the meeting shall specify it as the Annual General Meeting.	Annual General Meetings
77	Every Member of the Company shall be entitled to attend every General Meeting either in person or by Proxy; and the Directors and Auditor of the Company shall have the right to attend and to be heard at any General Meeting on any part of the business which concerns him as Auditor.	Right to attend General Meetings
78	At every Annual General Meeting of the Company there shall be laid on the table the Board's Reports, Auditors' Report and Audited Statement of Accounts and any other report as may be required to be attached or annexed thereto.	
79	All General Meeting other than Annual General Meeting shall be called Extra-ordinary General meeting. If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, any Director or any two Members of the Company may call an Extra-ordinary General Meeting in the same manner as nearly as possible, as that in which such a meeting may be called by the Board at such time and place as it or they may determine.	Extraordinary General Meeting
80	The Board may, whenever it thinks fit, call an Extra- ordinary General Meeting.	Who may call an Extra-ordinary General Meeting
81	The Board of Directors of the Company shall on the requisition of such number of Members of the Company as is specified in Section 100 of the Act, forthwith proceed duly to call an Extra-ordinary General Meeting of the Company, and in respect of any such requisition and of any meeting to be called pursuant thereto, all the other provisions of section 100 of the Act.	Calling of Extraordinary General Meeting on requisition
82	Subject to Section 101 of the Act, a General Meeting of the Company may be called by giving not less than clear 21 days notice in writing or through electronic mode. However, a General Meetings may be called after giving a shorter notice than clear 21 days, if consent is accorded thereto by 95% of	Notice of general Meeting

	Members of the Company entitled to vote at that meeting.	
83	Subject to Sections 101 and 102 of the Act, every notice of a meeting of the Company shall specify the place, the date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat. No General Meeting, Annual or Extra-ordinary, shall be competent to deliberate upon, discuss or transact any business which has not been specifically mentioned in the notice or notice convening the same.	Contents of Notice
84	<p>(a) In the case of Annual General Meeting, all business to be transacted at the meeting shall be deemed special except relating to:-</p> <p>(i) the consideration of Financial Statements and the Report of the Board of Directors and of the Auditors;</p> <p>(ii) the declaration of dividend;</p> <p>(iii) the appointment of Directors in the place of those retiring; and</p> <p>(iv) the appointment of and fixing of the remuneration of the Auditors;</p> <p>and</p> <p>(b) In the case of any other general meeting all business shall be deemed special.</p> <p>Where any items of business to be transacted at the meeting require the according of approval to any document, the time and place where the document can be inspected shall be specified in the statement aforesaid.</p>	Ordinary Business/ Special Business
85	A document may be served by the Company on any Member thereof either personally, or by sending it by post or courier service to him to his registered address in India, or if his registered address is outside India, then to the address within India supplied by him, if any, to the Company for the giving of notice to and serving of documents on him or by means of such electronic or other mode as may be prescribed under the Act, rules or secretarial standards.	Service of Notice
86	Where by any provision contained in the Act or in these Articles, special notice is required of any resolution; notice in respect of the same shall be given to the Company and by the Company as provided in Section 115 of the Act.	Resolutions requiring Special Notice
87	Notice of every meeting of the Company shall be given to the Auditor or Auditors for the time being of the Company in the same manner as giving notice to any Members of the Company.	Notice to be Given to the Auditors
88	The accidental omission to give notice of any meeting to or the non-receipt of any notice by any Member or other persons to whom it should be given shall not invalidate the proceedings at the meeting.	Omission to give notice not to invalidate meeting

PROCEEDING OF GENERAL MEETINGS		
89	<p>The quorum for the general meeting shall be as provided in Section 103 of the Act.</p> <p>No business shall be transacted at any General Meeting unless the requisite quorum shall be present at the commencement of the meeting.</p>	Quorum for general Meeting
90	<p>Subject to the provisions of Article 146, the Chairman shall be appointed only with the prior approval of the Reserve Bank of India and shall be entitled to take the chair at every General Meeting. If there be no such Chairman or if at any meeting he is not present within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Directors present may choose one among themselves to be chairman of such meeting and in default of their doing so, the Members present shall choose a Director as chairman of such meeting and if no Director is present or if all the Directors present decline to take the chair the Members present shall choose one of themselves to be chairman of such meeting. If a poll is demanded on the election of the chairman of such meeting, it shall be taken forthwith in accordance with the provisions of the Act, the chairman elected on a show of hands exercising all the powers of the chairman for the purpose of conducting the poll, under the said provisions. If some other person is elected chairman of such meeting as a result of the poll, he shall be chairman for the rest of the meeting.</p>	Chairman of General Meeting
91	<p>If within half an hour from the time appointed for holding the meeting of the Company a quorum is not present, the meeting if convened upon the requisition of Members as aforesaid shall stand dissolved, but in any other case it shall stand adjourned to the same day in the next week, at the same time and place (in which case no notice of adjournment or of the business to be transacted at adjourned meeting shall be necessary) or to such other day, time and place as the Board may determine. If at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, those Members who are personally present shall form the quorum.</p>	When quorum is not present
92	<p>Subject to Sections 108 of the Act, Rules and any other relevant regulatory guidance under applicable law, the Company shall provide to its members facility to exercise their right to vote on resolutions proposed to be considered at a general meeting by electronic means:</p>	Matters to be decided by electronic means
93	<p>The company shall follow the process and provide all facilities as prescribed in the Act and the rules made thereunder, Secretarial Standard, LODR regulations or any other applicable law with regards to the voting by electronic means.</p> <p>The Chairman or a person authorised by him shall declare the results of the voting in writing within the prescribed time limit.</p>	Process for electronic voting

94	The chairman of a General Meeting may, with the consent of	Power to adjourn General Meeting
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	<p>the members, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than business left unfinished at the meeting at which the adjournment took place. When a meeting is adjourned for more than 30 days, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of the adjournment or of the business to be transacted at an adjourned meeting.</p>	
95	<p>Where a resolution is passed at an adjourned meeting of:</p> <p>(a) the Company; or</p> <p>(b) the holders of any class of shares in the Company, the resolution shall, for all purposes, be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed at any earlier date.</p>	Resolution passed at adjourned meeting
96	<p>The Company shall seek approval of shareholders through postal ballot with respect to the matters and in the manner prescribed in the Rules from time to time and postal ballot shall include voting through electronic mode.</p>	Postal ballot
97	<p>A copy of each of the resolutions specified in Section 117 shall be filed with the Registrar of Companies in the manner laid down in the Act.</p> <p>A copy of every Resolution which has the effect of altering the Articles of Association of the Company and a copy of every Agreement referred to in section 117(3) shall be embodied in or annexed to every copy of the Articles issued after the passing of the Resolution or the making of the agreement.</p>	Filing of resolution, etc. with Registrar of Companies
98	<p>(a) The Company shall cause minutes of all the proceedings of every General Meeting of any class of shareholders or creditors and every resolution passed through postal ballot to be kept by making within 30 days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>(b) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed by the chairman of the same meeting within the aforesaid period of 30 days, or in the event of the death or inability of that chairman, within that period by a Director duly authorized by the Board for the purpose. In case of resolution passed through postal ballot, the minutes shall be signed by the Chairman.</p> <p>(c) In no case the minutes or proceedings of a meeting shall be attached to any such book or aforesaid by pasting or otherwise.</p> <p>(d) The minutes of each meeting shall contain a fair and</p>	Minutes of the meeting

	<p>correct summary of the proceedings thereat.</p> <p>(e) All appointments of officers made at any meeting aforesaid shall be included in the minutes of the meeting.</p> <p>(f) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter whatsoever and in particular a matter which in the opinion of the chairman of the meeting(s): (a) is or could reasonably be regarded as, defamatory of any person, or (b) is irrelevant or immaterial to the proceeding or (c) detrimental to the interests of the Company. The chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds or otherwise.</p> <p>(g) Any such minutes shall be evidence of the proceedings recorded therein.</p> <p>(h) The book containing the minutes of proceedings of General Meetings shall be kept at the office of the Company and shall be open during business hours, for such periods not being less in the aggregate than two hours in each day (11 am to 1 pm) as the Directors determine, to the inspection of any Member without charge.</p>	
	VOTES OF MEMBERS	
99	Subject to the provisions of the Act, votes may be given either personally or by an attorney or by Proxy or, in the case of a body corporate, by a representative duly authorized under Section 113 of the Act.	Votes may be given by Proxy or attorney number of votes to which Members entitled
100	<p>Subject to any rights or restrictions for the time being attached to any class or classes of shares:-</p> <p>(a) on a show of hands, every Member present in person shall have one vote; and</p> <p>(b) on a poll, the voting rights of Members shall be in proportion to his share in paid-up equity share capital.</p> <p>(c) By electronic means, the voting rights of Members shall be in proportion to his share in paid-up equity share capital</p> <p>Provided however that the voting rights shall be subject to the restrictions imposed under Section 12 of the 1949 Act.</p>	Voting
101	Member not personally present shall not be entitled to vote in the meeting unless such Member is represented by an Attorney or unless such Member is a body corporate present by a representative duly authorized under Section 113 of the Act in which case such Attorney or representative may vote on a show of hands as if he were a Member of the Company.	No voting by Proxy in meeting
102	A Member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by Proxy.	Voting by person of unsound mind etc.

103	A body corporate (whether a company within the meaning of the Act or not) may if it is duly authorised by a resolution of its Directors or other governing body, appoint a person to act as its representative at any meeting in accordance with the provisions of section 113 of the Act. The production at the meeting of a copy of such resolution duly signed by one Director of such body corporate or by a Member of its governing body and certified by him as being a true copy of the resolution shall on production at the meeting be accepted by the Company as sufficient evidence of the validity of his appointment.	Voting by body corporate
104	Any person entitled under the transmission clause to become the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 48 hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of Directors or any persons authorized by the Board of Directors in that behalf of his right to hold such shares, or the Directors shall have previously admitted his right to transfer such shares or his right to vote at such meeting in respect thereof.	Vote entitlement in case of transmission
105	Where there are any joint registered holders of any share any one of the joint holders may vote at any meeting either personally or by an Attorney duly authorized under a power of attorney or by Proxy in respect of such share as if he were solely entitled thereto; and if more than one of such joint holders be personally present at any meeting then one of the said persons so present whose name stands first or higher in the Register in respect of such share shall be entitled to vote in respect thereof.	Voting in case of joint holding
106	<p>(a) Any Member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint any other person (whether a Member or not) as his Proxy to attend and vote instead of himself, but a Proxy so appointed shall not have any right to speak at the meeting.</p> <p>(b) the instrument appointing the Proxy shall be in writing under the hand of the appointees or of his Attorney duly authorized in writing or if such appointer is a corporation, under its common seal or be signed by an officer or an attorney duly authorized by it. A person may be appointed a Proxy though he is not a Member of the Company, but such Proxy shall not have any right to speak at any meeting.</p>	Members' right to appoint Proxy to be stated in notice
107	Subject to Section 108 of the Act and this Articles, every notice convening a General Meeting of the Company shall state that a Member entitled to attend and vote at the meeting is entitled to appoint Proxy to attend and vote instead of himself and that	Voting by Proxy

	a Proxy need not be a Member of the Company.	
108	The instrument appointing a Proxy and the power of Attorney or other Authority (if any) under which it is signed or a materially certified copy of that power of authority shall be deposited at the Office of the Company not less than 48 hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of Proxy shall not be treated as valid.	Form of Proxy
109	A vote given in accordance with the terms of an instrument of Proxy shall be valid notwithstanding the previous death of the principal or revocation of the Proxy or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been revived at the Office of the Company or by the Company or by the chairman of the meeting at which the vote is given.	
110	Every instrument of Proxy whether for a specified meeting or otherwise shall, as nearly as circumstances shall admit, be in accordance with section 105 of the Act.	
111	Every Member entitled to vote at a meeting of the Company according to the provisions of these Articles on any resolution to be moved thereat shall be entitled during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days notice in writing of the intention so to inspect is given to the company.	Inspection of the proxies lodged
112	No Member shall be entitled to vote at any General Meeting either personally or by Proxy or as Proxy for another Member or be reckoned in a quorum while any call or other sum shall be due and payable to the Company in respect of any of the shares of such Member or in respect of any shares on which the Company has or had exercised any right of lien.	No Member entitled to vote when any call due to Company
	DIRECTORS	
113	Until otherwise determined by the General Meeting the number of Directors shall not be less than 3 (three) or more than 15 (fifteen) and shall all times be in accordance with applicable law, including the 1949 Act and the LODR Regulations. The Board of Directors shall include persons with professional and other experience as required under the 1949 Act. The Company shall appoint such number of independent directors and woman director as may be required under the Act, 1949 Act or any other law for the time being in force.	Directors

114	A Director shall not be required to hold any shares to qualify him to act as a Director of the Company.	No share qualification
115	Subject to Sections 152, 160 and other applicable provisions of the Act, and 1949 Act, one third of the total number of Directors of the Company may be non-retiring Directors.	Non-retiring Directors
116	If it is provided by any Trust Deed, securing or otherwise, in connection with any issue of debentures of the Company, that any person or persons shall have powers to nominate a Director of the Company, then in the case of any and every such issue of debentures, the person or persons having such power may exercise, such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as a "Debenture Director". A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares nor shall he be liable to retire by rotation.	Debenture Director
117	<p>The Board of Directors of the Company may appoint an Alternate Director to act for Director (hereinafter called "the original Director") during his absence for a period of not less than 3 months from India and such appointment shall have effect and such appointee, whilst he holds office as an Alternate Director shall be entitled to notice of meetings of the Directors and to attend vote thereat accordingly. An Alternate Director should not be holding alternate directorship in any other company. An Alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to the original Director in whose place he has been appointed and shall vacate office if and when the original Director returns to India. If the term of office of the Original Director is determined before he returns to India. Any provisions in the Act or in these Articles for the automatic reappointment of retiring Director in default of another appointment shall apply to the original Director and not to the Alternate Director.</p> <p>Provided no person shall be appointed or continue as an alternate director for an independent director</p>	Appointment of Alternate Director
118	Subject to and in accordance with the provisions of Section 161 of the Act, the Directors shall have power at any time to appoint any person as a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not exceed the maximum fixed by the Articles.	Appointment of Additional Directors and filling of casual vacancy
119	Subject to the provisions of Sections 197 of the Act, the remuneration, commission and traveling and other expenses	Remuneration of Directors

	<p>payable to the Directors of the Company may be hereinafter provided:-</p> <p>(a) Each Director, other than managing director, manager or whole-time director, shall be paid out of the funds of the Company a remuneration by way of fee, of such sum for each meeting of the Board of Directors or Committee of the Board attended by him as may be determined by the Board from time to time within the limits prescribed by the Act or Central Government from time to time.</p> <p>(b) In addition to the remuneration payable as above, the Director may be reimbursed such sum as the Board may consider fair compensation for traveling, hotel, and other incidental expenses incurred by him in attending and returning from the meetings of the Board of Directors or any Committee thereof or General Meetings of the Company.</p> <p>(c) The Board may, at its discretion, provide for in the policy, payment of compensation (other than sitting fees and reimbursement expenses for attending Board and other meetings) in the form of profit related commission to the non-executive directors (other than the Part-time Chairman), subject to the bank making profits as per the Guidelines. The Part-time Chairman may be paid remuneration as per the provisions of 1949 Act and Guidelines.</p> <p>(d) In addition to the remuneration payable under sub- clause (c) above, any Director referred to therein shall be reimbursed such sum as the Board may consider fair compensation for traveling, hotel and other incidental expenses incurred by him in connection with the business of the Company.</p>	<p>Compensation to non-executive directors</p>
120	<p>The continuing Directors may act notwithstanding any vacancy in the Board, but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that fixed for the quorum, or for summoning a General Meeting of the Company, but for no other purpose.</p>	<p>Directors may act notwithstanding the vacancy</p>
121	<p>Subject to the provisions of Section 164 and Section 167 of the Act the office of a Director shall become vacant if:-</p> <p>(a) he is of unsound mind and stands so declared by a competent court ;or</p> <p>(b) he is an undischarged insolvent</p> <p>Provided that where a person is appointed as a director of a company which is in default of clause (a) or clause (b) above, he shall not incur the disqualification for a period of six months from the date of his appointment.</p> <p>Provided further that where a person incurs disqualification under clause b above, the office of the director shall become</p>	<p>When office of Director to be vacated</p>

vacant in all the companies, other than the company which is in default under the said clause..

- (c) he has applied to be adjudicated as an insolvent and his application is pending; or
- (d) he has been convicted by a court of any offence, whether involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than 6 months and a period of 5 years has not elapsed from the date of expiry of the sentence: Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of 7 years or more, he shall not be eligible to be appointed as a director in any company;
- (e) an order disqualifying him for appointment as a director has been passed by a court or Tribunal and the order is in force;
- (f) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others within 6 months from the last date fixed for the payment of the call or
- (g) he has been convicted of the offence dealing with related party transactions under section 188 of the Act at any time during the last preceding 5 years or such shorter period of time, if Section 188 has been effect for a period less than 5 years; or
- (h) he has not complied with sub-section (3) of section 152; or
- (i) he has not complied with the provisions of sub-section (1) of section 165.
- (j) he is a director of a company which (a) has not filed financial statements or annual returns for any continuous period of 3 financial years; or (b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for 1 year or more; or
- (k) he absents himself from all meetings of the Board of Directors held during a period of 12 months with or without seeking leave of absence of the Board; or
- (l) he acts in contravention of the provisions of section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- (m) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184;
- (m) he becomes disqualified by an order of a court or the Tribunal;
- (n) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than 6 months:

Provided that the office shall not be vacated by the director in case of orders referred to in clauses m and n-

- (i) for thirty days from the date of conviction or order of disqualification; (ii) where an appeal or petition is preferred within thirty days as aforesaid against the conviction resulting in sentence or order, until expiry of seven days from the date

	<p>on which such appeal or petition is disposed of; or (iii) where any further appeal or petition is preferred against order or sentence within seven days, until such further appeal or petition is disposed of.]</p> <ul style="list-style-type: none"> (o) he is removed in pursuance of the provisions of this Act; (p) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company. (q) he becomes disqualified under the 1949 Act. <p>Subject to the provisions of the Act a Director may resign his office at any time by notice in writing addressed to the Company or to the Board of Directors.</p>	
122	<ul style="list-style-type: none"> (a) Subject to the provisions of Section 188 of the Act and the 1949 Act, no Director shall be disqualified by reason of his office from contracting with the Company either as vendor, purchasers, agent or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoidable nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised as a result of or in pursuance of any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relation thereby established provided the provisions of the Act are complied with while entering into such contract or arrangement with such. (b) Every Director who is in any way whether directly or indirectly concerned or interested in any contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board of Directors or as provided in the Act. (c) (i) in the case of a proposed contract or arrangement the disclosure required to be made by a Director under clause (b) above, shall be made at a meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of the meeting, concerned or interested in the proposed contract or arrangement at the first meeting of the Board held after he becomes so concerned or interested. (ii) in the case of any other contract or arrangement the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement. 	

	<p>(d) For the purpose of this Article, the director shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals to the Board of Directors in the first board meeting held in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, to the effect, that he is directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into (a) with a body corporate in which such director or such director in association with any other director, holds more than two per cent. shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or (b) with a firm or other entity in which, such director is a partner, owner or Member, as the case maybe</p> <p>(e) Nothing in Clauses (b) (c) and (d) of this Article shall apply to any contract or arrangement entered into or to be entered into between the Company and any other Company where any one of the Directors of the Company or 2 or more of them together holds or hold not more than 2% of the paid-up share capital in the other Company</p>	
123	<p>An interested Director defined in the preceding Article shall not attend such discussion nor shall take any part in the discussions of, or vote on any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he in any way, directly or indirectly, concerned or interested in the contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote;</p>	Interested Directors not to participate or vote in Boards proceedings
	RETIREMENT OF DIRECTORS	
124	<p>Independent Directors shall retire as per the provisions of the Act. Directors other than Managing director, whole-time director and independent directors shall be liable for retire by rotation in accordance with the provisions of the Act and shall hold office as per the provisions of 1949 Act.</p>	Retirement of Directors by rotation
125	<p>(a) At every General Meeting of the Company 1/3 of such of the Directors for the time being as are liable to retire by rotation, or if their number is not 3 or a multiple of 3, then the number nearest to 1/3 shall retire from office. Independent Directors, Managing Director or any wholetime Directors, if any, shall not be subject to retirement under this Article and shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a 'Retiring Director' means a Director retiring by rotation.</p> <p>(b) Subject to Sections 152 and 169 of the Act, the Directors to retire by rotation under the foregoing Article, at every</p>	Ascertainment of directors retiring by rotation and eligibility for reappointment

	Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. The retiring Director shall be eligible for re-appointment.	
126	Subject to Sections 160, and 169 of the Act, the Company at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacancy by appointing the retiring Director or some other person thereto.	Company to Appoint successors
127	<p>(a) If the place of the retiring Director is not filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a public holiday till the next succeeding day which is not a public holiday at the same time and place.</p> <p>(b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy the retiring Director shall be deemed to have been re- appointed at the adjourned meeting, unless:-</p> <p>(i) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost:</p> <p>(ii) the retiring Director, has by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re- appointed:</p> <p>(iii) he is not qualified or is disqualified for appointment.</p> <p>(iv) the proviso to section 162 of the Act is applicable to the case.</p>	Provision in default of appointment
128	At a General Meeting of the Company, a motion shall not be made for the appointment of 2 or more persons as Directors of the Company by a single resolution, and the provisions of Section 162 of the Act in this behalf shall apply in all respects.	Single Resolution for the appointment of several directors prohibited
129	Subject to the provisions of Section 169 of the Act, the Company may remove any Director before the expiration of his period of office and appoint another person in his stead. The person so appointed shall hold office until the date up to which the Director, in whose place he is appointed, would have held the same if he had not been removed.	Removal of Directors
130	(a) Subject to the provisions of the Act and these Articles any person who is not a retiring Director shall be eligible for appointment to the office of Director at any General Meeting if he or some Member intending to propose him has, at least 14 clear days before the meeting, left at the office of the Company a notice in writing under his hand signifying his	Notice of candidature for office of Director

	<p>candidature for the office of Director or the intention of such Member to propose him as a candidate for the office as the case may be.</p> <p>(b) Every person (other than a person who has left at the office of the Company a notice under Section 160 signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the Company, his consent in writing to act as a director if appointed.</p> <p>(c) A Director other than:</p> <p>(i) a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office: or</p> <p>(ii) an additional or alternative Director or a person filling a casual vacancy in the office of a Director under Section 261 of the Act, appointed as a Director or reappointed as an additional or alternative Director immediately upon the expiry of his term of office:or</p> <p>(iii) a person named as a Director of the Company under the Articles as first Director,</p> <p>shall not act as a Director of the Company unless he has within 30 days of his appointment signed and filed with the Registrar of Companies his consent in writing to act as such Director.</p>	
	PROCEEDINGS OF THE BOARD OF DIRECTORS	
131	The Directors may meet together at a Board for the Dispatch of business from time to time, and at least 4 such meetings shall be held in every year with a time gap of not more than 120 days. The Directors may adjourn and otherwise regulate their meetings and proceedings as they may think fit.	Time interval of Board meetings
132	The Chairman may at any time and the Secretary or such other officer of the Company as authorised, shall, upon the request of any Director, convene a meeting of the Board of Directors. Notice of every meeting of the Directors shall be given in writing to every Director at his usual address in India and, in the case of any Director residing abroad, such notice shall also be given by fax or telex to such Director's fax or telex number abroad. A notice of Board Meeting may also be served electronically or such other mode as may be prescribed under the Act, rules or secretarial Standards.	Meetings of Director
133	Unless otherwise prescribed in the Act, LODR Regulations or Notifications issued by the Reserve Bank of India from time to time, and subject to the section 174 of the Act, the quorum for a meeting of the Board of Directors shall be 1/3 rd of its total strength (excluding Directors, if any, whose place may be vacant at that time and any fraction contained in that one third being rounded-off as one), or 2 Directors, whichever is higher, provided that where at any time the number of interested Directors exceeds or is equal to 2/3 rd of the total strength of the number of the remaining Directors, that is to say, the number of directors who are not interested and present at the meeting being not less than 2, shall be the quorum during such time.	Quorum

	Participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.	
134	If a meeting of the Board cannot be held for want of quorum, then the meeting shall stand adjourned to such day, time and place as the Director or Directors present at the meeting may fix.	Adjournment of meeting for want of Quorum
135	A Meeting of the Board for the time being at which a quorum is present shall be competent to exercise all authority, powers and discretions which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board of Directors generally.	Power of Board Meeting
136	The Board of Directors may constitute such committees of directors as may be required under the Act or 1949 Act or other law as may be applicable from time to time.	Committee of directors
137	The Directors may subject to the provisions of the Act and the 1949 Act, delegate any of their powers to Committees consisting of such Member or Members of their body as they think fit and they may from time to time revoke such delegation. Any 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 Directors.	Directors may appoint Committees and delegate powers
138	The meetings and proceedings of any such committee of the Board 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 are not superseded by any regulations made by the directors under the last preceding Article or by the Act, LODR regulations and Reserve Bank of India.	Meetings of Committees
139	<p>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 members of the committee, as the case may be, at their addresses registered with the company in India or abroad (if required) by post or by courier, or through such electronic means as may be prescribed in rules and the Act and has been approved by a majority of the Directors or members, who are entitled to vote on the resolution:</p> <p>Provided that, where not less than one-third of the total number of Directors of the company for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board. A resolution passed by way of circulation, as above, shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.</p>	Resolution of Circulation

140	All acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director, shall, notwithstanding that it shall afterwards be discovered that there were some defects in the appointment of such Directors or Committee or person acting as a aforesaid, or that they or any of them were disqualified or had vacated office, or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, by as valid as if every such person had been duly appointed and was qualified to be a Director and had not vacated office or his appointment had not been terminated. Provided nothing in the Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.	Act of Board or Committee valid notwithstanding defective appointment, etc.
141	The Company shall cause minutes of the proceedings of every meeting of the Board of Directors and of every Committee of the Board to be recorded in accordance with the relevant provisions of Section 118 of the Act, within 30 days of the conclusion of every such meeting and the minutes shall contain the matters specified in the said Section.	Minutes of proceedings of Directors and Committees to be recorded
142	The Company shall maintain such Registers, Books and Documents as may be required under the Act and 1949 Act.	Registers, Books and Documents to be maintained
143	Subject to the provisions of the 1949 Act, the said Registers, Books and Documents shall be kept open for inspection by such persons as may be entitled thereto respectively, under the Act on every working day during business hours as may be prescribed under these Articles, consistent with the provisions for the Act in that behalf, and copies thereof and extracts there from may be furnished at such fees, as provided in the Act.	Inspection of Registers etc.
	POWERS OF DIRECTORS	
144	The management and control of the business of the Company shall be vested in the Directors who may exercise all such powers of the Company and do all such acts and things as are not by the Act or any other act by the Memorandum or by these Articles required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles and the provisions of the Act and to such regulations, being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting but no 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.	Power of Directors

145	Subject to the compliance with Section 182 of the Act, 1949 Act and SEBI regulations, the company may contribute any amount to any political party.	Contribution to Political Parties
CHAIRMAN, MANAGING DIRECTOR & CEO OR WHOLE TIME DIRECTOR(S), COMPANY SECRETARY OR CFO		
146	Subject to the requisite compliances and approvals, if any, under 1949 Act and the Guidelines, the Company may appoint Managing Director & CEO, Whole-time Directors, or other directors as it may deem fit.	Appointment of Directors
147	<p>(a) Subject to applicable provisions of the Act, Reserve Bank of India Act and the Guidelines and the 1949 Act, the Board shall appoint a Non-Executive Director as the Chairman on Part Time basis with prior approval of Reserve Bank of India.</p> <p>(b) The Board shall appoint one of its Directors as Managing Director & CEO who shall be entrusted with the management of the whole of the affairs of the Company and he shall exercise his powers subject to the superintendence, control and direction of the Board.</p> <p>(c) The Managing Director shall have the knowledge and experience as required under section 10B (4) of the 1949 Act or under any guidelines issued by the RBI in this regard.</p> <p>(d) The Managing Director who is entrusted with the management of the whole of the affairs of the company. He shall be in whole-time employment of the company and may be appointed by the Board for such period as prescribed in 1949 Act or guidelines issued thereafter or as the Board may deem fit. He shall be eligible for reappointment.</p> <p>(e) Where a Chairman is appointed on part-time basis, in accordance with Section 10B (1A) of the 1949 Act, and he possesses qualification, knowledge, experience or expertise useful to the Company. Such Chairman shall not be liable to retire by rotation and may be appointed for such period time as prescribed in 1949 Act or guidelines issued thereafter or as the Board may deem fit. He shall be eligible for reappointment.</p> <p>(f) Subject to the provisions of the Act, Rules and Guidelines, the Board may, from time to time, fix the remuneration payable to and other terms and conditions of service, of the Chairman-part-time, Managing Director & CEO, Whole time Director(s) or as the case may be, of other Director(s).</p> <p>(g) All meetings of the Directors shall be presided over by the Chairman. But if at any meeting of the Directors the Chairman is not present at the time appointed for holding the same, then and in that case, the directors shall choose one amongst them to preside at the meeting.</p> <p>(h) Questions arising at any Board Meeting shall be decided by a majority of votes, and in case of an equality of votes, the Chairman shall have second or casting vote.</p>	Chairman/ Managing Director
148	Subject to the provisions of the Act— () A, Company Secretary and Chief Financial Officer may be	Appointment of Key Managerial personnel

	<p>appointed by the Board as its Key Managerial Personnel for such term, at such remuneration and upon such conditions as it may think fit; and the company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>(i) A director may be appointed as a Company Secretary or Chief Financial Officer.</p> <p>(ii) The Managing Director & CEO shall be the Key Managerial Personnel of the Company.</p>	
149	The Managing Director & CEO, whose term of office has come to an end, either by reason of his resignation or by reason of expiry of the period of his office, shall, subject to the approval of the Reserve Bank, continue in office until his successor assumes office.	
150	The appointment, reappointment, remuneration payable to and other terms and conditions of service of the Chairman-Part Time or as the case may be, of the Managing Director & CEO shall be subject to the approval of the Reserve bank of India and also subject to such approval as may be necessary under the Act.	
151	Subject to the provisions of the Act and these Articles, a Managing Director & CEO or a whole time Director shall not, while he continues to hold that office, be subject to retirement by rotation under the Act or these Articles but he shall, subject to the provisions of any contracts between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company and he shall <i>ipso facto</i> immediately cease to be a Managing Director or Whole time Director if he ceases to hold the office of Director for any cause.	Managing Director or a whole time Director not liable to retire by rotation
152	Subject to the superintendence, control and direction of the Board of Directors, the Board may from time to time entrust to and confer upon a Managing Director & CEO or Whole time Director for the time being, save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think fit expedient and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of or in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.	
	CHIEF FINANCIAL OFFICER (CFO) AND COMPANY SECRETARY (SECRETARY)	
153	Subject to the RBI regulations and provisions of Section 203 of the Act the Board of Director may from time to time appoint any individual, as the Chief Financial Officer of the Company to perform duties which may be performed by a CFO under the Act and any other purely ministerial and administration duties as the	CFO

	Board of Directors may from time to time assign to the CFO including the duty to keep the books of accounts required to be kept under the Act.	
154	Subject to the provisions of Section 203 of the Act the Board of Director may from time to time appoint any individual, as the Secretary of the Company to perform duties which may be performed by a Secretary under the Act and any other purely ministerial and administration duties as the Board of Directors may from time to time assign to the secretary including the duty to keep the registers required to be kept under the Act.	Secretary
	COMMON SEAL	
155	<p>(a) The Board shall provide for the safe custody of Common Seal.</p> <p>(b) The Common Seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors of the Company or of a Committee of the Board of Directors of the Company authorized by it in that behalf and except in the presence of at least two Directors and of the secretary or such other person as the Board may appoint for the purpose; and those two Directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence..</p> <p>(c) Notwithstanding anything contained hereinabove, common seal will be affixed on the share certificates as per the applicable provisions under the Act read with the relevant Rules and / or Regulations.</p>	Seal Custody and Use
156	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the Company may be signed by a Director or the Secretary or such other officer or person authorized in that behalf by the Board / committee there and need not be under its Seal.	Authentication of documents and proceedings
	DIVIDENDS	
157	No dividend shall be declared or paid by the Company for any financial year, unless requirement of sections 15, 17 and other applicable provisions, if any, of the 1949 Act are complied with.	Dividend subject to 1949 Act
158	Subject to the provisions of Section 123 of the Act, the Board may from time to time pay interim dividends as they deem fit and justified by the profits of the Company.	Dividend
159	The Company may in general Meeting subject to Sections 123 and other applicable provisions of the Act and 1949 Act, declare dividends, to be paid to Members according to their respective right but no dividend shall exceed the amount recommended by the Board of Directors. The Company in General Meeting may declare a smaller dividend than recommended.	Company in General Meeting may declare dividends

160	No dividend shall be paid otherwise than out of profits of the year or any other undistributed profits or otherwise than in accordance with the provisions of Sections 123 of the Act or any other law for the time being in force and no dividend shall carry interest as against the Company unless required by law. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.	Dividend to be paid only out of profits
161	Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.	Capital paid-up in advance and carrying interest not to earn dividend
162	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 dividends as from a particular date such shares shall rank for dividend accordingly.	Dividends in proportion to amount paid-up
163	The Directors may retain the dividends payable upon shares in respect of which any person is under the Transmission Clause of these Articles entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member in respect thereof or shall duly transfer the same.	Retention in certain cases
164	No Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise, howsoever, either alone or jointly with any other person or persons; and the Directors may without prejudice to any other right or remedy of the Company deduct from the interest or dividend payable to any Member all sums or money so due from him to the Company.	No Member to receive dividend whilst indebted to the company
165	A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.	Dividend to be paid to the registered holder
166	Any one of several persons who are registered as the joint holders of any share may give effectual receipt for all dividends and payments on account of dividends in respect of such share.	Dividend payment
167	Unless otherwise directed any dividend may be paid by cheque or warrant or ECS or RTGS or any other mode as may be permissible under the Act or Rules or Secretarial Standards or sent through the post to the registered address of the Member or person entitled 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. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not	Dividend payment mode

	be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the Member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any executors or administrators of a deceased Member in whose sole name any share stands, shall for the purposes of this Article be deemed to be joint holders thereof.	
168	Unclaimed / unpaid dividend shall not be forfeited by the Board before the claim becomes barred by law. However, if it remains unclaimed / unpaid for a period of seven years from the date of transfer, or period beyond the specified under the Act, the same shall be transferred to Investor Education and Protection Fund.	Unclaimed Dividend to be transferred to Investor Education and Protection in certain cases
169	Where a dividend has been declared by the Company but has not been paid or claimed by within 30 days from the date of the declaration, the Company shall, within 7 days from the date of expiry of the said period of 30 days, transfer the total amount of dividend which remains unpaid/ unclaimed to a special account to be opened by the Company in that behalf in any Scheduled Bank and all the other provisions of Sections 123 and 124 of the Act in respect of any such unpaid dividend or any part thereof shall be applicable, observed, performed and complied with.	Unpaid/unclaimed dividend
170	No dividend shall be payable except in cash; Provided that nothing in this Article shall be deemed to prohibit the capitalization of profits of the Company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on any shares held by the Members of the Company.	Dividend to be paid in cash
171	Any General Meeting declaring a dividend may make a call on the Members of such amount as the meeting fixes but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend; and the dividend may, if so arranged between the Company and the Members be set off against the calls.	Dividend and call together
	BONUS SHARES	
172	The Company may issue fully paid-up bonus shares to its Members in accordance with the provisions in Section 63 of the Act, 1949 Act and any other law for the time being in force subject to such terms and conditions as may be prescribed from time to time.	Bonus shares
	ACCOUNTS	
173	The Company shall cause to be kept proper books of accounts with respect to:- (i) all sums of money received and expended by the Company and the matters in respect of which receipt and expenditure take place; (ii) all sales and purchases of goods and services by the	

	company (iii) the assets and liabilities of the Company.	
174	<p>The books of account shall be kept at the Office of the Company or such other places and in such manner including maintenance of such books of accounts in electronic means as the Board of Directors think fit subject to Section 128 of the Act and shall be open to inspection by any Director during business hours.</p> <p>Where the Company has branch office, whether in or outside India, above provisions will be deemed to have been complied with if proper books of accounts relating to the transaction effected at that office are kept at that office and proper summarised returns are periodically sent by the branch office to the Company at its Office.</p>	<p>Books of accounts</p> <p>Accounts of Branch offices</p>
175	All the aforesaid books shall give a fair and true view of the affairs of the Company or its branch office, as the case may be, with respect to the matters aforesaid and explain its transactions.	
176	The books of accounts of the Company relating to a period of not less than 8 financial years immediately preceding the financial year shall be preserved in good order.	Books of Accounts to be preserved
177	The Company shall comply with the provisions of sections 207 and 208 of the Act and Section 35 of the 1949 Act in regard to the inspection of the books of accounts and other books and papers of the Company, by the Registrar of Companies or by such officer of the Government as may be authorised by the Central Government in this behalf, or by the officers of the Reserve Bank of India, as the case maybe.	Inspection
178	The Board of Directors shall lay before each Annual General Meeting a Profit and Loss Account for the financial year of the Company and Balance Sheet made up as at the end of the financial year which shall be date which shall not precede the day of the meeting by more than 6 months.	Balance Sheet Profit and Loss Account
179	<p>(a) Subject to the provisions of sections 129 and 133 of the Act every Balance Sheet and Profit and Loss account of the Company, shall be in the form set out in Third Schedule of the 1949 Act, or as near thereto as circumstances admit and the requirements of the Companies Act, 1956, relating to the Balance Sheet and Profit and Loss Account of the Company, shall in so far as they are not inconsistent with the provisions of the 1949 Act, apply to the Balance Sheet and Account as the case may be of the Company. In case of Central Government by notification specifies some other form or forms in which the Balance Sheet and the Profit and Loss Account of the Company shall be drawn, then the Company shall adopt such form of the Balance Sheet and the Profit and Loss Account.</p> <p>(b) The Balance Sheet and the Profit and Loss Account shall be approved by Audit Committee of Directors before they are signed on behalf of the Board in accordance with the provision of this Article and before they are submitted to the Auditors for their report thereon.</p>	Authentication of Balance Sheet and Profit and Loss Account

180	Financial statements shall be approved by the Board of Directors before they are signed by the chairperson of the company where he is authorised by the Board or by 2 directors out of which one shall be Managing Director and the Chief Executive Officer, if he is a director in the company, the Chief Financial Officer and the Company Secretary.	Signing of Financial Statements
181	Auditors Report (including the Auditors' separate, special or supplementary reports, if any) shall be attached to the Financial Statements.	Auditors Report to be attached to the financial statements
182	Every Financial Statements laid before the Company in General Meeting shall have attached to it a report by the Board of Directors containing such matters as may be specified in the Act and prescribed by Rules from time to time and 1949 Act or any other law for the time being in force.	Board's Report to be attached to the Balance Sheet
183	The Company shall create a Reserve Fund and shall out of the balance of profit of each year as disclosed in the profit and loss account and before any dividend is declared, transfer to the reserve fund a sum equivalent to such percentage as may be notified by RESERVE BANK OF INDIA under 1949 Act.	Reserve Fund
184	The Company at the Annual General Meeting in each year shall, with the previous approval of the Reserve Bank of India in terms of Section 30(1A) of the 1949 Act, appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting and shall intimate to the Auditor so appointed. Provided that before any appointment or re-appointment of Auditor or Auditors is made by the Company at any Annual General Meeting, a written certificate shall be obtained from the Auditor or Auditors proposed to be so appointed to the effect that the appointment or re-appointment, if made, will be in accordance with the limits specified in of Sections 139 and 142 of the Act.	Appointment of Auditors
185	(a) The persons qualified for appointment as Auditor shall be only those referred to in Section 141 of the Act or in other applicable law as amended from time to time. (b) The persons mentioned in Section 141 of the Act or in notifications issued by the Reserve Bank of India from time to time shall be qualified for appointment as Auditors of the Company.	Qualifications and Disqualifications of Auditors
186	The remuneration of the Auditors of the Company shall be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine except that the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.	Remuneration of Auditors
187	1) Every Auditor of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditor. 2) All notices of and other communications relating to any General Meeting of a Company which any Member of the	Powers and Duties of Auditors

	<p>Company is entitled to have sent to him shall also be forwarded to the Auditor of the Company; and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.</p> <p>The Auditor shall make a report to the Members of the Company on the accounts examined by him and on every Financial Statement which are required by or under the Act to be laid before the Company in General Meeting, during his tenure of office, and the report shall after taking into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the audit report under the provisions of the Act or any Rules made thereunder or under any order made under section 143 and to the best of his information and knowledge, the said accounts, Financial Statements give a true and fair view of the state of the company's affairs as at the end of its financial year and profit or loss and cash flow for the year and such other matters as may be prescribed.</p>	
188	The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of branch offices of the Company except to the extent to which any exemption may be granted by the Central Government in the behalf.	Audit of Branch Offices
189	The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any Member of the company.	Reading and Inspection of Auditor's Report
190	Every account when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within 3 months next after the approval thereof. Wherever any such error is discovered within that period the account shall forthwith be corrected and hence forth shall be conclusive.	When account to be deemed conclusive
	DOCUMENTS AND SERVICE OF DOCUMENTS	
191	<p>A Document (which expression for this purposes shall be deemed to include and shall include any summons, notice, requisition, process, order, judgment, or any other document in relation to or in the winding up of the Company) may be served or sent by the Company on or to any Member either personally or by sending it by post or courier to him to his registered address of (if he has no registered address in India) to the address if any within India supplied by him to the Company for the giving of notices to him or through electronic means at the registered email IDs.</p> <p>In case of delivery by post, such service shall be deemed to have been effected- (i) in the case of a notice of a meeting, at the expiration of 48 hours after the letter containing the same is posted; and (ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.</p>	How documents to be served on Members
192	If a Member has no registered address in India or has not registered his email ID with the Bank/Depository Participant and	Service on Members having no

	has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighborhood of the Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.	registered address
193	A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in a pre-paid letter addressed to them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which it might have been served if the death or insolvency had not occurred.	Service on persons acquiring shares on death or insolvency of Members
194	Subject to the provision of the Act any document required to be served or sent by the Company on or to the Members, or any of them and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised once in an English daily and in a vernacular daily newspaper circulating in the city or town where the Office of the Company is situated.	Advertisement
195	Every person who by operation of law, transfer, otherwise whatsoever, shall become entitled to any share shall be bound by every document in respect of such share which, previous to his name and address being entered in the Register has been duly served on or sent to the person from whom he derives his title to such share.	Members bound by document given previous to holders
196	The signature to any notice to be given by the Company may be written, typed or printed.	How notice to be signed
197	A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder named first in the Register in respect of that share. Several executors or administrators of a deceased shareholder shall be deemed to be jointly entitled for the purpose of this Article.	Notice to joint holders
	WINDING UP	
198	<p>Subject to the provisions of 1949 Act, the Act and Rules Made hereunder:</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a shareholders resolution as necessary and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(i) 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.</p> <p>The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit</p>	Winding-up

	of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
	INDEMNITY	
199	Every officer or agent for the time being of the Company shall be indemnified out of the funds of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 463 of the Act in which relief is granted to him by the Court.	Indemnity
200	Subject to the provisions of Section 197 of the Act no Director, Managing or Whole time Director or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other director or officer or for joining in any respect of other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, Company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgment, omission or default or oversight on his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own dishonesty.	Directors and other officers not responsible for acts of others
	SECRECY CLAUSE	
201	No Member shall be entitled to visit or inspect any office/branch office of the Company without the permission of the Board of Directors of the Company or any other person authorized on that behalf by the Board of Directors of the Company to require discovery of or any information respecting any details of the Company's business or any matter which is or may be in the nature of a trade secret, mystery of trade secret process or any other matter which may relate to the conduct of the business of the Company which in the opinion of Board of Directors of the Company, it would be inexpedient in the interest of the Company to disclose.	Secrecy
	GENERAL AUTHORITY	
202	Wherever in the 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 transaction as have been permitted by the provisions of the Act and the applicable provisions of the Act without there being any other specific Article in that behalf herein provided.	General authority

	OVERRIDING EFFECT	
203	<p>(i) All actions under these Articles shall be carried on in abidance with applicable laws. Further, the Company shall do all such things as are permitted by applicable laws, including but not limited to, the Guidelines, Secretarial Standards, the Act, the 1949 Act, LODR Regulations the RESERVE BANK OF INDIA Act, and any other applicable regulation enacted or amendment made to existing laws or judicial decisions, made from time to time and the provisions of the same shall prevail in case of any inconsistency with the Articles.</p> <p>(ii) The provisions of the Act shall apply to the Company except in so far as the said provisions are inconsistent with the provisions of the 1949 Act or the Guidelines. In case of any inconsistency between the provisions of the Act and 1949 Act or the Guidelines, the provisions of 1949 Act or the Guidelines, as the case may be, will prevail.</p>	<p>Articles vis-a-vis Act</p> <p>Act vis-a-vis 1949 Act etc.</p>

S.No.	Names, Address, Description & Occupation of each Subscriber	Signature of the subscriber	Names, Signature, Address & Description Witness
1.	Amrik Singh Pooni, IAS Retd. Former Chief Secretary Pb. 54, Sector 27 - A, Chandigarh - 160019. Retd. Civil Servant	Sd/-	Sd/- (Dinesh Gupta) s/o Sh. K.M. Gupta, Company Secretary 5-6, Hind Samachar Street, Jalandhar
2.	Amarjit Singh Samra S/o S. Ujagar Singh Samra 182, New Jawahar Nagar, Jalandhar City-144001 Agriculture	Sd/-	
3.	Sarvjit Singh Samra 182, New Jawahar Nagar, Jalandhar City - 144001 Business	Sd/-	
4.	K. K. Sardana S/o Sh. B.K. Sardana Sukhjit Starch and Chemicals Limited Phagwara Business	Sd/-	
5.	Brig. Swarn Singh Saini, Retd. S/o S. Gian Singh Saini, H/No.29, Hardyal Nagar, Jalandhar City. Retd. Army Officer	Sd/-	
6.	Sarvjit Singh Dhillon S/o S. Charan Singh Dhillon B - 280, G.T. Road, Goraya Distt. Jalandhar Industry SSI	Sd/-	
7.	Mohinder Singh S/o S. Darshan Singh 60 -A, Garden Colony, Jalandhar City Business	Sd/-	
8.	Amardeep Singh Samra S/o S. Amarjit Singh Samra 182, New Jawahar Nagar, Jalandhar City-144001. Business	Sd/-	

Date : 28-05-1999
Place : Jalandhar City

Part II

The Articles of Association of Capital Small Finance Bank Limited (the "Company") are divided into two parts - Part I and Part II. The provisions of Part I 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 II. As long as Part II remains a part of these Articles and notwithstanding what is stated elsewhere in these Articles, in case of inconsistency between Part I and Part II, the provisions of Part II shall prevail over the other provisions of Part I, save and except for Article 203 of Part I which shall have an overriding effect on Part II. All articles of Part II shall automatically terminate and cease to have any force and effect from the date of receipt of final listing and trading approvals from the stock exchanges for commencement of trading of the equity shares of the Company pursuant to the initial public offering of equity shares of the Company and the provisions of Part I shall continue to be in effect and be in force, without any further corporate or other action, by the Company or by its shareholders.

It is clarified that the matters listed in Part II of the Articles are in addition to all other rights that the Investors (as defined below) have as shareholder of the Company under Part I of the Articles and under applicable laws and as amended pursuant to waiver cum amendment agreement dated September 30, 2021.

1. EFFECTIVE DATE; OVERRIDING EFFECT

Except for OIJIF, this Part II of the Articles of Association shall be effective from the Effective Date (defined below). This Part II of the Articles of Association shall be effective for OIJIF when OIJIF becomes a shareholder of the Company pursuant to allotment of Equity Shares in terms of SSA 2.

2. DEFINITIONS AND INTERPRETATION

Unless the context otherwise requires, the following words and terms shall have the meanings set forth below:

"1949 Act" shall mean the Banking Regulation Act, 1949 and includes any amendment, statutory modifications or re-enactment thereof for the time being in force and rules, regulations, directives, guidelines, notifications, orders there under;

"Accounting Standards" shall mean the generally accepted Indian accounting principles promulgated by the Institute of Chartered Accountants of India, together with its pronouncements thereon from time to time or such other accounting principles to be followed by the Company from time to time in accordance with the Applicable Law, in each case applied on a consistent basis;

"Act" shall mean the Companies Act, 2013 and includes, wherever applicable, the rules framed there under, any amendment, statutory modification or re-enactment thereof for the time being in force;

"Acquiring Investor" shall have the meaning set forth in Article 10.3(i)(d) of Part II of these Articles;

"Acquisition Notice" shall have the meaning set forth in Article 10.3(i)(d) of Part II of these Articles;

"Acquisition Price" shall have the meaning set forth in Article 10.3(i)(d) of Part II of these Articles;

“**Acquisition Securities**” shall have the meaning set forth in Article 10.3(i)(c) of Part II of these Articles;

“**Addendum**” shall have the meaning assigned to it at Recital C of the Shareholders’ Agreement dated 7 November 2019 executed by and between the Investors, the Promoters, the Promoter Group, the Company and the Key Shareholders

“**Affiliates**” of a Person (the “**Subject Person**”) means, unless expressly stated otherwise, (i) 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 the case of any Subject Person that is a natural Person, a Controlled Affiliate or a Relative Affiliate any other Person that, either directly or indirectly through one or more intermediate Persons, is Controlled by or that is a Relative of the Subject Person.

Without prejudice to the generality of the foregoing, “Affiliate”, in respect of:

- (a) Amicus shall be deemed to include 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 advised/managed by Amicus India Capital Partners LLP and/or Amicus Capital Managers and any investors or limited partners of Amicus, whether on the Execution Date or any time thereafter but shall not, for the avoidance of doubt, include any portfolio company in which Amicus has invested in or may invest in the future;
- (b) OIJIF, (i) any Person managing, or acting as an investment adviser to the investment funds that directly or indirectly Controls or is Controlled by OIJIF; or (ii) a fund, collective investment scheme, trust, partnership (including without limitation any co-investment partnership), co-investment vehicle, society, special purpose or other vehicle or any Subsidiary or Affiliate of any of the foregoing, which is Controlled or managed by OIJIF or in which OIJIF is a contributor, sponsor, shareholder, settlor, member of a management or investment committee or trustee; or (iii) any shareholder, contributor or sponsor of OIJIF, or any Person which has a substantial or majority interest by way of shareholding, voting rights or otherwise in OIJIF. Notwithstanding the foregoing for the purposes of Part II of these Articles: (a) OIJIF and/or any of its Affiliates shall not be considered as Affiliates of the Company and vice-versa, (b) with respect to OIJIF, the portfolio companies in which OIJIF has invested as a financial investor shall not be considered as an Affiliate of OIJIF; and (c) with respect to OIJIF, an Affiliate shall include State Bank of India and State General Reserve Fund of Oman; and
- (c) Existing Investor A shall also include funds and investment vehicles Controlled by Existing Investor A or its Affiliates;

“**Amicus**” shall mean, collectively, Amicus Capital Private Equity I LLP and Amicus Capital Partners India Fund I;

“**Amicus Nominee Director**” shall have the meaning assigned to it in Article 3.1(i)(c) of Part II of these Articles;

“**Amount**” shall have the meaning set forth to it in Article 10.5(ii)(a) of Part II of these Articles;

“**Annual Budget**” shall have the meaning set forth to it in Article 7.1 of Part II of these Articles;

“**Annual General Meeting**” shall mean meeting of the Shareholders, convened under and held pursuant to Section 96 of the Act;

“**Anti-Corruption Laws**” shall mean laws, regulations or orders relating to anti-bribery or anticorruption (governmental or commercial), which apply to the Business and dealings of the Company, its Subsidiaries and their respective shareholders including, without limitation, laws that prohibit the corrupt payment, offer, promise, or authorization of the payment or transfer of anything of value (including gifts or entertainment), directly or indirectly, to any Government Official, commercial entity, or any other Person to obtain a business advantage; such as, without limitation, the Unlawful Activities (Prevention) Act, 1967; the Prevention of Corruption Act, 1988; Whistle Blowers Protection Act, 2011; the U.S. Foreign Corrupt Practices Act, 1977, as amended from time to time; the UK Bribery Act, 2010 and all national and international laws enacted to implement the OECD Convention on Combating Bribery of Foreign Officials in International Business Transactions;

“**Anti-Dilution Issuance Notice**” shall have the meaning set forth in Article 9.1(iv) of Part II of these Articles;

“**Anti-Dilution Securities**” shall have the meaning set forth in Article 9.1(iv) of Part II of these Articles;

“**Applicable Law**” or “**Law**” means to the extent it applies to a Person, all applicable:

- (a) statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, listing agreements, notifications, guidelines or policies issued by any Governmental Authority including the Act, the 1949 Act, the RBI Act and the Guidelines and any license, permit or other authorisations granted from or by the RBI;
- (b) administrative interpretation, writ, injunction, directions, directives, judgement, arbitral award, decree, orders or governmental approvals of, or agreements with, any Governmental Authority or recognized stock exchange; and
- (c) international treaties, conventions and protocols including Anti-Corruption Laws and Sanctions Law and Regulations,

as may be in force from time to time;

“**Approval**” means any permission, approval, confirmation, waiver, consent, license, permit (including any construction permit), order, authorization, registration, filing, notification, certificates, variances, expirations and or ruling in, from or by any

Governmental Authority;

“**Articles**” shall mean these Articles of Association of the Company;

“**Auditors**” shall mean the independent statutory auditors of the Company;

“**Authorization**” shall mean any Consent, registration, filing, agreement, notarization, certificate, license, approval, permit, authority or exemption from, by or with any Governmental Authority, whether given by express action or deemed given by failure to act within any specified time period and all corporate, creditors’ and shareholders’ approvals or Consents;

“**Banking Companies**” shall mean a banking company as defined under Section 5 of the 1949 Act;

“**Board**” shall mean the board of directors of the Company incorporated in accordance with Applicable Laws;

“**Business**” shall mean (i) the business of accepting, for the purpose of lending or investment, of deposits of money from the public, repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise, and any other small finance business activities permitted by the RBI and Applicable Law, as an eligible activity for ‘small finance banks’ under the SFB Guidelines, carried on by the Company pursuant to its registrations as ‘small finance bank’ and ‘full-fledged money changer’ with the RBI; and (ii) the business carried on by the Company pursuant to its registration as ‘corporate agent’ with the IRDA. Business includes the Principal Business;

“**Business Day(s)**” shall mean a day, other than Saturday and Sunday, on which commercial banks are open for business in Mumbai, Bangalore and Jalandhar, India;

“**Buyback Completion Notice**” shall have the meaning set forth to it in Article 10.5(iii)(b) of Part II of these Articles;

“**Buyback Intimation Notice**” shall have the meaning set forth to it in Article 10.5(iii)(a) of Part II of these Articles;

“**Buyback Notice**” shall have the meaning set forth to it in Article 10.5(iii)(a) of Part II of these Articles;

“**Buyback Response**” shall have the meaning set forth to it in Article 10.5(iii)(a) of Part II of these Articles;

“**Buyback Response Period**” shall have the meaning set forth to it in Article 10.5(iii)(a) of Part II of these Articles;

“**Buyback Sale Period**” shall have the meaning set forth to it in Article 10.5(iii)(b) of Part II of these Articles;

“**Buyback Securities**” shall have the meaning set forth to it in Article 10.5(iii)(a) of Part II of these Articles;

“**Company Facilitated Exit**” shall have the meaning set forth in Article 10.3(i)(a) of Part II of these Articles;

“Company Facilitated Exit Intimation” shall have the meaning set forth in Article 10.3(i)(a) of Part II of these Articles;

“Company Facilitated Exit Participation Notice” shall have the meaning set forth in Article 10.3(i)(b) of Part II of these Articles;

“Chairman” shall mean the chairman of the Company who shall be appointed by the Board in accordance with the Applicable Law;

“Charter Documents” shall mean and include the Memorandum and these Articles;

“Claims” shall mean any contractual, legal, administrative or regulatory proceedings against any Person or Persons alleging any act or omission or non-performance or failure by such Persons to perform any of their respective obligation, representation, warranty or covenants under any contract or agreement, or Law and includes the issue of a writ or notice or summons or cross claim or counter claim issued or initiated against or fixed upon such Person;

“Consents” means any clearance, approval (other than an Approval), consent, ratification, waiver, notice, no-objection certificate or other authorization of, from or to any Third Parties, including lenders;

“Control” or **“Controlled”** shall mean the possession, directly or indirectly, of the power to director cause the direction of the management and policies of a Person, whether through the ownership of voting Securities or by contract, and includes:

- (i) ownership directly or indirectly of more than 26% (Twenty Six Percent) of the issued shares or other equity interests of such Person, or
- (ii) possession directly or indirectly of more than 26% (Twenty Six Percent) of the voting power of such Person, or
- (iii) ability to appoint majority of the directors on the board of directors.

The expressions ‘Controls’, ‘Controlling’ and ‘Controlled’ shall be construed accordingly, (as may be applicable); “Controlled Affiliate” in the case of any Subject Person that is a natural Person, shall mean any other Person not being a natural Person that, either directly or indirectly through one or more intermediate Persons, is Controlled by that Subject Person.

“Core Promoter” shall mean Mr. Sarvjit Singh Samra;

“Core Promoter Securities” shall mean the Securities held by the Core Promoter, at any time, on or after the SSA 1 Closing Date;

“Corporate Agent Guidelines” shall mean Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015 read with Guidelines on Licensing of Corporate Agents dated July 14, 2005 issued by the IRDA and such other rules and regulations issued by IRDA as may be relevant for the Company;

“Decision Period” shall have the meaning set forth in Article 10.3(i)(b) of Part II of these Articles;

“Default Notice” shall have the meaning set forth in Article 13.2 of Part II of these Articles;

“Default Put Exercise Date” shall have the meaning set forth in Article 13.4.2(i)(a)(C)

of Part II of these Articles;

“Default Put Notice” shall have the meaning set forth in Article 13.4.2(i)(a)(B) of Part II of these Articles;

“Default Put Price” shall have the meaning set forth in Article 13.4.2(i)(a)(A) of Part II of these Articles;

“Default Put Option” shall have the meaning set forth in Article 13.4.2(i)(a)(A) of Part II of these Articles;

“Default Put Securities” shall have the meaning set forth in Article 13.4.2(i)(a)(A) of Part II of these Articles;

“Default Put Securities Period” shall have the meaning set forth in Article 13.4.2(i)(b)(A);

“Dilution Event” shall have the meaning set forth in Article 9.1 of Part II of these Articles;

“Director” shall mean a director appointed on the Board from time to time in accordance with the provisions of Applicable Law and the Articles of the Company;

“Dispute” shall have the meaning set forth in Article 16.1 of Part II of these Articles;

“Disputing Investors” shall have the meaning set forth in Article 16.5 of Part II of these Articles;

“Disputing Parties” shall have the meaning set forth in Article 16.1 of Part II of these Articles;

“Drag Right” shall have the meaning set forth in Article 13.4.2(i)(b)(A) of Part II of these Articles;

“Drag Right Exercise Date” shall have the meaning set forth in Article 13.4.2(i)(b)(D) of Part II of these Articles;

“Drag Right Trigger Notice” shall have the meaning set forth in Article 13.4.2(i)(b)(A) of Part II of these Articles;

“Effective Date” shall mean the date of execution of the Shareholders’ Agreement i.e. November 7, 2019;

“Encumbrance” shall mean:

- (i) any mortgage, charge (whether fixed or floating), pledge, lien (statutory or other), hypothecation, assignment, security interest or other encumbrances of any kind securing or conferring any priority of payment in respect of any obligation of any Person and includes 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 in each case under any Applicable Law;
- (ii) any lock-in, voting agreement, interest, option, right of first offer, refusal, pre-emption right, non-disposal undertaking, or transfer restriction in favour of any Person;

- (iii) any adverse claim as to title, possession or use; and
- (iv) any agreement, arrangement or obligation to create any of (i) and (ii);

“Equity Shares” shall mean the equity shares of par value of INR 10 (Rupees Ten only) each of the Company and carrying 1 (one) vote each;

“ESG Laws” means all applicable Laws that relate to issues concerning environmental, social and governance related matters including all codes, regulations, by-laws and standards, including those that are prescribed pursuant to the United Nations Principles of Responsible Investing;

“ESG Policy” means the ESG guidelines and standards and Responsible Investing Guidelines of Amicus;

“Event of Default” shall have the meaning set forth in Article 13.1 of Part II of these Articles;

“Existing Investor A” means Pi Ventures LLP;

“Existing Investor B” means Small Industries Development Bank of India;

“Existing Investors” means collectively Existing Investor A and Existing Investor B;

“Existing Investors Nominee Director” shall have the meaning assigned to it in Article 3.1(i)(b) of Part II of these Articles;

“Exit” shall have the meaning assigned to it in Article 10.1 of Part II of these Articles;

“Exit Valuation” shall have the meaning assigned to it in Article 10.2 of Part II of these Articles;

“FEMA” shall mean the Foreign Exchange Management Act, 1999 and includes, wherever applicable, the rules framed there under, any statutory modification or re-enactment thereof for the time being in force;

“Financial Statement” shall mean the financial statements of the Company for the relevant Financial Year, which shall include the profit and loss account as at the end of the relevant Financial Year, the balance sheet as at the end of the relevant Financial Year, the cash flow statement for the relevant Financial Year and, the notes to account and disclosures for the relevant Financial Year, as applicable;

“Financial Year” shall mean the accounting year of the Company commencing each year on April 1 and ending the following March 31st, or such other period as the Company from time to time designate as its accounting year in accordance with the provisions of the Act;

“Fresh Issue” shall mean issue, by the Company, of any Securities including preference shares.

“Fresh Issue Acquiring Investor” shall have the meaning set forth to it in Article 10.5 (ii)(c) of Part II of these Articles;

“Fresh Issue Acquisition Notice” shall have the meaning set forth to it in Article 10.5 (ii)(c) of Part II of these Articles;

“Fresh Issue Acquisition Price” shall have the meaning set forth to it in Article 10.5 (ii)(c) of Part II of these Articles;

“Fresh Issue Acquisition Securities” shall have the meaning set forth to it in Article 10.5 (ii)(a) of Part II of these Articles;

“Fresh Issue Decision Period” shall have the meaning set forth to it in Article 10.5 (ii)(a) of Part II of these Articles;

“Fresh Issue Intimation” shall have the meaning set forth to it in Article 10.5 (ii)(a) of Part II of these Articles;

“Fresh Issue Participation Notice” shall have the meaning set forth to it in Article 10.5 (ii)(a) of Part II of these Articles;

“Fresh Securities Issue” shall have the meaning set forth to it in Article 9.1 of Part II of these Articles;

“Fully Diluted Basis” shall mean on any relevant date, with respect to the Equity Shares, all outstanding Equity Shares and all Equity Shares issuable in respect of Securities optionally or mandatorily convertible into or exchangeable for Equity Shares, all share appreciation rights, options, warrants and other rights to purchase or subscribe for such Equity Shares or Securities convertible into or exchangeable for such Equity Shares, it being clarified that: (i) any right of lenders of the Company under executed financing agreements to convert the outstanding indebtedness into Equity Shares upon occurrence of an event of default in accordance with the terms of the respective financing agreements shall not be considered in any such computation; and (ii) options offered for grant with respect to 6,50,496 (Six Lakh Fifty Thousand Four Hundred and Ninety Six) Equity Shares pursuant to the Company’s employee stock option plan of 2018 shall not be considered in any such computation, however, such number of Equity Shares, that are issued and allotted pursuant to the vesting and exercise of such options, shall be considered in any such computation;

“Future Investor” shall have the meaning set forth in Article 9.1 of Part II of these Articles;

“General Meeting” shall mean any duly convened meeting of the Shareholders;

“Governmental Authority” shall mean any federal/central, state or municipal government, regulatory authority, governmental department, agency, instrumentality, commission, board, tribunal, or court or other law, rule or regulation making entity or Person having or purporting to have jurisdiction on behalf of any nation, or province or state or other subdivision thereof or any municipality, district or other subdivision thereof, including any securities regulator in any relevant jurisdiction;

“Government Official” means (i) any official, officer, employee, or representative of, or any Person acting in an official capacity for or on behalf of, any Governmental Authority, (ii) any political party or party official or candidate for political office; or (iii) any company, business, enterprise or other entity owned, in whole or in part, or controlled by any Person described in the foregoing sub-clause (i) or (ii) of this definition;

“**Guidelines**” shall mean the SFB Guidelines, the Money Changing Guidelines, the Corporate Agent Guidelines and such other rules and regulations issued by RBI or IRDA, as may be relevant for the Company;

“**Interested Investors**” shall have the meaning set forth in Article 4.12(i) of Part II of these Articles;

“**Investment Amount**” shall mean with respect to each Investor, the consideration paid by each Investor to the Company under the relevant share subscription agreement and any addendum thereof entered into by such Investor with the Company;

“**Investors**” shall mean collectively Existing Investor A, Existing Investor B, Amicus Capital Private Equity I LLP, Amicus Capital Partners India Fund I and Oman India Joint Investment Fund II;

“**Investor Meetings**” shall have the meaning set forth in Article 4.12(i) of Part II of these Articles;

“**Investor Nominee Directors**” shall mean collectively, the Amicus Nominee Director, OIJIF Nominee Director and the Existing Investors Nominee Directors;

“**Investor Rights Assignee**” shall have the meaning set forth in Article 10.6(ii)(b) of Part II of these Articles;

“**Investor Shares**” shall mean Securities held by the relevant Investor and any and all such Securities of the Company held or acquired by the relevant Investor and/or their respective Affiliate(s) from time to time, either through subscription, conversion, Transfer, bonus issues, stock-splits etc.;

“**IPO Long Stop Date**” shall mean the date 12 (twelve) months from the date of receipt of final observations of SEBI by the Company prior to filing of the red herring prospectus with the Registrar of Companies, Punjab and Chandigarh at Chandigarh in connection with the IPO or July 31,2023, whichever is earlier;

“**IRDA**” shall mean the Insurance Regulatory and Development Authority of India;

“**IRR**” shall mean the cash on cash internal rate of return of a specified percentage per annum, on the Investment Amount, from the respective date on which the investment was made by the relevant Investor;

“**Issuance Securities**” shall have the meaning set forth in Article 9.1(iv) of Part II of these Articles;

“**Key Committees**” shall mean the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee, Stake Holders Relationship Committee, Securities Committee and any other committees and sub-committees of the Board formed by the Board in relation to equity capital raise by the Company from time to time, and “Key Committee” shall mean any one of them, as the case may;

“**Key Shareholders**” means Amarjit Singh Samra and Santokh Singh Chhokar;

“**Last Reported Gross Revenue**” means at any time the aggregate of the income

recorded at Schedule XIII and Schedule XIV of the Company's last audited financial statements prepared in accordance with Applicable Law and specifically Section 29 of the Banking Regulation Act, 1949;

"Losses" shall mean all losses, liabilities, obligations, Claims, demands, actions, suits, judgments, awards, fines, Taxes, interest, penalties, fees, settlements and proceedings, fines, costs, expenses incurred (whether or not resulting from any third party claims), deficiencies, damages, out-of-pocket expenses, including reasonable attorneys' and accountants' fees and disbursements, and deposits and guarantees required to be made in any proceedings and/or judicial awards and all related Taxes, but excluding, in each case, indirect, consequential, special, exemplary or punitive damages or losses;

"Managing Director" shall mean a Director who, by virtue of the Articles or an agreement with the Company or a resolution passed in the General Meeting, or by the Board, is entrusted with substantial powers of management of the affairs of the Company and includes a Director occupying the position of managing Director, by whatever name called;

"Material Adverse Effect" shall mean an adverse change to: (i) the validity or enforceability of the Transaction Documents or of any transactions contemplated hereunder or of the rights or remedies of the Investors and the ability of the Company and the Promoters to perform their respective obligations under the Transaction Documents; (ii) the assets, Business, property, liabilities, financial condition, results, operations or prospects of the Company or prospects of the Promoters which affects or in any way limits the ability of the Promoters to conduct the Business through the Company; (iii) the status and validity of any business contracts, Authorizations required for the Company to carry on the Principal Business and to carry on its activities; in each case as a consequence of: (A) fraud or gross negligence by a Promoter; and, or (B) any matter or event (being an act or an omission) not beyond the reasonable control of a Promoter or of the Company which does not affect the general business sectors of which the Principal Business is a part and which has a Material Adverse Financial Consequence on the Principal Business;

"Material Adverse Financial Consequence" means a reduction of at least 7.5% (Seven Point Five Percent) of the Last Reported Gross Revenue;

"Material Business Revenue Threshold" means (a) in case of fund based lending activities, 7.5% (Seven Point Five Percent) of the gross interest income earned during the immediately preceding Financial Year; and (b) in case of all non-fund based activities including foreign exchange, insurance reselling or any advisory or fee based activity, 25% (Twenty Five Percent) of the difference between: (i) the total gross income earned during the immediately preceding Financial Year and (ii) the gross interest income earned during the immediately preceding Financial Year;

"Memorandum" shall mean the memorandum of association of the Company amended from time to time;

"MIS" shall mean to include (i) the provisional monthly abridged profit and loss statement and balance sheet of the Company; (ii) a statement prepared on a monthly

basis showing the status of the legal cases filled by or against the Company, save and except for any recovery proceedings instituted by the Company in the Ordinary Course of Business where the principal sum outstanding in the relevant proceeding is less than INR 2,50,00,000 (Two Crores Fifty Lakhs); and (iii) details of the Company's asset quality and non-performing loans and any other information as agreed among Existing Investor A, Amicus, OIJIF and the Company;

"Money Changing Guidelines" shall mean the Master Direction - Money Changing Activities dated January 1, 2016, issued by RBI (including any modification or re-enactment thereof for the time being in force) along with any other instructions issued to authorised persons by RBI under Section 11 of FEMA and such other rules and regulations issued by RBI as may be relevant for the Company;

OIJIF shall mean Oman India Joint Investment Fund II;

"Ordinary Course of Business" shall mean (i) any business function or practice permitted to be undertaken by the Company, or (ii) any function or practice undertaken or discarded in the ordinary course of business consistent with past custom or practice (including with respect to quantity and frequency) of the Company and/or the custom or practice of entities engaged in the same business as the Business;

"Other Investors" shall mean ICICI Prudential Life Insurance Company Limited and HDFC Standard Life Insurance Company Limited;

"Participating Investor" bears the meaning assigned to it at Article 13.4.2(i)(b)(A) of Part II of these Articles;

"Participating Investor Notice" bears the meaning assigned to it at Article 13.4.2(i)(b)(B) of Part II of these Articles;

"Person" shall include an individual, an association, a corporation, a partnership, a limited liability partnership, a joint venture, a body corporate, a trust, Hindu undivided family, an unincorporated organization, a joint stock company or other entity or organization, including a government or political subdivision, or an agency or instrumentality thereof and any other legal entity;

"Post QIPO Period" means the period after: (a) the date of the failure of QIPO; or (b) the QIPO Date, whichever is earlier;

"Principal Business" means at any time: (i) the business which the Company conducts pursuant to and in terms of the SFB License; and (ii) any other business which contributes revenue in excess of the Material Business Revenue Threshold;

"Promoter Group" shall mean, jointly and severally, the Persons listed in Schedule I of these Articles for so long as each such Person holds Securities;

"Promoter Drag Securities" shall have the meaning set forth in Article 13.4.2(i)(b)(C) of Part II of these Articles;

"Promoters" shall mean Mr. Sarvjit Singh Samra, Mr. Amarjit Singh Samra, Mrs. Navneet Kaur Samra, Mrs. Surinder Kaur Samra and Mr. Dinesh Gupta;

"Promoter Sale Notice" shall have the meaning set forth in Article 10.5(iv)(a) of Part II

of these Articles;

“Promoter Sale Security” shall have the meaning set forth in Article 10.5(iv)(a) of Part II of these Articles;

“Qualified Investor” shall mean a fit and proper Person who is not (i) politically tainted; and (ii) disqualified to acquire a stake in a bank as per any rules, regulations, guidelines, circulars or notifications issued by the RBI;

“QIPO” shall mean a public offering of the shares of the Bank on at least one Recognized Stock Exchange in accordance with Applicable Law upon the consummation of which 100% (One Hundred Percent) of the Equity Shares of the Bank are tradable without restriction (other than any restriction imposed by Applicable Law) on such stock exchange. For the purposes of the foregoing, the term consummation shall mean receipt of final listing and trading approvals from the BSE Limited and the National Stock Exchange of India Limited for commencement of trading of Equity Shares pursuant to the QIPO;

“QIPO Date” shall have the meaning set forth in Article 10.4(i) of Part II of these Articles;

“RBI” or **“Reserve Bank of India”** shall mean the Reserve Bank of India established under RBI Act;

“RBI Act” shall mean the Reserve Bank of India Act, 1934, including any statutory modification or re- enactment thereof;

“Recognized Stock Exchange” shall refer to BSE Limited or National Stock Exchange of India Limited;

“Related Party” shall mean any Person who Controls the Company, is Controlled by the Company, or is under the common Control of any or all of the above entities and includes Key Shareholders of the Company and shall also mean to include persons considered as related parties under Section 2(76) of the Act;

“Related Party Transaction” means any transaction, dealing or commercial arrangement of any nature whatsoever, entered into between the Company and a Related Party;

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

“Relative Affiliate” in the case of any Subject Person that is a natural Person, shall mean any other Person that is a Relative of that Subject Person;

“SFB License” shall mean the License No. MUM:116 issued by the RBI to the Company on March 4, 2016 to carry on ‘small finance business’ read with the office letter DBR.PSBD.No. 11104/16.02.001/2015-16 dated March 4, 2016

“Sale Decision Period” shall have the meaning set forth in Article 10.5(i)(c) of Part II of these Articles;

“Sale Decision Notice” shall have the meaning set forth in Article 10.5(i)(c) of Part II of these Articles;

“Sale Details Notice” shall have the meaning set forth in Article 10.5(i)(b) of Part II of

these Articles;

“Sanctions Laws and Regulations” means:

- (a) in respect of loans granted or made by the Company: (i) regulations of the US Treasury Department Office of Foreign Assets Controls, or any enabling legislation or executive order relating to the aforesaid, as collectively interpreted and applied by the US Government at the prevailing point in time; (ii) any U.S. sanctions related to or administered by the Department of State; and (iii) any sanctions measures or embargos imposed by the United Nations Security Council, Her Majesty’s Treasury or the European Union; and
- (b) the (Indian) Unlawful Activities (Prevention) Amendment Act, 2008 and the Prevention of Money Laundering Act, 2002 read with the applicable rules issued pursuant thereto;

“SEBI” Securities and Exchange Board of India;

“Second Exit Date” shall have the meaning set forth in Article 10.5(v) of Part II of these Articles;

“Secondary Sale” shall have the meaning set forth in Article 10.2 of Part II of these Articles;

“Securities” shall mean Equity Shares and any preferred shares, bonds, debentures, loans, warrants, options or other similar instruments or securities which are convertible into or exercisable or exchangeable for, or which carry a right to subscribe for or purchase, Equity Shares or any instrument or certificate representing a beneficial ownership interest in the Equity Shares, including global depository receipts or American depository receipts;

“Senior Management Team” shall mean the chief executive officer, the Managing Director, the president, whole-time directors (if any), the chief operating officer, the chief financial officer of the Company, the chief treasury officer, head of credit of the Company (if any), including any Person acting in roles or capacities similar to those ordinarily carried out for the foregoing functions even if the designation of such Person is different from the foregoing;

“SFB Guidelines” shall mean the ‘Guidelines for Licensing of Small Finance Banks in the Private Sector’ dated November 27, 2014, as amended from time to time and ‘Operating Guidelines for Small Finance Banks’ dated October 6, 2016, as amended from time to time, read with the clarifications to the queries on the Guidelines for Licensing of Small Finance Banks in the Private Sector dated January 1, 2015, issued by the RBI and such other rules and regulations issued by RBI and as may be relevant for a small finance bank;

“Shareholders” shall mean and include the shareholders of the Company, including but not limited to the Promoter Group, the Key Shareholders, the Investors, the Other Investors and any other Person who has become the holder of Equity Shares;

“Shareholders’ Agreement” means the shareholders’ agreement dated 7 November 2019 executed by and between the Investors, the Promoters, the Promoter Group, the Company and the Key Shareholders;

“Shareholding Percentage” shall have the meaning set forth in Article 9.1(ii) of Part II of these Articles;

“SSA” shall have the meaning set forth in Recital B of the Shareholders’ Agreement dated 7 November 2019 executed by and between the Investors, the Promoters, the Promoter Group, the Company and the Key Shareholders;

“SSA 1” shall have the meaning set forth in Recital C of the Shareholders’ Agreement dated 7 November 2019 executed by and between the Investors, the Promoters, the Promoter Group, the Company and the Key Shareholders;

“SSA 1 Closing Date” shall mean the ‘Closing Date’ as defined in the SSA 1;

“SSA 2” shall have the meaning set forth in Recital F of the Shareholders’ Agreement dated 7 November 2019 executed by and between the Investors, the Promoters, the Promoter Group, the Company and the Key Shareholders;

“SSA 2 Closing Date” shall mean the ‘Closing Date’ as defined in the SSA 2;

“Subsidiary” shall have the meaning ascribed to it in Section 2(87) of the Act;

“Tax”, “Taxes” or “Taxation” means:

- (a) all forms of tax, levy, duty, charge, impost, withholding or other amount whenever or wherever created or imposed in the nature of tax by, or payable to any Governmental Authority or claimed to be owed in any relevant jurisdiction or country;
- (b) any income-tax, advance tax, self-assessment tax, tax deducted and/or deductible at source, withholding tax, or any income-tax payable in the capacity of a representative assessee, together with interest, penalties and shall include any cess and surcharge thereto in respect of the aforementioned taxes computed as per the provisions of the Income Tax Act, 1961; and
- (c) all charges, interest, penalties and fines incidental or relating to any tax falling within (a) and (b) above or which arise as a result of the failure to pay any tax on the due date or to comply with any obligation relating to tax;

“Third Party” shall mean any Person other than the Investors, the Promoters, the Promoter Group, the Company and the Key Shareholders;

“Third Party Sale” shall have the meaning assigned to it in Article 10.5 of Part II of these Articles;

“Transaction Assistance” shall include the following steps and actions to be taken by the Core Promoter, the Company and each of the Promoters:

- (i) providing full co-operation and assistance to any Person to whom the Investor(s) wants to sell their stake under the provisions of the Shareholders’ Agreement / Future Investor to conduct a due diligence on the Company and its Subsidiaries including legal, financial, tax due diligence whether by setting up of a virtual data room or otherwise;
- (ii) having discussions and meetings with the Core Promoter, whole time Directors, the Senior Management Team, the employees of the Company and/or its Subsidiaries;

- (iii) providing detailed forward-looking business plans as may be required to evaluate the Business;
- (iv) entering into definitive agreements, as applicable, for consummating such transaction;
- (v) undertaking the requisite corporate actions (including passing the requisite resolutions at the Board and shareholders meetings) for approving such transaction;
- (vi) appointing intermediaries and advisors (including legal and financial advisors) to facilitate the process to the extent reasonably required;
- (vii) Taking the necessary steps for obtaining all necessary Consents and/or Authorizations from third parties and all regulatory approvals, whether governmental approvals or otherwise, as, when and to the extent required pertaining to the Company and transaction, which is reasonably required,
- (viii) providing intimations to third parties, whether Governmental Authorities or otherwise, as, when and to the extent reasonably required, and
- (ix) (a) in case of an Exit after the Second Exit Date or in an Event of Default, providing necessary representations and warranties and indemnities (to the extent reasonably required) and customary covenants, including those in relation to the business of the Company, and (b) in all other cases, the Promoters shall do all such acts and deeds as required to facilitate the transfer of the indemnity rights, as provided by the Promoters to the respective Investors in terms of the SSA, the SSA 1, the SSA 2 and the Addendum, as the case may be, from the date of such transfer till the remaining period of indemnification as stipulated in the respective the SSA, the SSA 1, the SSA 2 and the Addendum, to any Third Party to whom such Investor transfers its Equity Shares in terms of the Shareholders' Agreement.

"Transaction Documents" shall mean collectively the Shareholders' Agreement dated 7 November 2019 executed by and between the Investors, the Promoters, the Promoter Group, the Company and the Key Shareholders, the SSA, the SSA 1 (including the disclosure letter issued pursuant thereto dated June 12, 2019), the SSA 2 (including the disclosure letter dated August 2, 2019), the Addendum (including the disclosure letter dated November 7, 2019) and any other agreement or written understanding among the Investors, the Promoters, the Promoter Group, the Company and the Key Shareholders;

"Transfer" shall mean to transfer, sell, convey, assign, pledge, hypothecate, create a security interest in or lien on, place in trust (voting or otherwise), transfer by operation of law or in any other way subject to any Encumbrance or dispose of, whether or not voluntarily, and "Transferring" and "Transferred" have corresponding meanings;

"Transfer Restriction" shall have the meaning set forth in Article 12.4 of Part II of these Articles; and

"Trigger Events" shall have the meaning set forth in Article 13.4.2(i)(c)(A) of Part II of these Articles.

3. BOARD OF DIRECTORS

- 3.1** Subject to the Shareholders' Agreement, these Articles and the Applicable Law, the Board shall be responsible for management, supervision, direction and control of the

Company. Until otherwise determined in the General Meeting, and subject to Applicable Law, the Board shall constitute of such number of directors as specified in these Articles.

- (i) Subject to the approval of the RBI, the Board shall consist of Directors in the following manner:
 - (a) Majority of the Board members shall comprise independent Directors each of whom shall be appointed by the Company. Such independent Directors shall include Persons with professional and other experience as required under the 1949 Act. The Company shall appoint such number of independent Directors and woman Director as may be required under the Act, the 1949 Act or any other Applicable Law for the time being in force.
 - (b) Subject to the provisions of Applicable Law, each Existing Investor shall be entitled to appoint a nominee director to the Board ("**Existing Investors Nominee Directors**"), for so long as the shareholding of that Existing Investor and its Affiliates is 2% (Two Percent) or more of the equity share capital of the Company on a Fully Diluted Basis.
 - (c) Subject to the provisions of Applicable Law, and from the SSA 1 Closing Date, Amicus shall be entitled to appoint a nominee director to the Board ("**Amicus Nominee Director**"), for so long as the aggregate shareholding of Amicus and its Affiliates is 2% (Two Percent) or more of the equity share capital of the Company on a Fully Diluted Basis.
 - (d) Subject to the provisions of Applicable Law, and from the SSA 2 Closing Date, OIJIF shall be entitled to appoint a nominee director to the Board ("**OIJIF Nominee Director**"), for so long as the aggregate shareholding of OIJIF and its Affiliates is 2% (Two Percent) or more of the equity share capital of the Company on a Fully Diluted Basis.
- 3.2** It is clarified that the Investor Nominee Directors must be qualified in terms of Section 10A of the 1949 Act and must satisfy the fit and proper criteria for appointment as a Director of the Company under Applicable Law. Further, a Director shall not be required to hold any shares to qualify him to act as a Director of the Company.
- 3.3** Subject to the provisions of this Article 3 of Part II of these Articles, the Investors shall each have a right to fill any casual vacancy caused in the office of the Directors appointed by them, by reason of his/her resignation, death, removal or otherwise. All appointments and/or nominations made by respective Party shall be in writing and shall take effect within reasonable time from its receipt at the office of the Company or on the date of appointment specified in the notice, whichever is later and as per Applicable Law.
- 3.4** The Company shall reimburse the Directors for all reasonable cost of travel in India and other out of pocket expenses incurred in connection with attending Board meetings and Key Committee meetings in India. Any sitting fees or expenses that is payable to the Investor Nominee Directors shall be paid by the Company to the relevant Investor who has appointed the respective Investor Nominee Director.
- 3.5** The Board may constitute such committees of Directors as may be required under the Applicable Law, from time to time including constitution of the Key Committees of the Board which shall look into such matters as delegated by the Board to the relevant Key Committees in compliance with the Applicable Law. The Investors shall have the right to make the following nominations to the Key Committees by way of a written intimation

to the Company (and the Company shall, subject to Applicable Law, within 30 days of receiving such nomination take necessary steps to appoint the below nominees to the relevant Key Committee):

- i. The OIJIF Nominee Director shall be appointed as a member of the Stakeholder Relationship Committee and the Securities Committee of the Company;
- ii. The Amicus Nominee Director shall be appointed as a member of the Stakeholder Relationship Committee and the Securities Committee of the Company;
- iii. The Existing Investor A Nominee Director shall be appointed as a member of the Stakeholder Relationship Committee and the Securities Committee of the Company; and
- iv. The Existing Investor B Nominee Director shall be appointed as a member of the Stakeholder Relationship Committee and the Securities Committee of the Company.

- 3.6** The meetings of each Key Committee of the Board shall be convened at such frequency as the members of that Key Committee may decide from time to time, in compliance with the Applicable Laws.
- 3.7** The minutes of meetings of the relevant Key Committees of the Board along with actions taken pursuant thereto shall be placed before the Board for approval at the immediately succeeding meeting of the Board.
- 3.8** The notice, voting and quorum requirements for meetings of the Key Committees of the Board shall be as decided by the Board from time to time, in accordance with the Applicable Law.
- 3.9** The Company shall, and the Promoters shall ensure that the Company shall, at all times maintain directors' and officers' liability insurance policies. It is agreed that in the event of any change or amendment to the existing directors' and officers' liability insurance policy which adversely impacts the Investor Nominee Directors, the approval of all the Investor Nominee Directors shall be obtained, which approval shall not be unreasonably withheld.
- 3.10** The minutes of each meeting of the Asset Liability Management Committee shall be circulated at the immediately succeeding meeting of the Risk Management Committee, for the information of the members of the Risk Management Committee.
- 3.11** Each of the Investor Nominee Directors shall be non-executive Directors on the Board of the Company and shall not be involved in the day-to-day management or conduct of the Company. Accordingly, no such Investor Nominee Director shall be named in any correspondence, applications, licenses, approvals, compliance reports or otherwise as the person in charge of or responsible for the operations of the Company or compliance by the Company of any laws or licenses or as an "occupier", "principal officer" or an "officer in default", Unless prohibited by Applicable Law, the Company shall procure that the Promoter or any other suitable persons shall be nominated as "officer in default" and "occupiers" or "employers" or such other designations for the purpose of statutory compliance under applicable Law to ensure that none of the Investor Nominee Directors incur any liability in this regard.
- 3.12** To the fullest extent permissible under the Applicable Law, the Company and the Promoters hereby, agree to indemnify and hold harmless, each former, current and future Investor Nominee Director on the Board, promptly upon demand at any time and

from time to time, from and against, any and all Losses to which such Director become subject including Losses pursuant to any Claim such Director or to which such a Director is made party, in so far as such Losses arise out of, in any way relate to, or result from such Director having held or holding a position on the Board or committees (including Key Committees) of the Board, but excluding any Claim made against such a Director by the relevant Investor who has appointed such a Director.

4. MEETINGS OF THE BOARD

4.1 The Directors may meet together at a Board for conducting business from time to time, and at least 4 (Four) such meetings shall be held in every year with a time gap of not more than 120 (One Hundred and Twenty) days, unless a higher frequency is prescribed under Applicable Law, in which case, the Board shall meet at such prescribed frequency. The Directors may adjourn and otherwise regulate their meetings and proceedings as they may think fit. All documents in relation to meetings of the Board or any committee thereof, including agenda papers and minutes of each meeting, shall be in English.

4.2 The Chairman may at any time, and the secretary or such other officer of the Company as authorised, shall, upon the request of any Director and the concurrence of the Chairman, convene a meeting of the Board.

4.3 Subject to Applicable Law, at least 7 (Seven) days written notice of every meeting of the Board shall be given to every Director at his usual address in India and, in the case of any Director residing abroad, such notice shall also be given by email and where available, by facsimile to such Director's email address and facsimile number, as applicable abroad. A notice of the Board meeting may also be served by other electronic means. Any meeting of the Board may be convened with a lesser than 7 (Seven) days written notice, subject to compliance with the requirements prescribed under Applicable Law.

4.4 Telephonic and Video Participation at Board Meetings

(i) Subject to compliance with Applicable Law, the Directors may participate and vote in meetings of the Board or a Key Committee by video conference or other audio-visual electronic communication facility, in accordance with the provisions of the Act and other Applicable Law. The quorum and other requirements applicable to Board meetings shall also apply to such meetings undertaken by audio - video participation.

(ii) The Company shall provide participation facility for the Directors at meetings of the Board and the Key Committees through video conference or any other audio-visual facility at the venue of the meetings.

4.5 The notice of a meeting of the Board or a Key Committee, as the case may be, shall, where addressed to a Director, be accompanied by an agenda setting out in reasonable detail the items of business proposed to be transacted, together with necessary supporting documents pertaining thereto, as well as specify the date, time and agenda for such meeting. The notice of any meeting of the Board or the Key Committees shall also provide confirmation to the Directors regarding availability of participation through video conference or any other audio-visual facility at the venue of the meeting, and provide necessary information to enable the Directors to effectively utilize such facility.

4.6 The quorum for a meeting of the Board, including a meeting convened at shorter notice, shall be in accordance with Applicable Laws.

- 4.7** Subject to Applicable Laws, a decision shall be validly made and/or a resolution validly passed at a meeting of the Board only if passed at a validly constituted meeting of the Board and by a simple majority of the Directors present at voting at the relevant meeting of the Board. Each Director shall be entitled to cast 1 (One) vote. It is clarified that the Chairman shall not have a casting vote.
- 4.8** If within 30 (Thirty) minutes of the time appointed for the Board meeting, the requisite quorum is not present, the Board meeting shall stand adjourned and reconvened not later than 7 (Seven) days from the date of the original Board meeting, as the Chairman may determine, at the same place and time. If at the adjourned Board meeting also the requisite quorum is not present within 30 (Thirty) minutes of the stipulated time of the meeting, then the Directors present shall be deemed to constitute a valid quorum for that Board meeting. Provided that:
- (i) written notice of the adjournment was given to the Investor Nominee Directors at least 5 (Five) Business Days before the date of the adjourned Board meeting; and
 - (ii) items which were not specified in the agenda for the original Board meeting shall not be considered at such adjourned Board meeting.
- 4.9** Without prejudice to the provisions of Article 4.5 of Part II of these Articles and subject to Applicable Laws, if any matter is not specified or identified in reasonable detail in the agenda including any agenda or papers sent with a resolution by written circulation, the Board or committee (including the Key Committees in which the Investor Nominee Director(s) are members) shall not decide on such matter (at the original meeting or any adjourned meeting or by written circulation), unless the majority of the Directors present at the relevant meeting of the Board or a Key Committee, which majority must include at least 50% (Fifty Percent) of the total number of Investor Nominee Director(s), subject to a maximum of 2 (Two) Investor Nominee Directors, agree to discuss and take a decision on such matter. Provided, if all the Investor Nominee Director(s) are not attending such a meeting, such number of Investor Nominee Director(s) representing at least, the lower of (a) 50% (Fifty Percent) of the total number of Investor Nominee Director(s); and (b) 2 (Two) Investor Nominee Directors (including the Investor Nominee Director attending the meeting and agreed to discuss and take a decision on such matter), shall have the right, to waive, in writing, the consent rights set out in this Article 4.9 of Part II of these Articles.
- 4.10** Subject to Applicable Law, any matter that may be decided by the Board or a committee (including the Key Committees) may be decided by way of written circulation. No resolution shall be deemed to have been passed by the Board or by a committee (including the Key Committees) thereof by circulation, unless (i) the resolution has been circulated in draft together with the necessary papers, if any, including through such electronic means to all the Directors or to all the members of the committee at their usual address in India, and in the case of any Director residing abroad, such papers shall also be transmitted to such Director's email address and where available, fax number abroad, and (ii) the resolution has been approved by majority of Directors or members of the committee who are entitled to vote on the resolution, subject to Applicable Law.

4.11 The Company shall cause the company secretary to prepare minutes of the proceedings, of every meeting of the Board and of every committee of the Board (including the Key Committees), to be recorded in accordance with the Applicable Law, including the relevant provisions of Section 118 of the Act, within 30 (Thirty) days of the conclusion of every such meeting and the minutes shall contain the matters specified in the said section. The Directors may comment on the minutes of the meeting within 10 (Ten) days of receipt of the minutes. If no comments are made within the time limit set out in this Article, the minutes shall be deemed to be accepted. The minutes shall be signed at the commencement of the next meeting of the Board.

4.12 Meetings of Investors

- (i) The Company shall, and the Core Promoter shall ensure that the Company shall have regularly structured interactions among Existing Investor A, Existing Investor B, Amicus, OIJIF and the representatives of the Senior Management Team or such other personnel as agreed among the Company, the Investors, the Promoters and the Key Shareholders, at least 6 (Six) times in a Financial Year, subject to a minimum of 1 (One) meeting during a calendar quarter (the “**Investor Meetings**”) to discuss financial performance and any other such matter as may be mutually agreed, including changes in Applicable Law. The Core Promoter will attend at least 2 (Two) Investor Meetings every Financial Year. It is clarified for avoidance of doubt that participation of Existing Investor A, Existing Investor B, Amicus and OIJIF in such Investor Meetings shall be voluntary and if either of them are interested in participating in such interactions, the interested Party shall inform the Company of its interest in participating in the next interaction session at least 4 (Four) days in advance (“**Interested Investors**”). It is also agreed that in addition to the 6 (Six) Investor Meetings, the Existing Investor A, Existing Investor B, Amicus or OIJIF shall have the right to call for any additional Investor Meeting in a Financial Year by giving a written notice of at least 15 (Fifteen) Business Days in advance to the Company and other Investors.
- (ii) The Company shall, and the Core Promoter shall ensure that the Company shall, in consultation with the Interested Investors agree on the agenda and the list of the proposed attendees for each Investor Meeting at least 4 (Four) Business Days prior to date of such Investor Meeting.
- (iii) The Company shall cause an officer of the Company to prepare minutes of the proceedings of each Investor Meeting. The Company shall send the minutes of the Investor Meetings to Existing Investor A, Existing Investor B, Amicus, OIJIF and the Core Promoter within 10 (Ten) days from the date of such Investor Meeting. The Interested Investors and/ or the Core Promoter may comment on such minutes within 10 (Ten) days of receipt of the minutes and the minutes of such meeting shall be finalised only upon receipt of comments / confirmation by the Interested Investors. If no comments are made within the time limit set out in this Article, the minutes shall be deemed to be finalised. The Company shall and the Core Promoter shall ensure that the Company shall, maintain records of all the Investor Meetings.
- (iv) If agreed to by the Company, the Core Promoter and the Interested Investors, the Investor Meetings may be held through video-conferencing or other audio-visual electronic communication facility

5. GENERAL MEETINGS

5.1 The General Meetings of the Company shall be called at least such times as may be required by the Act. Subject to the provisions of the Act, at least 21 (Twenty One) days

written notice of every General Meeting shall be given to every Shareholder, at their usual address whether in India or abroad, and to the Auditors of the Company, provided always that a meeting may be convened by a shorter notice than 21 (twenty one) days subject to compliance with the requirements prescribed under Applicable Law.

- 5.2** Every notice of a General Meeting shall specify the place, date and hour of the meeting, and shall contain a statement of the business to be transacted thereof, and where any such business consists of special business, as defined under the Act, there shall be annexed to the notice an explanatory statement in accordance with the Act. No business shall be transacted at any General Meeting duly convened and held other than that specified in the notice, except as may be permitted under Applicable Law.
- 5.3** The Board shall provide the Company's previous Financial Year's audited Financial Statements to all Shareholders at least 21 (Twenty One) Business Days before the General Meeting which is held to approve and adopt such audited Financial Statements.
- 5.4** The quorum for the General Meeting shall be as provided in Section 103 of the Companies Act, 2013.
- 5.5** Subject to Applicable Law, the Chairman shall be appointed only with the prior approval of the RBI and shall be entitled to take the chair at every General Meeting. If there be no such Chairman or if at any meeting he is not present within 15 (Fifteen) minutes after the time stipulated for holding such meeting, or is unwilling to act, the Directors present may choose one of the Directors present to be chairman of such meeting, and in default of their doing so, the Shareholders present shall choose a Director as chairman of such meeting and if no Director is present, or if all the Directors present decline to take the chair, the Shareholders present shall choose one of themselves to be chairman of such meeting. If a poll is demanded on the election of the chairman of such meeting, it shall be taken forthwith in accordance with the provisions of these Articles and the chairman elected on a show of hands shall exercise all the powers of the chairman for the purpose of conducting the poll, under the said provisions. If some other Person is elected as the chairman of such meeting as a result of the poll, such other Person shall be chairman for the rest of the meeting.
- 5.6** If within 30 (Thirty) minutes of the time appointed for holding a General Meeting, the quorum as stipulated in Article 5.4 of Part II of these Articles is not present, the meeting shall be adjourned, and reconvened at the same time and place not later than 7 (Seven) Business Days thereafter, as the Chairman may determine. If at such rescheduled meeting, the quorum as stipulated in Article 5.4 of Part II of these Articles is not present within 30 (Thirty) minutes of the time appointed for the meeting, then the Shareholders present shall constitute a valid quorum. Provided however that:
- (i) written notice of the adjournment was given to the Investors at least 5 (Five) Business Days before the date of the adjourned Shareholders meeting; and
 - (ii) items which were not specified in the agenda for the original General Meeting shall not be considered at such adjourned General Meeting.
- 5.7** In the event a resolution is passed contrary to the provisions of Article 5 of Part II of these Articles, then the Company shall ensure that such resolution is not given effect to, and all such resolutions shall be considered to be null and void.
- 5.8** Unless required by Applicable Law to the contrary, or as set out in Article 5.5 of Part II of these Articles, every question or matter submitted to a General Meeting shall be decided in the manner prescribed under Applicable Law, including by way of poll if such

poll is validly demanded, and the Shareholders shall have, subject to Article 5.9 of Part II of these Articles below, a right to vote to the extent of their shareholding in the Company in proportion to the actual number of Equity Shares held by such Shareholder.

- 5.9** In case a Shareholder's shareholding in the Company exceeds 15% (Fifteen per cent), the voting rights of such Shareholder shall be restricted to 15% (Fifteen per cent) of the paid-up share capital, or such other limit, as may be permitted by the RBI from time to time under the 1949 Act, the Guidelines, or other Applicable Laws.
- 5.10** Subject to the provisions of the Act and the 1949 Act, votes in a General Meeting may be given either personally, or by an attorney, or by proxy or, in the case of a body corporate, by a representative duly authorised under Section 113 of the Act.
- 5.11** The Company shall cause the company secretary of the Company to prepare minutes of the proceedings of the General Meeting to be recorded in accordance with the Applicable Laws and within the time period permitted under the relevant secretarial standards under the Applicable Law (as amended from time to time) and shall ensure that a copy of the minutes of each General Meeting is sent to each of the Investors.

6. RELATED PARTY TRANSACTIONS

- 6.1** All Related Party Transactions entered into by the Company shall at all times be beneficial to the Company and be undertaken on an arms-length basis and in the Ordinary Course of Business.
- 6.2** The Company shall not enter into any new transaction, agreement, dealing or commercial arrangement with any Related Party after the Closing Date unless such transaction or agreement is more beneficial to the Company (as compared to such Related Party) and is on an arms' length basis.
- 6.3** The Company shall not enter into any new transaction, agreement, dealing or commercial arrangement (or a series of transaction, agreement, dealing or commercial arrangement) with any Related Party wherein the financial consideration or value of contract is more than INR 1,00,00,000 (Rupees One Crore) per annum, without the prior written consent of the Investors.
- 6.4** The Investors shall have the right to review any Related Party Transaction described in Article 6.3 of Part II of these Articles on an on-going basis and the Company and Promoters shall provide all such information and data as the Investors may require from time to time, in this regard.

7. ANNUAL BUDGETS

- 7.1** The Company shall, as soon as practicable, but no later than within the first month of each Financial Year, prepare and provide to the Investors: the projected balance sheet including proposed operating and capital budgets for that Financial Year, along with relevant detailed assumptions, enclosing a 3 (Three) year rolling business plan (the "**Annual Budget**") approved by the Board.
- 7.2** A Director may at any time, by a notice to the other Directors, propose amendment to the Annual Budget, and such proposal will be considered at the forthcoming meeting of the Board.
- 7.3** The Company shall, and the Core Promoter shall ensure that the Company shall, conduct the Business in accordance with the Annual Budget (including revisions) approved by the Board.

8. DIVIDEND AND DISTRIBUTION POLICY

- 8.1 Subject to Applicable Law and the Act, the Board shall determine the amounts which the Company will distribute to the Shareholders by way of dividend, or other distribution in respect of a Financial Year, in accordance with the dividend distribution policy formulated by the Board. Any such dividend or other distribution shall be paid: (i) to the Persons who are Shareholders on the record date, which date shall be decided by the Board; and (ii) in proportion to the respective Shareholders' shareholding percentage in the Company on a *pro rata* basis.

9. PRE-EMPTION AND ANTI-DILUTION RIGHTS

- 9.1 The Company may raise funds by way of a fresh issue of Securities (the "**Fresh Securities Issue**") to any Person (the "**Future Investor**") or take any other action which may result in a decrease of the percentage of the paid-up share capital of the Company held by the Investors in the Company on a Fully Diluted Basis (the "**Dilution Event**"), subject, at all times, to the following provisions:

- (i) in case of issuance of:
 - a. Equity Shares, such Dilution Event not taking place at a subscription price lower than INR 252 (Rupees Two Hundred Fifty Two only) per Equity Share provided that in the event the subscription price for any Dilution Event is proposed to be lower than INR 252 (Rupees Two Hundred Fifty Two only) per Equity Share, then the Company shall take the prior written consent of each Investor;
 - b. any Securities other than the Equity Shares, wherein the exact conversion price vis-a-vis the underlying Equity Shares is not known at the time of allotment of the Securities and/or in case the conversion terms with respect to such Securities do not specify the exact number of Equity Shares that would be issued and allotted pursuant to such Securities, such Securities shall not be issued by the Company without the prior written consent of each Investor; and
 - c. any Securities other than the Equity Shares, wherein the conversion price vis-a-vis the underlying Equity Shares is known at the time of allotment of the Securities, and if such conversion price is proposed to be/is lower than INR 252 (Rupees Two Hundred Fifty Two only) per Equity Share, such Securities shall not be issued by the Company without the prior written consent of each Investor.
- (ii) notwithstanding anything contained in Article 9.1(i) of Part II of these Articles, each of the Investors shall, at all times, have the right to maintain the percentage of the paid-up share capital of the Company held by such Investor in the Company (the "**Shareholding Percentage**") that it held prior to a Dilution Event in accordance with terms set out herein;
- (iii) each of the Investors may exercise its rights set out at Article 9.1(ii) of Part II of these Articles by itself or through an Affiliate by subscribing to Securities in the Dilution Event or through a preferential allotment of Securities;
- (iv) the Company shall deliver a written notice to the Investors at least 30 (Thirty) Business Days prior to the Dilution Event being effected (the "**Anti-Dilution Issuance Notice**") setting out a) the number, nature, price and the conversion price/ terms (if any) of the Securities that it proposes to issue (the "**Issuance Securities**"); b) the method of undertaking the Dilution Event and issuance of

Issuance Securities; and c) assuming there is a Dilution Event other than by way of a Fresh Securities Issue, the number and nature of Securities to be issued to the Investors in order to maintain the Shareholding Percentage (the “**Anti-Dilution Securities**”). The Investors shall have the right to participate in the Dilution Event through 1 (one) or more of their Affiliates or by such nominee of the Investor who is not an Affiliate as may be decided by the Investor, provided that such Person shall (A) not be in a business competing with the Principal Business, directly; and (B) be of repute;

- (v) the Investors shall confirm to the Company (in writing) of its intention to subscribe to, all or any of, the Anti-Dilution Securities or the Issuance Securities, as the case may be within 21 (Twenty One) Business Days from the date of receipt of the Anti-Dilution Issuance Notice. In the event the Investors do not respond to the Anti-Dilution Issuance Notice within the stipulated period, the Investors shall be deemed to have waived their right to subscribe to the Anti-Dilution Securities or the Issuance Securities, as the case may be;
- (vi) Within 30 (Thirty) days from the Dilution Event or such extended period due to any approval pending from the Governmental Authority, the Company shall undertake, on a best effort basis, simultaneously with the occurrence of the Dilution Event and on the same terms including the subscription price offered to the other subscribers, the issue of the Anti-Dilution Securities or the Issuance Securities, as the case may be, to the Investors or their respective Affiliates, and the Transfer of the subscription amount by the Investors or their respective Affiliates, in respect of the issue of the Anti-Dilution Securities or the Issuance Securities; and
- (vii) any Fresh Securities Issue pursuant to any employee stock option plan approved by the Board shall not be a Dilution Event, provided that such exemption shall not apply to the award of stock options to the Promoters, the Key Shareholders or the Core Promoter or to any of their respective relatives, in which case such award to the foregoing Persons shall be made in accordance with the terms of Part II of these Articles (specifically Article 9.1 of Part II of these Articles).

9.2 The Company, the Promoters and the Key Shareholders agree and acknowledge, that there exists no commitment by the Investors to further capitalise the Company, or to provide finance, or any other form of support to the Company, including in the form of guarantee or any security.

9.3 The Company and the Core Promoter will cooperate in all things necessary, or appropriate under Applicable Law, to consummate the transactions contemplated at this Article 9 of Part II of these Articles, including without limitation, the performance of such further acts, or the execution and delivery of any additional instruments or documents, as may be reasonably requested, or required in order to carry out the execution of the necessary documents.

9.4 Notwithstanding anything elsewhere contained in these Articles, but except for issuance of Equity Shares pursuant to (a) the QIPO; and (b) a pre-IPO placement which shall be completed by the Company prior to filing of the red herring prospectus with the Registrar of Companies, Punjab and Chandigarh at Chandigarh, in consultation with the book running lead managers at a price to be decided by the Company in consultation with the book running lead managers, in no event whatsoever shall any Issuance Securities be issued by the Company to any Shareholder / Third Party investor in terms of Article 9 of Part II of these Articles, on terms and conditions that are more favourable than those set out in these Articles. However, in the event any

Shareholder / Third Party investor receives certain rights or entitlements that are more beneficial than those granted to the Investors under these Articles, the Company and the Core Promoter shall have the obligation to confer those rights or entitlements on the Investors. The Company shall and the Core Promoter shall procure that the Company does all such acts, deeds and things, including execute any such instrument, document amend Charter Documents or take any other action as may be required, to extend such favourable rights or entitlements granted to any Shareholder / Third Party investor, to the Investors.

9.5 Nothing in Article 9.1 of Part II of these Articles shall apply to the Securities (or options to purchase Equity Shares): (A) Issued or issuable to officers, Directors and employees of the Company pursuant to any employee stock option scheme as per the following: (i) Equity Shares not exceeding 6,50,496 (Six Lakh Fifty Thousand Four Hundred and Ninety Six) are allotted pursuant to Company's employee stock option plan 2018; (ii) Equity Shares allotted pursuant to an employee stock option scheme approved by the Company, at a subscription price not lower than INR 252 (Rupees Two Hundred Fifty Two only) per Equity Share, provided that the Equity Shares allotted pursuant to such employee stock option scheme does not exceed 5% of the share capital of the Company on a Fully Diluted Basis; or (iii) Equity Shares allotted pursuant to an employee stock option scheme at a subscription price lower than INR 252 (Rupees Two Hundred Fifty Two only) per Equity Share, provided that such employee stock option plan is unanimously approved by the Board of Directors of the Company, provided that, at the relevant time, if an Investor has not appointed a nominee director to the Board, then a prior written approval shall be taken from such Investor for such employee stock option plan; and (B) issued pursuant to the QIPO.

9.6 Notwithstanding anything contained in this Article 9 of Part II of these Articles, if any Affiliate of the Investors holds any Securities of the Company at the relevant time, such Affiliate shall also have (and the Company shall offer to such Affiliate) the rights accorded to the Investors under this Article 9 of Part II of these Articles, provided always that the Investors:

- (i) agree to comply with all their obligations under these Articles till the time it and/or any of such respective Investor's Affiliate holds any Securities of the Company; and
- (ii) shall procure the execution of the Deed of Adherence (set out at Schedule IV of the Shareholders' Agreement) by such Affiliate(s).

9.7 Where any of the Investors requires prior legal, governmental, regulatory or Shareholder approval for subscribing to any Securities pursuant to this Article 9 of Part II of these Articles, then notwithstanding any other provision of these Articles, that Investor shall only be obliged to subscribe to such Securities once such approval is obtained, and the Company, the Promoters and the Key Shareholders shall reasonably cooperate to obtain any such required approvals. The period within which the subscription by that Investor of the Issuance Securities or Anti-Dilution Securities, as the case may be, has to be completed shall be extended by such further period as is necessary for the purpose of obtaining the above approvals provided always that such period shall end on the date being 120 (One Hundred and Twenty) days after the date of Anti-Dilution Issuance Notice. Provided that such time period may be extended by the Company in writing.

10. EXIT RIGHTS

10.1 Without prejudice to the provisions of Article 12 of Part II of these Articles, the Investors shall, until they are provided an exit from the Company, have the right to seek an exit

from the Company with respect to the Securities held by it, or their respective Affiliates, in accordance with the provisions of this Article 10 of Part II of these Articles (“**Exit**”).

- 10.2** The Investors shall (without prejudice to the provisions of Article 12 of Part II of these Articles) have the right to seek an Exit from the Company, and the Company and the Core Promoter shall endeavour to provide an Exit to the Investors or their Affiliates, in respect of their respective investment in the Securities of the Company, by way of either (i) QIPO; or (ii) secondary sale of the Securities held by the Investors in the manner set out at Article 10.5 of Part II of these Articles (hereinafter “**Secondary Sale**”)
- (a) simultaneous with and as part of a Fresh Issue, or (b) independent of a Fresh Issue, whichever is earlier. Provided that, subject to Articles 10.4 and 10.5 of Part II of these Articles, the timing and other terms of the QIPO and/or the Secondary Sale shall be decided by the Board in consultation with the Investors.

Further, the valuation of Securities for the purpose of the QIPO or Secondary Sale or any other form of Exit under these Articles (except as otherwise expressly set out herein), shall be at least 2.40 (Two Point Four Zero) times the pre-money book value of the Company (as of the last day of the immediately relevant preceding financial quarter) (“**Exit Valuation**”), and the Investors will be consulted, but not required to approve, the valuation of the QIPO or the Secondary Sale if that valuation is not less than the Exit Valuation.

10.3 Exit prior to QIPO Date

- (i) Tag Along to Company Facilitated Liquidity Event for Other Investors
- (a) In the event the Company facilitates a full or partial Exit for either or all of the Other Investors prior to the QIPO Date by identifying potential purchaser(s) for all or part of the Securities held by any or all of the Other Investors (the “**Company Facilitated Exit**”), the Company shall provide a written notice to the Investors indicating the terms and conditions of such Company Facilitated Exit including the sale price per share and the aggregate consideration which will be available to the Investors and the Other Investors participating in that Company Facilitated Exit and the indicative timeframe within which such Company Facilitated Exit will be completed (the “**Company Facilitated Exit Intimation**”). Each Party agrees that the Company permitting or facilitating a diligence review conducted by or on behalf of a potential purchaser of Securities identified by any Other Investor will not constitute a Company Facilitated Exit.
- (b) Within 15 (Fifteen) Business Days of the receipt of the Company Facilitated Exit Intimation (the “**Decision Period**”), each Investor may by separate written notices to the Company and the Core Promoter communicate its willingness to participate in the Company Facilitated Exit by way of sale of, any or all of, the Securities held by such Investor or its Affiliate, to the potential purchaser(s) (the “**Company Facilitated Exit Participation Notice**”).
- (c) If the Company receives a Company Facilitated Exit Participation Notice from any or all the Investors, the Company shall determine the total number of Securities held or proposed to be sold by the relevant Investors, as the case may be, in the Company Facilitated Exit such that each of the relevant Investors and the Other Investors sell Securities to such potential purchaser pro-rata to their respective shareholding in the Company as on the last date of the Decision Period (the “**Acquisition**”).

Securities”).

- (d) Within a period of 15 (Fifteen) Business Days from the expiry of the Decision Period, the Company shall provide a written notice to the Investors (the “**Acquisition Notice**”) setting out (i) particulars of the potential purchaser (the “**Acquiring Investor**”) who is proposing to invest under the Company Facilitated Exit and is willing to acquire the Acquisition Securities; (ii) the number of Securities that the Acquiring Investor intends to acquire; and (iii) the price per Security payable by the Acquiring Investor which shall not be less than the price as specified in the Company Facilitated Exit Intimation (the “**Acquisition Price**”). The Investors and/or their respective Affiliates, as the case may be, shall be required to provide representations, warranties or indemnities only in relation to the title pertaining to the respective Investor Shares and the Promoters and the Company shall provide (if required) any other representations, warranties and indemnities in relation to the Business of the Company.
- (e) Within 90 (Ninety) days from the receipt by the Investors of the Company Facilitated Exit Participation Notice, the Company and the Core Promoter shall ensure the consummation of the acquisition of Acquisition Securities by the Acquiring Investor(s) on terms that are no less favourable than those mentioned in the Company Facilitated Exit Intimation including the Acquisition Price, offered to the Other Investors. Notwithstanding anything contained herein, the Company shall endeavor that the sale of Acquisition Securities to the Acquiring Investor takes place simultaneously with the sale of Securities by the Other Investors to the Acquiring Investor.
- (ii) In the event the Investors decide not to participate in the Company Facilitated Exit, the Company and the Core Promoter shall ensure that the sale of the Securities held by the Other Investors in the Company, to the potential purchaser is completed within, the later of: (A) such period stipulated under Applicable Law; or (B) within 180 (One Hundred and Eighty) days of: (i) all the Investors intimating their decision to not participate in the Company Facilitated Exit; or (ii) the expiry of the Decision Period, whichever is earlier. Provided that the said period of 180 (One Hundred and Eighty) days will be extended (only to the extent required) should there be any pending approval from the Governmental Authority. In case the sale of the Securities held by the Other Investors is not completed within the aforesaid period, the Company and the Core Promoter shall be required to once again follow the procedure that is set out in this Article 10.3 of Part II of these Articles.

10.4 Exit through QIPO

- (i) Subject to the Applicable Law, the Company and the Core Promoter shall initiate the process for a QIPO of the Company no later than October 31, 2022 and on a best effort basis complete the QIPO no later than July 31, 2023 (the “**QIPO Date**”). In the event a QIPO is proposed, the Company and the Core Promoter shall keep the Investors fully informed of all material activities undertaken in connection with the QIPO.
- (ii) Offer for sale in QIPO
 - (a) Subject to Applicable Law, the QIPO shall have an offer for sale component and the Investors shall have the right (not an obligation) to

offer all or any Equity Shares held by the Investors and/or their respective Affiliates for sale in the QIPO in priority and preference over the Promoter Group and the Key Shareholders. In the event any Investor wishes to offer the Equity Shares held by it and/or their Affiliates, for sale in the QIPO as provided herein, then the Company and the Core Promoter shall undertake all necessary steps to ensure that such Equity Shares are offered for sale in the QIPO. In the event the merchant banker advising the Company on the QIPO advises the Shareholders that reduction in the offer size in any such offering are necessary, the Investors and their Affiliate, will be the last Shareholders that will be required to reduce the number of Equity Shares proposed to be sold in such offering. Provided always that where the aggregate number of shares constituting the offer for sale component of the QIPO is lesser than the aggregate number of shares which the Investors, collectively, wish to sell through that offer for sale component, then the number of shares which each Investor sells will be determined *pro rata* to their respective shareholding on the date on which the relevant documents are filed with the Securities and Exchange Board of India to commence the QIPO.

- (b) The Company and the Core Promoter agree and shall ensure that the Investors and/or their respective Affiliates, shall not be required to, upon listing or sale of the Equity Shares held by them, give any warranties or indemnities to any underwriter, broker, Recognized Stock Exchange or any other Person, other than in relation to the title of the Equity Shares held by such Investors and/or their respective Affiliates.
- (c) The Company and the Core Promoter shall take all such steps, and extend all cooperation to each other, the Investors, the investment banks, lead managers, underwriters and any other Person as may be reasonably required for the purpose of expeditiously making and completing the QIPO, including but not limited to each of the following:
 - (A) Undertaking the requisite corporate actions, including passing the requisite resolutions at the Board and Share holders' meetings. All Promoters shall also vote at general meetings and cause their nominee Directors on the Board to cast their votes to give effect thereto;
 - (B) Appointing intermediaries and advisors (including legal and financial) to facilitate the process;
 - (C) Providing reasonable access to various intermediaries and advisors (including legal, accounting, banking and financial), to the documents, offices and facilities of the Company and its Subsidiaries, in order to provide adequate disclosures under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 or other applicable Law which is reasonably required;
 - (D) Extending all such co-operation to the QIPO merchant banker, the syndicate members, underwriters and all other advisors which is reasonably required;
 - (E) Conducting road shows with adequate participation of the Core Promoter and Senior Management Team of the Company;

- (F) Providing all necessary information and documents necessary to prepare the offer documents;
 - (G) Preparation of all necessary marketing material and documents to position the Company appropriately for the QIPO;
 - (H) Filing all requisite documents with appropriate Governmental Authorities;
 - (I) Taking the necessary steps for obtaining all the necessary Consents from relevant Persons (including any Governmental Authority) in relation to such QIPO in a timely manner;
 - (J) Providing all necessary personnel (including members of the key management of the Company) to ensure compliance of the obligations set out in Article 10.4 of Part II of these Articles;
 - (K) Filing the draft red herring prospectus with SEBI and providing true, fair and correct responses to SEBI's observations on the draft red herring prospectus and finalizing and filing the red herring prospectus after the receipt of SEBI observations;
 - (L) Finalizing the financial statements of the Company and its Subsidiaries as required for the QIPO;
 - (M) Satisfying the minimum promoter's contribution requirement;
 - (N) Signing the final draft red herring prospectus prior to the same being filed with the SEBI;
 - (O) Settling or resolving such legal or regulatory proceedings as may be advised by the QIPO merchant banker as advisable for purposes of the QIPO and which hinders the QIPO process, as practically and commercially possible;
 - (P) Complying with and completing all necessary formalities under Applicable Law for listing;
 - (Q) Doing such other acts, deeds and things as may be required to be done by the Company and the Promoters under applicable Law to facilitate the consummation of the QIPO; and
 - (R) Ensuring that the QIPO complies with the Applicable Law and listing requirements of the Recognized Stock Exchange.
- (d) Subject to the Applicable Law, the Company shall be responsible for all ongoing listing costs and requirements including, the payment of all present and future costs relating to the listing and sponsorship, underwriting fees, listing fees, merchant bankers fees, bankers fees, brokerage, commission and any other costs that may be incurred due to the changes to the Applicable Law for the time being in force and all intermediaries, agents and managers shall be appointed by the Company in consultation with the Investors and the Core Promoter and at the cost of the Company.
- (e) The Core Promoter undertakes to indemnify the Investors, their Affiliates, officers, directors, employees, consultants and legal advisers,

from or against, any Losses or Claims arising out of any (i) misrepresentation, inadequate disclosure or incorrect and misleading, or untrue information contained either in the QIPO draft red herring prospectus, red herring prospectus, prospectus, offering circular or any other offer document relating to the QIPO or other publicity material and/or future representation and information; (ii) any failure to state therein a material fact necessary to make the statements therein not misleading; or (iii) any violation of Applicable Law (including but not limited to securities laws and Recognized Stock Exchanges' requirements applicable to the QIPO).

- (f) The Company and the Core Promoter shall ensure that the Investors and/or their respective Affiliates are not in any way liable or responsible for the prospectus or any other document or classified as a "promoter" or "promoter group" of the Company for any purpose whatsoever. The Company shall not name the Investors and/or their respective Affiliates as a "promoter of the Company" or as part of the "promoter group" in any prospectus, or other document relating to the issuance of any Securities. Nothing herein shall require any Investor to do or omit to do anything that may result in it becoming a "promoter" or "promoter group" of the Company under the Applicable Law, including the guidelines issued by the Securities and Exchange Board of India from time to time.
- (g) Subject to Applicable Law, none of the Equity Shares held by the Investors will be subject to any restrictions (including that of lock-in, promoter contribution or other restrictions) which are applicable to 'promoters'. The Promoters undertake that they shall comply with all obligations imposed under Applicable Law on 'promoters'. In the event any Governmental Authority rules, holds or adjudicates that any of the Investors are a 'promoter' of the Company, or requires the Company to mention any of the Investors as a 'promoter' of the Company in any filings or documents, each of the Company and the Core Promoter shall immediately inform the relevant Investor of the same in writing and further undertake to do all things, take all reasonable steps and make all appropriate representations in consultation with the relevant Investor so that such Investor is not considered as a 'promoter' and the Company and Core Promoter shall work with the relevant Investor so that such Investor may take the necessary steps so as to not be classified as a 'promoter' of the Company.
- (h) The Investors, the Company, the Promoters and the Key Shareholders shall take all such steps and extend all such co-operation to each other and the merchant banker as may be required for the purpose of expeditiously making and completing the QIPO. Further, the Company and the Promoters shall on a non-binding basis consult with the Investors in relation to (i) appointing any Person as the banker to the QIPO; and (ii) taking inputs from the Investors on the process for conducting and consummating the QIPO.

10.5 Exit Rights post the QIPO Date

In the event, the Company and the Core Promoter fail to complete the QIPO on or prior to the QIPO Date (including as a result of non-subscription in the QIPO or the QIPO not being fully subscribed), the Company shall, and the Core Promoter shall ensure that the Company shall provide an Exit to the respective Investors and/or its Affiliate in the manner contemplated in Part I through a sale of the Securities held by the such Investor and/ or its Affiliate in the Company to a Third Party ("**Third Party Sale**") (in

terms of Article 10.5(i) of Part II of these Articles)), Secondary Sale (in terms of Article 10.5(ii) of Part II of these Articles), Buyback (in terms of Article 10.5(iii) of Part II of these Articles), or Promoter Put (in terms of Article 10.5(iv) of Part II of these Articles). The Company shall and the Core Promoter shall ensure that the Company shall provide an Exit to the respective Investors that have issued the relevant notice pursuant to the terms and process set out in Article 10.5(i) of Part II of these Articles to Article 10.5(iv) of Part II of these Articles with respect to Securities held by it or its Affiliate, in accordance with the terms set out therein, within a period of 7 (Seven) months from the earlier of the: (i) receipt of the Investor Third Party Sale Notice by the Company and the Core Promoter in terms of Article 10.5(i) of Part II of these Articles; or (ii) issuance of the Fresh Issue Intimation by the Company to the Investors in terms of Article 10.5(ii) of Part II of these Articles; or (iii) receipt of the Buyback Notice by the Company in terms of Article 10.5(iii) of Part II of these Articles; or (iv) receipt of the Promoter Sale Notice by the Company in terms of Article 10.5(iv) of Part II of these Articles.

(i) **Third Party Sale**

- (a) At any time during the Post QIPO Period, the Investors, either jointly or independently, may by written notice require the Company and the Core Promoter to procure a Third Party purchaser for the purchase of all or any of the Securities held by such Investors and/ or their respective Affiliates (the “**Investor Third Party Sale Notice**”). Immediately upon receipt of a Investor Third Party Sale Notice, the Company and the Core Promoter shall intimate each of the other Investors in writing of having received such Investor Third Party Sale Notice (the “**Third Party Sale Intimation Notice**”). Within 30 (Thirty) days from the receipt of the Third Party Sale Intimation Notice (the “**Third Party Sale Response Period**”), each of such Investors shall inform the Company and the Core Promoter if they are interested in participating in the Third Party Sale along with the number of Securities they are willing to offer for sale to the Third Party (the “**Third Party Sale Response**”).
- (b) Based on the responses received from the Investors during the Third Party Sale Response Period, the Company and the Core Promoter shall, within 120 (One Hundred Twenty) days of the expiry of the Third Party Sale Response Period, endeavour to procure bonafide Third Party purchaser(s) willing to purchase, whether in one or more tranches, the entire shareholding stake proposed to be offered for sale by each of the Investors and/ or their Affiliates in terms of the Investor Third Party Sale Notice or such Third Party Sale Response and provide a written notice (the “**Sale Details Notice**”), to the Investors setting forth the particulars of the purchaser, the price per Security to be payable by such purchaser, the number of Securities proposed to be purchased, and other key terms of the sale, it being agreed that no onerous, adverse or unusual obligations shall be placed on the Investors as a conditions for such sale. The Company and the Core Promoter shall ensure that the Third Party Sale does not take place below the Exit Valuation. Further, the proposed purchaser acquiring the Securities of the Investors in terms of the Third Party Sale shall be a Qualified Investor having the requisite capacity to acquire the Securities of the Investors in terms of the Third Party Sale and shall not be an Affiliate of the Promoters or Promoter Group.
- (c) Within a period of 30 (Thirty) days from the receipt of Sale Details Notice (the “**Sale Decision Period**”), the Investor that had issued the Investor Third Party Sale Notice and each of the Investors that had issued the

Third Party Sale Response, may by written notice (the “**Sale Decision Notice**”) to the Company and the purchaser communicate its willingness to sell the entire shareholding stake proposed to be offered for sale by such Investors and/ or their Affiliates in terms of the Investor Third Party Sale Notice to the purchaser at the price and the terms specified in the Sale Details Notice(s). Provided that where the aggregate number of Securities set out in each of the Sale Details Notice is lesser than the aggregate number of Securities which the Investors, had collectively, notified that they would be aggregable to sell pursuant to the Investor Third Party Sale Notice and the Third Party Sale Response issued by such Investor, the number of Securities which each Investor will sell to such Third Party will be then determined pro rata to their respective shareholding inter-se between each of such Investors as of the last date of the Sale Decision Period. Further, if pursuant to such pro rata determination of the number of Securities which each Investor proposes to sell to such Third Party results in any of the Investors’ shareholding falling below 2% (Two Percent) of the share capital of the Company on a Fully Diluted Basis, then such Investor may at its sole discretion reduce the number of Equity Shares referred in the Sale Decision Notice issued by such Investor, within 7 (Seven) Business Days of the Company informing about such pro rata determination, so as to ensure that such Investor continues to hold 2% (Two Percent) of the share capital of the Company on a Fully Diluted Basis after the Third Party Sale.

- (d) The Company and the Promoters shall provide necessary Transaction Assistance to the prospective Third Party buyer of the Securities in connection with the Third Party Sale. Without prejudice to the foregoing, the Company and the Core Promoter, shall make endeavours to do all such acts as may be required (including obtaining Authorizations, providing the proposed purchaser and its advisors access to the records of the Company and other assistance and co-operate for conducting a legal diligence and executing such documents as necessary to complete the Third Party Sale, including by providing such reasonable representations and warranties in relation to the Company as may be requested by the Investors if any) to complete the Transfer of all or any part thereof, of the Securities held by the Investors and/or their respective Affiliates to the purchaser in accordance with the terms and price specified in the Sale Decision Notice within 30 (Thirty) Business Days from the expiry of the Sale Decision Period.
- (e) The Investors shall not be required to make any representation or warranty to the Third Party purchaser, other than in relation to the title of the Equity Shares held by such Investors and/or their respective Affiliates and the Investor’s power and authority to undertake the Third Party Sale.
- (f) Within 30 (Thirty) days from the date of receipt of the Sale Decision Notice by the Company or such extended period due to any approval pending from the Governmental Authority, if the (i) sale of Securities held by the Investors and/or their Affiliate is not consummated by the Company for any reason whatsoever; or (ii) the Third Party purchaser has not been able to provide an Exit to the Investors and/or their respective Affiliates, with respect to all the Securities held by them, the right of the Investors under this Article shall continue to subsist until the Investors and/or their respective Affiliates continues to hold any

Securities in the Company.

- (g) It is hereby clarified that with the exception of the requirement for the Company and the Promoters to provide necessary Transaction Assistance, none of the provisions of this Article 10.5(i) of Part II of these Articles shall be applicable if the Investors identify a Third Party to purchase their respective Securities themselves.
 - (h) Once a Third Party Sale Intimation Notice has been issued by the Company under Article 10.5(i)(a) of Part II of these Articles, none of the Investors shall be entitled to initiate a fresh Third Party Sale by issuance of an Investor Third Party Sale Notice under this Article 10.5(i) of Part II of these Articles, for a period of 210 (Two Hundred Ten) days from the date of such Third Party Sale Intimation Notice with respect to such number of Securities held by them that are in excess of the number of Securities that may have been offered for sale by such Investors pursuant to the Investor Third Party Sale Notice and/or any Third Party Sale Response, provided with respect to such Third Party Sale Intimation Notice. It is agreed that if any of the Investors do not participate in the Third Party Sale pursuant to the Investor Third Party Sale Notice or any Third Party Sale Response provided with respect to such Third Party Sale Intimation Notice, then such an Investor shall not be entitled to initiate a fresh Third Party Sale by issuance of a Investor Third Party Sale Notice under this Article 10.5(i) of Part II of these Articles, for a period of 210 (Two Hundred Ten) days from the date of such Third Party Sale Intimation Notice.
 - (i) For avoidance of doubt, it is clarified that a Third Party Sale, whether occurring in one or more tranches, shall be consummated in full within a period of 7 (seven) months from the receipt of the Investor Third Party Sale Notice by the Company and the Core Promoter from such Investor in terms of Article 10.5(i) of Part II of these Articles.
- (ii) **Secondary Sale**
- (a) In the event the Company proposes to raise additional funds through a Fresh Issue at any time during the Post QIPO Period, the Company shall provide a written notice to the Investors indicating the following (i) amount of capital proposed to be raised by the Company (the “**Amount**”); (ii) the terms of issuance; (iii) the price per Security payable by the Future Investor(s) for the subscription of Securities, which price shall not be lower than the Exit Valuation; and (iv) the indicative timeframe within which such Fresh Issue will be undertaken (the “**Fresh Issue Intimation**”). Within 30 (Thirty) days of the receipt of the Fresh Issue Intimation (the “**Fresh Issue Decision Period**”), the Investors may by a written notice to the Company and the Core Promoter communicate their willingness to participate in the Fresh Issue by way of sale of any or all of the Securities (the “**Fresh Issue Acquisition Securities**”) held by such Investor or its Affiliate, to the Future Investor(s) (the “**Fresh Issue Participation Notice**”). If in terms of the Fresh Issue Participation Notice that have been received by the Company, more than one Investor is willing to sell Securities to the Future Investor(s), the number of Fresh Issue Acquisition Securities each Investor is able to offer to the Future Investor(s) shall be pro-rata to its shareholding in the Company viz-a-viz the other participating Investor(s).

- (b) If the Company receives a Fresh Issue Participation Notice from any Investor, the Company can undertake the Fresh Issue only after, or simultaneously with, the completion of the sale of the Fresh Issue Acquisition Securities.
- (c) Within a period of 15 (Fifteen) days from the expiry of the Fresh Issue Decision Period, the Company shall provide a written notice to the Investors (the "**Fresh Issue Acquisition Notice**") setting out particulars of the Future Investor(s) (the "**Fresh Issue Acquiring Investor**") who is/are proposing to invest in the Fresh Issue, the number of Securities that the Fresh Issue Acquiring Investor intends to acquire and the price per Security payable by the Fresh Issue Acquiring Investor (which shall not be less than the price of the Security at the Exit Valuation) (the "**Fresh Issue Acquisition Price**"). Provided always that where the aggregate number of shares which the Investors, collectively notify through the respective Fresh Issue Participation Notice is greater than the aggregate number of shares which the Fresh Issue Acquiring Investors are willing to acquire then the Company will determine the number of shares to be sold by each Investor *pro rata* to their respective inter-se shareholding between each of such Investors, as of the date of the Fresh Issue Acquisition Notice.
- (d) The Investors and/or their Affiliates, as the case may be, shall provide representations or indemnities only in relation to the title of the Investor Shares, and the Promoters and the Company shall provide (if required) representations and indemnities with respect to the Business of the Company. The Company and the Promoters shall provide all necessary Transaction Assistance to the Future Investor in connection with the Secondary Sale.
- (e) Within 15 (Fifteen) days from the receipt of the Fresh Issue Acquisition Notice or such extended period, as may be required, due to any approval pending from the Governmental Authority, the Company shall, and the Core Promoter shall ensure consummation of the acquisition of Fresh Issue Acquisition Securities by the Fresh Issue Acquiring Investor(s) on the same terms as mentioned in the Fresh Issue Participation Notice including the Fresh Issue Acquisition Price. Notwithstanding anything contained herein, the Company shall endeavour that the sale of Fresh Issue Acquisition Securities to the Fresh Issue Acquiring Investor and the issuance of Securities to the Future Investor(s) take place simultaneously.
- (f) If the Investors do not provide the Fresh Issue Participation Notice within the time period specified above, then the Company may, subject to the rights of Investors set forth in Part II of these Articles, proceed with the issuance of Securities to the Future Investor(s) at the price and terms mentioned hereinabove and within the period specified in the Fresh Issue Intimation for completing the Fresh Issue, failing which, the Company shall have to once again follow the process set out in this Article 10.5(ii) of Part II of these Articles.
- (g) The provisions of this Article shall apply with respect to every Fresh Issue proposed to be undertaken by the Company at any time until the Investors and their Affiliate (if applicable) are provided complete Exit from the Company.

(iii) **Buyback**

- (a) Subject to Applicable Law, at any time during the Post QIPO Period, any of the Investors, either acting jointly or independently, may by written notice (the “**Buyback Notice**”) require the Company to buyback all or any of, the Securities held by such Investors and/or their Affiliate. The Buyback Notice shall set out (i) the number of Securities that such Investor and/or their Affiliates propose to sell (the “**Buyback Securities**”); (ii) the price acceptable to such Investor for sale of Buyback Securities, which shall be subject to the Applicable Law and not less than the Exit Valuation; and (iii) any other terms or conditions for the sale of Buyback Securities. Immediately upon receipt of such Buyback Notice, the Company and the Core Promoter shall intimate each of the other Investors in writing of having received such Buyback Notice (the “**Buyback Intimation Notice**”). Within 30 (Thirty) days from the receipt of the Buyback Intimation Notice (the “**Buyback Response Period**”), each of such Investors shall inform the Company and the Core Promoter if they are interested in participating in such buyback along with the number of Securities they are willing to offer in such buyback (the “**Buyback Response**”).
- (b) Within a period of 15 (Fifteen) days from the expiry of the Buyback Response Period (the “**Buyback Sale Period**”), the Company, shall notify, in writing, whether the Company will be permitted to undertake the Buyback in accordance with Applicable Law for all such Securities which are proposed to be offered in the buyback by the Investors pursuant to Article 10.5(iii)(a) of Part II of these Articles (the “**Buyback Completion Notice**”). Provided always that the Buyback shall be subject to the approval of the Board and the Shareholders, as required under Applicable Law.
- (c) Provided always that where the aggregate number of shares offered for Buyback by the Investors collectively is higher than the aggregate number of Securities that the Company can buyback and as set out in Buyback Completion Notice, then the number of shares which each Investor sells in the Buyback will be: (i) subject to applicable Law and if no person other than the Investors are participating in the Buyback: determined *pro rata* to their respective inter-se shareholding between each of such Investors on the 1st day of the Buyback Sale Period; or, if (i) is not achievable, (ii) determined *pro rata* to the Shareholding, as on the 1st day of the Buyback Sale Period, of all Shareholders participating in the Buyback.
- (d) Within 90 (Ninety) days from the receipt of the Buyback Completion Notice or such extended period due to any approval pending from the Governmental Authority, the Company shall endeavor to complete the sale of Buyback Securities and undertake all necessary actions, as may be, required (including obtaining Authorizations) to complete the buyback of Buyback Securities.
- (e) The Promoters shall not participate in the Buyback pursuant to a Buyback Notice and Buyback Completion Notice, unless the Investors are able to sell all the Securities as described in the Buyback Notice or the Buyback Completion Notice, as the case may be.
- (f) The rights of the Investors under this Article shall continue to subsist until the Investors and/or their Affiliate continue to hold any Securities in the Company.

(iv) **Promoter Put**

- (a) Subject to Applicable Law, in the event that a final order or determination is issued by any Governmental Authority including *inter alia* SEBI prohibiting the QIPO, each of the Investors may, at any time during the Post QIPO Period by written notice (the “**Promoter Sale Notice**”) require the Core Promoter to purchase, all or any of, the Securities held by such Investor and/or their Affiliates. A copy of such Promoter Sale Notice shall also be sent by the Investor issuing such notice to each of the other Investors. The Promoter Sale Notice shall set out (1) the number of Securities that such Investor and/or their Affiliate proposes to sell (the “**Promoter Sale Security**”); (2) the price acceptable to such Investor for sale of Promoter Sale Security, which shall be the higher of (i) Exit Valuation; or (ii) an amount which provides 18% (Eighteen Percent) IRR on the Investment Amount as of the date of sale of Securities under this Article; and (3) any other terms or conditions for the sale of Promoter Sale Security.
- (b) If the Company is unable to comply with or give full effect to the provisions of Clause 8.1(xiv) of the SSA 1, then the price referred to in Article 10.5(iv)(a) of Part II of these Articles shall automatically stand amended (with no further actions being required by any Party in this regard) to mean the higher of (i) the Exit Valuation; or (ii) (A) for Existing Investor A and Exiting Investor B, the sum of (X) an amount which provides a 18% (Eighteen Percent) IRR on the total amount invested prior to the SSA 1 Closing Date by the said investors in the Company; and (Y) an amount which provides a 21% (Twenty One per cent) IRR on the total amount invested on and from the SSA 1 Closing Date by the said investors in the Company; and (B) for Amicus and OIJIF an amount which provides a 21% (Twenty One Percent) IRR on the total amount invested by the said investors. Within 30 (Thirty) Business Days from the receipt of the Promoter Sale Notice (the “**Sale Response Period**”), each of the other Investors shall intimate in writing to each of the other Investors, the Company and the Core Promoter if they are interested in selling their respective Securities along with the number of Securities they are willing to sell (the “**Sale Response**”).
- (c) The Core Promoter shall complete the sale of Promoter Sale Security and all of the Securities set out in the Sale Response issued by each of the Investors and undertake all necessary actions, as may be, required (including obtaining the requisite Authorizations) to complete the sale of Promoter Sale Security and each of the Securities held by the Investors as set out in the Sale Response within a period of 120 (One Hundred and Twenty) days of the Sale Response Period. Provided that the said period of 120 (One Hundred and Twenty) days will be extended should there be any pending approval from the Governmental Authority.
- (d) The Investors shall not be required to make any representation or warranty in relation to any Promoter Sale Security and each of the Securities held by the Investors as set out in the Sale Response sold by them pursuant to this Article 10.5(iv) of Part II of these Articles, other than in relation to the title to such Promoter Sale Security being free and clear and the Investors’ power and authority to undertake the proposed sale of their respective Promoter Sale Security. The Company and the Promoters shall provide all necessary Transaction Assistance to the Investors (if required) in connection with the sale of Securities as contemplated in Article 10.5(iv) of Part II of these Articles.
- (e) The rights of the Investors under this Article shall continue to subsist until

the Investors and/or their Affiliate continues to hold Securities in the Company.

(v) **Exit Rights post Second Exit Date**

In the event the Company and the Core Promoter fail to: (A) complete the QIPO on or prior to the QIPO Date; and (B) provide an Exit to the respective Investors that have issued the relevant notice pursuant to the terms and process set out in Article 10.5(i) of Part II of these Articles to Article 10.5(iv) of Part II of these Articles with respect to Securities held by it or its Affiliate, in accordance with the terms set out therein, within a period of 7 (Seven) months from the earlier of: (i) receipt of the Investor Third Party Sale Notice by the Company and the Core Promoter in terms of Article 10.5(i) of Part II of these Articles; or (ii) issuance of the Fresh Issue Intimation by the Company to the Investors in terms of Article 10.5(ii) of Part II of these Articles; or (iii) receipt of the Buyback Notice by the Company in terms of Article 10.5(iii) of Part II of these Articles, or (iv) receipt of a Promoter Sale Notice by the Company in terms of Article 10.5(iv) of Part II of these Articles (the “**Second Exit Date**”), then subject to the terms and conditions contained in Part II of these Articles, the respective Investor that had issued any of the notices pursuant to the terms set out in Article 10.5(i) of Part II of these Articles to Article 10.5(iv) of Part II of these Articles shall have the right and entitlement to sell or assign or otherwise Transfer any or all their Securities held at such time (including the rights held by the such Investors in connection with such Securities) to any financial or strategic investor or any other Person, including but not limited to Banking Companies, their promoters and affiliates of such promoters, and the Transfer Restrictions contained in Article 12.4 of Part II of these Articles for sale by such Investors shall cease to apply after the Second Exit Date and the Company and the Promoters will do all things reasonably within their respective control to facilitate such Exit (including assisting the such Investors in identifying a potential purchaser of the Investors’ Securities, permitting such potential purchaser to conduct a due diligence on the Company as is customary in such exits and providing customary representations and warranties and covenants to the prospective purchaser) subject to such potential purchaser executing relevant confidentiality agreements with the Company. Without prejudice to the foregoing, the Company and the Promoters agree to provide all necessary Transaction Assistance to the prospective purchaser in connection with the sale contemplated in this Article 10.5(v) of Part II of these Articles.

10.6 Exercise of Investors’ Rights

- (i) Where any Investor transfers to any Person all of the Securities held by it, such Person shall execute the Deed of Adherence.
- (ii) Where any Investor transfers part, but not all of the Securities held by it, to any Person in accordance with Part II of these Articles, then notwithstanding anything stated elsewhere in Part II of these Articles, the relevant Investor must:
 - (a) Give prior notice to the Company and the Promoters of such transfer;
 - (b) Determine whether it will continue to exercise the rights under Part II of these Articles, or the Third Party transferee (the “**Investor Rights Assignee**”) will exercise these rights and notify the Company of the rights proposed to be exercised by the Investor and the rights proposed to be exercised by the Investor Rights Assignee respectively;
 - (c) In the event the relevant Investor determines that the Investor Rights Assignee is to exercise all the rights under Part II of these Articles, the

Investor Rights Assignee must execute the Deed of Adherence set out at Schedule IV of the Shareholders' Agreement, immediately upon transfer of the relevant Securities, and the Investor shall cease to exercise its rights under Part II of these Articles; and

- (d) In the event the relevant Investor continues to exercise the rights under Part II of these Articles, then such Investor shall cause the Investor Rights Assignee to execute the Deed of Confirmation set out at Schedule V of the Shareholders' Agreement, immediately upon transfer of the relevant Securities,

provided that the provisions of Article 10.6(ii)(b) of Part II and Article 10.6(ii)(d) of Part II shall not apply in case the Promoters and/ or the Company have not fully discharged their obligations under Part II of these Articles in relation to the Exit provisions, and in such a case the Investor will continue to exercise all its rights under Part II of these Articles (except the rights set out at Article 3 of Part II, if the rights under Article 3 of Part II have been transferred by the Investor in terms of Article 10.6(ii)(b)).

- (iii) It is agreed that where OIJIF transfers all or part of the Securities held by it to any Person in accordance with Part II of these Articles then:
 - (a) If OIJIF sells any of the Securities held by it, either fully or partly, to one or more Investors Rights Assignee, within 2 (Two) years from the SSA 2 Closing Date, then only one such Investor Rights Assignee or OIJIF, as may be decided by OIJIF, shall have the right to appoint a nominee director under Article 3.1 (i)(d) of Part II.
 - (b) If OIJIF sells any of the Securities held by it, either fully or partly, to one or more Investors Rights Assignee, any time after the completion of 2 (Two) years from the SSA 2 Closing Date, then (i) one such Investor Rights Assignee or OIJIF, as may be decided by OIJIF, shall have the right to appoint a nominee director under Article 3.1(i)(d) of Part II; and (ii) another such Investor Rights Assignee or OIJIF, as may be decided by OIJIF, shall have a right to appoint 1 (one) observer on the Board, provided however, that rights under both (i) and (ii) shall only be available to an Investor Rights Assignee who purchases at least 4% (Four Percent) of the share capital of the Company on a Fully Diluted Basis, upon such transfer. For the sake of clarity, the right to appoint a nominee director and an observer as set out above will not be available with the same Shareholder.
- (iv) It is agreed that where Amicus transfers all or part of the Securities held by it to any Person in accordance with Part II of these Articles then if Amicus sells any of the Securities held by it, either fully or partly, to one or more Investor Rights Assignee, then only one such Investor Rights Assignee or Amicus, as may be decided by Amicus, shall have the right to appoint a nominee director under Article 3.1(i)(c) of Part II.
- (v) It is agreed that where Existing Investor A transfers all or part of the Securities held by it to any Person in accordance with Part II of these Articles then:
 - (a) If Existing Investor A sells any of the Securities held by it, either fully or partly, to one or more Investor Rights Assignee, within 2 (Two) years from the SSA 1 Closing Date, then only one such Investor Rights Assignee or Existing Investor A, as may be decided by Existing Investor A, shall have the right to appoint a nominee director under Article

3.1(i)(b) of Part II.

(b) If Existing Investor A sells any of the Securities held by it, either fully or partly, to one or more Investor Rights Assignee, any time after the completion of 2 (Two) years from the SSA 1 Closing Date, then (i) one such Investor Rights Assignee or Existing Investor A, as may be decided by Existing Investor A, shall have the right to appoint a nominee director under Article 3.1(i)(b) of Part II; and (ii) another such Investor Rights Assignee or Existing Investor A, as may be decided by Existing Investor A, shall have a right to appoint 1 (one) observer on the Board, provided however, that rights under both (i) and (ii) shall only be available to an Investor Rights Assignee who purchases at least 4% (Four Percent) of the share capital of the Company on a Fully Diluted Basis, upon such transfer. For the sake of clarity, the right to appoint a nominee director and an observer as set out above will not be available with the same Shareholder.

(vi) It is agreed that where Existing Investor B transfers all or part of the Securities held by it to any Person in accordance with Part II of these Articles then:

(a) If Existing Investor B sells any of the Securities held by it, either fully or partly, to one or more Investors Rights Assignee, within 2 (Two) years from the SSA 1 Closing Date, then only one such Investors Rights Assignee or Existing Investor B, as may be decided by Existing Investor B, shall have the right to appoint a nominee director under Article 3.1(i)(b) of Part II.

(b) If Existing Investor B sells any of the Securities held by it, either fully or partly, to one or more Investors Rights Assignee, any time after the completion of 2 (Two) years from the SSA 1 Closing Date, then (i) one such Investor Rights Assignee or Existing Investor B, as may be decided by Existing Investor B, shall have the right to appoint a nominee director under Article 3.1(i)(b) of Part II; and (ii) another such Investor Rights Assignee or Existing Investor B, as may be decided by Existing Investor B, shall have a right to appoint 1 (one) observer on the Board, provided however, that rights under both (i) and (ii) shall only be available to an Investor Rights Assignee who purchases at least 4% (Four Percent) of the share capital of the Company on a Fully Diluted Basis, upon such transfer. For the sake of clarity, the right to appoint a nominee director and an observer as set out above will not be available with the same Shareholder.

10.7 Notwithstanding the foregoing, for the avoidance of doubt it is expressly clarified that: any reference to the shareholding of an Investor in this Article 10 (Exit Rights) refers to the aggregate shareholding of that Investor and its Affiliates.

11. OBLIGATIONS OF THE COMPANY

The Company shall, and Promoters shall ensure that the Company shall, at all times:

(i) comply with all terms and conditions of the Charter Documents and shall not cause alteration of or amendment to any provision in the Charter Documents except as may be agreed between the Investor, the Company, the Promoters, and the Key Shareholders in accordance with the Shareholders' Agreement;

(ii) comply with all Applicable Laws in all material respects and not engage in any

activity which is not permitted under the Applicable Law;

- (iii) comply with all conditions imposed by any Governmental Authority for the continuance of any Authorizations issued to the Company in relation to undertaking of the Business;
- (iv) maintain in full force and effect all material Authorizations required to implement the current growth plan and operate the Business;
- (v) not enter into any agreement whereby the Company's income or profits are shared with any Party or Third Party except as may be agreed between the Investors, the Company, the Promoters, and the Key Shareholders in accordance with the Shareholders' Agreement;
- (vi) comply with the best practices in corporate governance as per the industry standards;
- (vii) conduct Business by following prudent standards and ensuring adequate control;
- (viii) pay its Taxes and file its Tax returns on time in every jurisdiction where any Taxes are payable or Tax returns are required to be filed;
- (ix) perform, observe and comply with all material terms of any contract entered into by the Company;
- (x) utilize the entire sums invested by the Investors strictly in accordance with the terms set forth in the respective share subscription agreements / addendums as the case may be;
- (xi) conduct the Business consistent with its past customs and practice as carried on prior to and as on Effective Date, to the extent in compliance with Applicable Laws and shall not acquire or dispose of (whether in a single transaction or series of transactions) any assets, business (or any material part of any business) or securities in any entity, other than in the Ordinary Course of Business of the Company;
- (xii) conduct the affairs of the Company in a manner which is not prejudicial to the interest of the Company and its Shareholders;
- (xiii) maintain books and records of account in accordance with Accounting Standards;
- (xiv) undertake all Related Party Transactions only on an arm's length basis. Further, subject to Article 6 of Part II of these Articles above, the Investors shall have the right to review any such Related Party Transactions on an on-going basis and the Company and Promoters shall provide all such information and data as the Investors may require in this regard;
- (xv) In the event an employee of the Company is convicted by a Governmental Authority of any offence involving moral turpitude (including in the nature of criminal misconduct or sexual harassment), the Company shall immediately terminate the employment of such Person. No such Person shall be employed or engaged as a consultant or appointed as a Director by the Company;
- (xvi) The Company shall, obtain and maintain insurance coverage with a well established and reputable insurer, in accordance with current industry practice

and as approved by the Board from time to time;

- (xvii) ensure that the Core Promoter retains its position in the Company until such time as is determined by the Board, and as required by Applicable Law;
- (xviii) ensure that Securities allocated for stock options are allotted in accordance with the ESOP Scheme of the Bank, as approved by the Board and the Applicable Law;
- (xix) To the extent these Articles are in conflict with or are inconsistent with the terms and conditions of the shareholders' agreement signed by the Company, Investors, Key Shareholders and the Promoters dated November 7, 2019, the provisions of the Shareholders' Agreement shall prevail and the Company, the Investors, the Promoters, and the Key Shareholders shall take such steps as may be reasonably necessary to amend these Articles appropriately in accordance with such agreement, as soon as practicable, to eliminate such conflict or inconsistency, subject to approval from the RBI.

12. COVENANTS

12.1 The Company shall and the Promoters and the Key Shareholders shall ensure that the Company shall, to the maximum extent permissible by Applicable Law, ensure that:

- (i) The Investors and/or their Affiliates shall not be considered or represented as a "promoter" of the Company for any purpose whatsoever including for the purpose of the QIPO; and
- (ii) Unless otherwise required by the Applicable Law, none of the Investor Shares shall be subject to any restriction of any nature.

12.2 The Company shall and the Promoter shall ensure that the Company shall, at all times be compliant with the minimum capitalization requirements under the Applicable Law in respect of its Business. The Company and the Promoter shall ensure that the Business is operated and conducted in material compliance with Applicable Law, including the Guidelines, the SFB License and the other authorisations issued by the RBI in relation to 'small finance banks'.

12.3 The Investor Shares shall not be subject to any lock-in at any point of time under any circumstances and shall be freely tradable and transferable, subject to Applicable Law. The Securities allotted to the Investors and their Affiliate, at all times, shall be free from any Encumbrance. The Investors and/or their Affiliates shall not be required to pledge the Investor Shares as and by way of security for any loans or indebtedness of the Company or provide any guarantee, letter of comfort or any other support to any Third Party, including, without limitation, to the lenders of the Company.

12.4 The Investors and their Affiliates shall, at all times, have the right to freely Transfer any of the Securities held by them to any Person. Notwithstanding the foregoing, the Investors shall not transfer Investor Shares to Banking Companies, promoters of Banking Companies and Affiliates of such promoters (excluding mutual funds, insurance companies and alternative investment funds) (the "**Transfer Restriction**"). It is hereby clarified that the Transfer Restriction shall not be applicable from the earlier of the occurrence of (a) any Event of Default under Article 13 of Part II; and (b) period commencing the Second Exit Date as set out in Article 10.5(v) of Part II.

In connection with any Transfer of Securities held by the Investors and / or their Affiliates to any Person (as referred to in the first sentence of the above paragraph),

the Company and the Promoters shall provide all necessary Transaction Assistance to the Investors (and/ or their Affiliates, as the case may be) and the prospective purchaser including cooperation for conducting financial and legal due diligence, provided that: (i) where the respective Investor transferring the Securities holds 2% (Two Percent) or more of the paid-up equity share capital of the Company on a Fully Diluted Basis, then the said Transfer of Securities shall be in a tranche that is at least 2% (Two Percent) of the paid-up equity share capital of the Company on a Fully Diluted Basis; and (ii) where the respective Investor transferring the Securities holds less than 2% (Two Percent) of the paid-up equity share capital of the Company on a Fully Diluted Basis, then the said Transfer of Securities shall be in one tranche for the entire shareholding in the Company held by such Investor.

- 12.5** The Investor Shares shall at all times rank *pari-passu* with the outstanding issued Equity Shares with respect to all activities, including, but not limited to, voting rights, dividends and rights issuance.
- 12.6** In the event of any investment by a Future Investor(s) in the Company, the Company and the Promoters covenant the following:
- (i) The Investors and the Core Promoter shall be a party to any agreement executed with such Future Investor(s) in relation to the rights of such Future Investor as a shareholder; and
 - (ii) All concerns, issues and conditions raised by the legal, financial and business due diligence exercise by any such Future Investor(s) shall be resolved to the satisfaction of the Investors.
- 12.7** The Company and the Promoters shall ensure that the rights (whether express or implied) accorded to any new investor under (i) the relevant securities subscription agreement (as amended/modified, and includes addendums thereto) and/ or securities purchase agreement, or (ii) any subsequent shareholders' agreement or any instrument through which such new investor becomes a party to the Shareholders' Agreement, or (iii) any other agreement or arrangement with such new investor, are not, under any circumstances, more favourable than, or superior to, those accorded to the Investors. Without prejudice to the foregoing rights and any other rights of the Investors contained herein, the Company, Promoters, and the Key Shareholders, shall provide the Investors any rights granted to any Future Investor(s) or any new investor which are more favourable (in any manner whatsoever) than those provided to the Investors.
- 12.8** The Company and the Promoters agree to comply fully and without demur in letter and in spirit with inter alia the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, as amended.
- 12.9** The Company and the Promoters agree to ensure that the Company shall take adequate steps, on and from March 31, 2021, to lower its prudential exposure limits in the agricultural portfolio in the manner set out below:
- i. The prudential exposure limit in the agricultural portfolio of the Company which is presently 40% (Forty Percent) for the Financial Year ending on March 31, 2020 will be reviewed by the Board in the beginning of each Financial Year.
 - ii. The Company and the Promoters agree and acknowledge that any upward deviation to the prudential exposure limits in agricultural portfolio as approved by the Board in the beginning of each Financial Year will require prior consent of each of the Investors.

12.10 With respect to the sale of Securities by the Investors, the Company and the Promoters shall take all reasonable steps including but not limited to (i) facilitating due diligence by any potential acquirer(s) of such Securities, subject to such potential acquirer(s) executing relevant confidentiality agreements with the Company; (ii) provide customary representations and warranties in relation to transactions of such nature, including representations and warranties in relation to the business of the Company; and (iii) facilitating obtaining necessary Authorizations as may be required for such sale of Securities by the Investors. Without prejudice to the foregoing, the Company and the Promoters agree to provide all necessary Transaction Assistance in connection with any sale of Securities by the Investors.

13. EVENT OF DEFAULT

13.1 Each of the following shall be deemed to be an event of default on the part of Company and the Core Promoter (the “**Event of Default**”):

- (i) material breach in any respect of any covenants, obligations, or other undertakings made by the Company or the Core Promoter set out in these Articles, which is incurable, or which if capable of being cured, is not cured within 30 (Thirty) days from the date of receipt of written notice from the Investors requiring such default to be cured;
- (ii) breach in any respect of any representations and warranties made by the Company or the Core Promoter which is incurable or which if capable of being cured, is not cured within 30 (Thirty) days from the date of receipt of written notice from the Investors requiring such default to be cured;
- (iii) if the Core Promoter (or its agents employees or representatives) commits fraud, malfeasance, gross negligence, wilful misconduct, theft or embezzlement;
- (iv) if the Company or the Core Promoter is in material default under any of the financings agreements, which results in receipt of a notice of event of default under any of the financing agreement entered into by the Company or the Core Promoter, and such default has not been cured by the Company and/or the Core Promoter within 45 (Forty Five) days of receipt of such notice;
- (v) voluntary or involuntary bankruptcy, receivership, assignment for the benefit of creditors or, acceleration of Third Party obligations of the Company and/or the Core Promoter;
- (vi) any Governmental Authority or other authority (whether de jure or de facto) nationalizes, compulsorily acquires, expropriates or seizes all or any substantial part of the Principal Business of the Company;
- (vii) any wilful action or omission by the Company, the Promoters or their respective Affiliates which intentionally and materially impedes, prevents, unduly delays or otherwise interferes with the exercise of its rights by Investors under these Articles;
- (viii) occurrence of any event, litigation, arbitration or any other event arising out of a breach or default by the Company which has a Material Adverse Effect on the Company;
- (ix) occurrence of any event, litigation, arbitration or any other event arising out of a breach or default by the Core Promoter, the Key Shareholders and/or their

Affiliates associated with the Company, which has a Material Adverse Effect on the Company;

- (x) any wilful or knowing act or wilful omission by the Core Promoter which results, directly or indirectly, pursuant to Applicable Law or regulatory or disciplinary actions or investigation by any Governmental Authority, which materially prejudices or jeopardises the Company, its Principal Business, including any material approval by any Government Authority (including RBI Approval) necessary to conduct the Principal Business;
- (xi) any wilful or knowing act or wilful omission by the Company, Promoters (other than Core Promoter) or the Key Shareholders and/or any of their Affiliates which results, directly or indirectly, pursuant to Applicable Law or regulatory or disciplinary actions or investigation by any Governmental Authority, which materially prejudices or jeopardises the Company, its Principal Business, including any material approval by any Government Authority (including RBI Approval) necessary to conduct the Principal Business;
- (xii) material violation of any provisions of the Anti-Corruption Laws by (a) the Core Promoter; or (b) the Company, except if such material violation by the Company has occurred on account of the actions (or omissions) of an employee, consultant or officer of the Company which were not sanctioned by the Core Promoter, the Board, a whole time director or any key managerial personnel (as defined in the Act) of the Company.
- (xiii) breach or termination of any contract material to the Principal Business, caused by any wilful act or omission by the Company, the Core Promoter, or Key Shareholders and/or any their Affiliates; and
- (xiv) revocation of any approval given by any Governmental Authority necessary for conduct of the Principal Business by the Company.

13.2 Upon any of the Investor, the Company, the Promoters or the Key Shareholders becoming aware of the occurrence of an Event of Default, such Person shall have the obligation to promptly send a written notice to the others (the “**Default Notice**”) intimating them of the Event of Default that has occurred and loss if any suffered by such person.

13.3 Notwithstanding anything elsewhere contained in these Articles, where an Event of Default has occurred and is continuing, and is capable of being cured, the Company and/or the Core Promoter shall, remedy the default within 45 (Forty Five) days of the date on which the default first occurred.

13.4 Subject to Article 13.3 of Part II of these Articles above, in the period ending 45 (Forty Five) days after the date of receipt of a Default Notice of an Event of Default, subject to Applicable Laws, the Investors shall be entitled to, any or all of the following rights.

13.4.1 Consequence of Event of Default

In case of an Event of Default the Investors shall have the rights and remedies that the Investors may have under contract or in law. In addition, all obligations of the Investors shall fall away in case of an Event of Default and the rights shall continue in terms of and subject to these Articles and the Investors will be allowed to Transfer the Investor Shares to any other entity / Third Party without any restrictions whatsoever.

13.4.2 Consequences of Event of Default under Article 13.1 of Part II of these Articles

(i) In case of an Event of Default under Article 13.1(iii) of Part II of these Articles, Article 13.1(ix) of Part II of these Articles, Article 13.1(x) of Part II of these Articles and Article 13.1(xii) of Part II of these Articles in addition to the rights set out in Article 13.4.1 of Part II of these Articles, the Investors shall have the following rights:

(a) Default Put Option

- (A) Within a period not exceeding 60 (Sixty) Business Days from the date on which any Investors issue the Default Put Notice (the “**Default Put Option**”) or such extended period due to any approval pending from the Governmental Authority vis-a-vis such Investor, each of the Investors shall have the right (but not the obligation) to require the Core Promoter and/or its Affiliates, as appropriate and permitted by Applicable Law, to purchase or procure to purchase, all or in part (as specified by such Investor), the Securities held by it or its Affiliate (the “**Default Put Securities**”) such that such Investor shall receive the higher of (A) Exit Valuation; or (B) an amount which provides an 18% (Eighteen Percent) IRR on the Investment Amount (the “**Default Put Price**”).
- (B) To exercise its right of Default Put Option, the Investor shall issue to the Core Promoter and the Company, a written notice (the “**Default Put Notice**”), intimating the Core Promoter and the Company of its decision to exercise the Default Put Option. A copy of such Default Put Notice shall also be sent by the Investor issuing such notice to each of the other Investors. The Default Put Notice shall specify the number of Securities held by such Investor and/or their Affiliate and proposed to be Transferred to the Core Promoter pursuant to this Article 13.4.2(i)(a) of Part II of these Articles and the aggregate consideration payable by the Core Promoter for purchase of the Default Put Securities, calculated as per Article 13.4.2(i)(a)(A) of Part II of these Articles above. Within 30 (Thirty) days from the receipt of the Default Put Notice (the “**Default Put Response Period**”), each of the other Investors shall intimate in writing to each of the other Investors, the Company and the Core Promoter if they are interested in selling their respective Securities along with the number of Securities they are willing to sell (the “**Default Sale Response**”). Such Default Sale Response shall also state the aggregate consideration payable by the Core Promoter for purchase of the Securities to be sold by such Investors as set out in the Default Sale Response, calculated as per Article 13.4.2(i)(a)(A) of Part II of these Articles above
- (C) The sale and purchase of the Default Put Securities and each of the Securities of the Investors as set out in the Default Sale Response shall be completed within a period not exceeding 150 (One Hundred and Fifty) days from the Default Put Response Period or such extended period due to any approval pending from the Governmental Authority (the “**Default Put Exercise Date**”).
- (D) On the Default Put Exercise Date, the Investors shall, upon receipt of the Default Put Price from the Core Promoter by way of a wire transfer to the designated bank account of the Investors

or such other medium as may be mutually agreed between the Company, the Investors, the Promoters and the Key Shareholders in writing, Transfer to the Core Promoter, the Default Put Securities and each of the Securities of the Investors as set out in the Default Sale Response and the share transfer forms duly executed by it in relation to such Default Put Securities and each of the Securities of the Investors as set out in the Default Sale Response. The stamp duty payable on such share transfer forms for effecting the Transfer of the Default Put Securities and each of the Securities of the Investors as set out in the Default Sale Response in favour of the Core Promoter shall be paid by the Core Promoter. In the event that the Default Put Securities and each of the Securities of the Investors as set out in the Default Sale Response are in dematerialized form, the Investors shall issue irrevocable instructions to its depository participant to Transfer the Default Put Securities and each of the Securities of the Investors as set out in the Default Sale Response to a securities account(s) designated to the Core Promoter.

- (E) The Core Promoter and the Company shall provide the Investors with such reasonable assistance and support, as may be requested for by the Investors to achieve the Transfer of the

Default Put Securities and each of the Securities of the Investors as set out in the Default Sale Response pursuant to this Article 13.4.2(i)(a) of Part II of these Articles, including providing relevant information in relation to the Company as may be required by the Investors for obtaining any governmental Approvals, including of the SEBI and RBI. It is clarified herein that in the event of requirement of procuring of Authorizations by the Investors, the Default Put Exercise Date shall be extended by such period as is equivalent to the period of procuring of the Authorizations. Without prejudice to the foregoing, it is agreed that the Core Promoter, the Company and the Promoters shall provide all necessary Transaction Assistance to the Investors in connection with the consummation of the sale of Securities of the Investors contemplated under Article 13.4.2(i)(a) of Part II of these Articles.

(b) Drag Right

- (A) In the event the Core Promoter fails to purchase any of the Default Put Securities and each of the Securities of the Investors as set out in the Default Sale Response held by the Investors within 60 (Sixty) days of the Default Put Exercise Date (the “**Default Put Securities Period**”) other than on account of delay pursuant to Article 13.4.2(i)(a)(E) of Part II of these Articles, then the Investors may, acting jointly or independently, by a notice to the Company and the Core Promoter (the “**Drag Right Trigger Notice**”), require the Core Promoter to sell all or some of the Core Promoter Securities to a Third Party purchaser along with all the Securities held by the Investors and/or their Affiliates in the Company at that time, subject to compliance with the applicable pricing guidelines prescribed under the Applicable Law (the “**Drag Right**”), at any time prior to the expiry of 180 (One Hundred and Eighty) days from the completion of the

Default Put Securities Period. Provided that the number of Core Promoter Securities to be sold pursuant to this Article 13.4.2(b) of Part II of these Articles will be restricted to the shortfall in the amount to be received by the Investors as calculated as per Article 13.4.2(i)(a)(A) of Part II of these Articles. Where the Drag Right Trigger Notice is issued by an Investor exercising the Drag Right in its individual capacity, the Drag Trigger Right Notice must also be sent to the other Investors, who shall have the right but not the obligation to participate in the exercise of the Drag Right (the "**Participating Investor**"). It is clarified for avoidance of doubt that (i) as part of the exercise of the Drag Right, the Investors and/or their Affiliates shall be required to offer to sell to the Third Party purchaser all the Securities of the Company held by them at that time; and (ii) the Investor shall only have the Drag Right under this Article 13.4.2(i)(b) of Part II of these Articles if: (a) the Core Promoter fails to purchase any of the Default Put Securities and each of the Securities of the Investors as set out in the Default Sale Response held by the Investors within the Default Put Securities Period at the Default Put Price, other than on account of delay pursuant to Article 13.4.2(i)(a)(E) of Part II of these Articles; and (b) the Drag Right Trigger Notice is issued within expiry of 180 (One Hundred and Eighty) days from the completion of the Default Put Securities Period.

- (B) Within 7 (Seven) Business Days from the receipt of the Drag Right Trigger Notice, the Participating Investor may by a written notice addressed to the Investor issuing the Drag Right Trigger Notice, the Company and the Core Promoter communicate its willingness to participate in the exercise of the Drag Right (the "**Participating Investor Notice**"). It is clarified that the Participating Investor's right to participate in the exercise of the Drag Right shall be (X) for up to the entire shareholding of the Participating Investor in the Company if the Investor issuing the Drag Right Trigger Notice is selling its entire shareholding to the Third Party purchaser, or (Y) *pro rata* to the number of Securities of the Company held by it at the time of the issue of the Drag Right Trigger Notice (viz-a-viz the number of Securities of the Company the Third Party purchaser finally agrees to acquire), if the Third Party purchaser is unable to purchase the entire shareholding of the Investor (for any reason whatsoever) despite the Investor having offered to sell its entire shareholding in the Company to the Third Party purchaser. It is also clarified that if the Participating Investor chooses not to participate in the exercise of the Drag Right (by either stating so in the Participating Investor Notice or failing to issue the Participating Investor Notice in the manner and within the timeline prescribed in this Article 13.4.2(i)(b)(B) of Part II of these Articles), the exercise of the Drag Right by the Investor shall not stand obstructed or invalidated and shall proceed in the manner contemplated in Article 13.4.2(i)(b) of Part II of these Articles.
- (C) The Drag Right shall be exercisable by any of the Investors, acting independently or jointly with the other Investors, by issuing a Drag Right Trigger Notice to the Core Promoter and the Participating Investor if applicable, at least 15 (fifteen) days prior to the proposed Transfer, which shall state (i) the Investor's

intention to exercise the Drag Right; (ii) the number of Core Promoter Securities proposed to be Transferred in the event only the Investor issuing the Drag Right Trigger Notice will exercise its Drag Right, as well as the number of Core Promoter Securities proposed to be Transferred if the Investor issuing the Drag Right Trigger Notice and the Participating Investor will both exercise their Drag Rights (the “**Promoter Drag Securities**”); (iii) details of the Third Party to whom the Securities are proposed to be Transferred; (iv) the number of Securities held by the Investors and/or their Affiliates to be Transferred to the relevant Third Party purchaser; (v) the price at which the Third Party has offered to acquire the Securities (including the Promoter Drag Securities); and (vi) other terms and conditions offered by the Person to whom the Securities are proposed to be Transferred.

- (D) The Core Promoter shall Transfer the Promoter Drag Securities to the Third Party against receipt of the sale consideration for such Transfer as specified in the Drag Right Trigger Notice within 15 (Fifteen) Business Days of receiving the Drag Right Trigger Notice, and the Participating Investor Notice where the Drag Right Trigger Notice has been sent by an Investor acting in its individual capacity (the “**Drag Right Exercise Date**”).
- (E) It is clarified that the Core Promoter and the Company shall provide the Third Party purchaser with all information relating to the Company that is relevant to the transaction subject to the provisions of confidentiality. The Core Promoter and the Company may be required to provide representations, warranties, covenants or undertakings and indemnification that are standard and customary transactions of this nature. Further, the Core Promoter shall be required to incur any expenses (including payment of stamp duty for the Transfer) or incur any other reasonable obligations to the Third Party purchaser. The Investors Transferring their Securities held by them or their Affiliate pursuant to this Article 13.4.2(i)(b) of Part II of these Articles, are entitled to the consideration payable for the Promoter Drag Securities by the Third Party purchaser and the Core Promoter shall do all things necessary for such payment to be made to the Investors.
- (F) The Core Promoter and the Company shall provide the Investors with such reasonable assistance and support as may be requested for by the Investors to achieve the Transfer of the Securities held by them or their Affiliate, including providing relevant information in relation to the Company as may be required by the Investors for obtaining any Authorizations, including of the SEBI and RBI. It is clarified herein that in the event of requirement of procuring of Authorizations by the Investors, Promoters or the Company, the Drag Right Exercise Date shall be extended by such period as is equivalent to the period of procuring of the Authorization. Without prejudice to the foregoing, it is agreed that the Core Promoter, the Company and the Promoters shall provide all necessary Transaction Assistance to the Third Party purchaser in connection with the consummation of the Drag Right under Article 13.4.2(i)(b) of Part

II of these Articles.

- (G) If the exercise of the Drag Right in the manner contemplated in Article 13.4.2(i)(b) of Part II of these Articles is not fully consummated (i.e., does not provide a complete exit from the Company to all Investors participating in such exercise of the Drag Right) for any reason whatsoever, except on account of the Investors having elected to not exit the Company completely despite (X) the Third Party purchaser having offered to purchase all the Securities held by the Investors on terms acceptable to the Investors, and (Y) the Core Promoter, the Company and the Promoters having fully discharged all their obligations under Article 13.4.2(i)(b) of Part II of these Articles, then the Investors will continue to be entitled to the Drag Right in the manner contemplated in Article 13.4.2(i)(b) of Part II of these Articles (even after the initial exercise and consummation of the Drag Right by such Investors) and will be able to exercise it afresh, again, until such Investors are provided a complete exit from the Company in the manner contemplated in Article 13.4.2(i)(b) of Part II of these Articles.

(c) Trigger Events

- (A) Each of the following shall be considered trigger events for the Company (the “**Trigger Events**”):

- (1) the Investors are unable to find a Third Party purchaser within 3 (Three) months of Default Put Exercise Date,
- (2) the Core Promoter fails to Transfer the Promoter Drag Securities to the Third Party against receipt of the sale consideration within 21 (twenty one) days of the Drag Right Trigger Notice, other than: (i) on account of delay in obtaining any Authorization pursuant to Article 13.4.2(b)(F) of Part II of these Articles; or (ii) the Investors not selling the relevant Securities held by the Investors and/or their Affiliates, to the Third Party purchaser concerned in terms of Article 10 of Part II of these Articles where such offer by the Third Party is at a price which is the higher of (i) Exit Valuation; or (ii) an amount which provides an 18% (Eighteen Percent) and / or 21% (Twenty One Percent) IRR (as the case may be) on Investment Amount;
- (3) the Securities held by the relevant Investor(s) are not purchased by a Third Party or the Core Promoter within 5 (Five) months of date of the Default Put Response Period.

- (B) On occurrence of any Trigger Event, the Investors shall, subject to the Applicable Law, have the right to require the Core Promoter and its Affiliates to cease to be an employee or director of the Company.

- (ii) The Investors agree and acknowledge that the steps/actions under this Article 13.4.2 of Part II of these Articles may be subject to consent from the RBI, including but not limited to the stipulation of lock in of the Promoter Group's

shareholding for a period of 5 (Five) years from the date of commencement of Business of the Company i.e. April 24, 2016. In this regard, the Company and the Core Promoter agree to take all steps necessary to obtain such consent in expeditious and timely manner. Furthermore, the Company and the Core Promoter shall act in good faith to ensure that the above provisions of this Article 13 of Part II of these Articles given effect to, and agree to provide all requisite undertakings, assurances and documentation in this regard. A breach of the obligations contained hereunder by the Company or the Core Promoter (save and except for such breach of this contractual obligation following from the absence or refusal of requisite consent by the RBI) shall be considered a 'material breach' of obligations by the Company / Core Promoter, as the case may be, under these Articles.

14. INFORMATION, ACCOUNTING AND FINANCE

- 14.1** The Investors or their nominees shall be entitled to monitor the operations of the Company. The Company shall furnish to the Investors or to their nominee such information and data as may be required by it from time to time for this purpose.
- 14.2** The Company shall prepare its accounts in accordance with Applicable Law and Accounting Standards.
- 14.3** Subject to Applicable Law including without limitation the Guidelines, the Company covenants that, as soon as practicable, but in any event not later than time period prescribed below, it shall provide the Investors the following information:
- (i) within 30 (Thirty) days from the end of each quarter, quarterly reports on implementation of the Annual Budget in the agreed form;
 - (ii) within 30 (Thirty) days from the end of each month, the MIS prepared for the previous month which shall include the status of legal cases filed by or against the Company;
 - (iii) within 30 (Thirty) days from the end of each quarter, the quarterly profit & loss statement, balance sheet and cash flow statements of the Company;
 - (iv) within 30 (Thirty) days of each quarter, details of each customer or client account which exceeds INR 50,00,000 (Rupees Fifty Lakhs Only) and is classified as a non-performing asset in accordance with Applicable Law together with details of the product line and business vertical pertaining to each such customer or client account;
 - (v) within 2 (Two) months from the end of the Financial Year the annual audited financial statements;
 - (vi) ensure that the reports of the independent agencies and Governmental Authorities are shared with the Investors;
 - (vii) share copies of any material amendments to Authorizations and relevant correspondences with Governmental Authorities;
 - (viii) share details of any material litigation having a consequence of more than: (A) INR 2,50,00,000 (Rupees Two Crores Fifty Lakhs), where such litigation has been initiated by the Company; or (B) INR 1,00,00,000 (Rupees One Crore only), where such litigation has been initiated against the Company; winding-up proceedings or notices under any enactment or regulation, proceedings or material dispute or adverse changes that impedes or which is likely to adversely affect its business or assets or reputation or otherwise, criminal proceedings

against the Company, its Directors (in capacity of such person being a director of the Company), and the Promoters (in capacity of such person being a promoter of the Company);

- (ix) details of any event of force majeure or any other event which would have an effect on the Company's profits or business;
- (x) promptly following the preparation thereof, a copy of any proposed material revisions to the annual budget delivered;
- (xi) promptly following the preparation thereof, a copy of any proposed written communication to be provided to any Governmental Authority, lenders or potential lenders of the Company, any rating agency or any other counterparty to any material contract, if the effect of such written communication would permit the creation or imposition of any material binding obligation of, material rights of or against or material restrictions affecting the Company, and any responses thereto;
- (xii) regular updates pertaining to the Business, discussions with Governmental Authorities, inorganic growth initiatives taken by the Company and any other matter related to the Business which has a Material Adverse Effect on the Company;
- (xiii) to the extent available, provide to Existing Investor A and Amicus information required for the purpose of compliance with the Anti-Corruption Laws, Sanctions Laws and Regulations and ESG Laws;
- (xiv) within 15 (Fifteen) days, after receipt thereof, copies of all notices, correspondence and/or other communications which may result in Events of Default or potential Events of Default, investigations, audits, breaches, violations of Applicable Law or any similar matters received from any Governmental Authority, and copies of any responses thereto prior to such responses being provided to the relevant Governmental Authority; and
- (xv) any other information that may be reasonably requested by the Investors from time to time.

14.4 The Investors or their nominees shall be entitled to monitor the operations of the Company. The Company shall furnish to the Investors or to their nominee such information and data as may be required by the Investors or their nominee from time to time and the Investors or their respective nominees shall also have a right to examine the books and records of the Company, subject to Applicable Law and customary conventions concerning confidentiality of customer information, through its authorized representatives, during normal business hours with reasonable notice in advance.

14.5 So long as each of the Existing Investor A and Amicus hold any Security in the Company, the Company and the Promoters will provide to each of the Existing Investor A and Amicus with a quarterly compliance certificate in relation to the (i) ESG Laws; and (ii) Sanctions Law and Regulations, in agreed form, with respect to the Company and its Subsidiaries.

14.6 At the end of every quarter of a Financial Year, a whole-time Director or key managerial personnel of the Company shall provide a compliance certificate to the Board in agreed form stating that the business and affairs of the Company, have been, are being and shall be conducted in compliance with Applicable Law and in the interest of the Company.

14.7 By February 29, 2020 the Company and Promoters shall:

- i. Adopt, implement and give effect to an anti-corruption and bribery policy which shall be to the satisfaction of Amicus (and in relation to which, Existing Investor A shall have consultation rights), including the adoption of such policy by the Board;
- ii. Adopt and implement an anti-money laundering policy and an anti-corruption policy each of which shall be to the satisfaction of Amicus (and in relation to which, Existing Investor A shall have consultation rights), including the adoption of such policies by the Board, and compliance procedures, training and monitoring programs in relation to new compliance policies and Amicus shall provide such co-operation as may be reasonably required for such implementation.

14.8 In the event of any adverse findings with respect to ESG Laws and ESG Policy, the Company and the Promoters agree that within 30 (Thirty) days of such finding, such non-compliances will be remedied.

15. TERM AND TERMINATION

15.1 Part-II of these Articles shall terminate in respect of an Investor immediately upon (i) such Investor or any of its respective Affiliates ceasing to hold any Securities of the Company; or (ii) if such Investor electing to hold any Securities of the Company after the successful exercise of its Drag Right despite (a) the Third Party purchaser (in terms of Article 13.4.2(i)(b) of Part II of these Articles)) having offered to purchase all the Securities of the Company held by the Investors participating in the sale, on terms acceptable to such Investors, and (b) the Core Promoter, the Company and the Promoters having fully discharged all their obligations under Article 13.4.2(i)(b) of Part II of these Articles, provided always that the termination in respect of an Investor in accordance with this Article 15.1 of these Articles will be without prejudice to the rights of the other Investor.

15.2 Without derogating from the generality of Article 15.1 of Part II of these Articles above, where the shareholding of the Investors or the Investor Rights Assignee as the case may be falls below 2% (Two Percent) of the equity share capital on a Fully Diluted Basis, the Investors or the Investor Rights Assignee, as the case may be, will forthwith cease to have any and all rights set out at Article 3 of Part II of these Articles except when the Promoters and, or, the Company have not fully discharged all of their obligations in respect to providing a complete Exit to the Investor and such relevant Investor continues to hold more than 1% (One Percent) of the equity share capital of the Company on a Fully Diluted Basis.

15.3 It is agreed that the Investors will cease to have all the rights under these Articles once the Equity Shares are listed on a Recognized Stock Exchange pursuant to the QIPO.

16. DISPUTE RESOLUTION

16.1 If any dispute arises between the Company, the Promoters and, or, the Key Shareholders on the one hand and the Investor on the other hand in connection with or arising out of the validity, interpretation, implementation, termination or alleged breach of any provision of, or based on any matter arising out of or in connection with these Articles, or the transactions contemplated hereby or thereby (the “Dispute”), the Company, the Promoters, the Key Shareholders and the Investor shall endeavour to negotiate and settle such dispute amicably and escalate the matter for resolution to the level of their respective chief executive officer or equivalent person. If a party gives the

other parties notice that such a Dispute has arisen and the parties to such Dispute (the “**Disputing Parties**”) are unable to resolve the Dispute amicably within 30 (Thirty) days of such notice, the attempt to bring about an amicable settlement shall be considered to have failed.

16.2 The arbitration shall be in accordance with the Arbitration and Conciliation Act, 1996 in force at the relevant time (which is deemed to be incorporated into these Articles by reference) and subject to this Article 16.2 of Part II of these Articles, the courts at Mumbai, India shall have jurisdiction in relation to the Dispute.

16.3 All proceedings of such arbitration shall be in the English language.

16.4 The seat, venue and place of the arbitration shall be Mumbai, India.

16.5 The arbitration panel shall consist of 3 (Three) arbitrators. Each Disputing Party shall be entitled to nominate 1 (One) arbitrator, and the two arbitrators appointed by the Disputing Parties shall appoint 1 (One) arbitrator. It is clarified that if the Investors are a Disputing Party on the one hand (the “**Disputing Investors**”), and the Promoters and/or the Company are a Disputing Party on the other hand, then: (i) the Promoters and/or the Company as applicable, shall collectively be considered as a single

Disputing Party and shall be entitled to collectively appoint only 1 (One) arbitrator; and (ii) the Disputing Investors shall be collectively considered as a single Disputing Party and shall be entitled to collectively appoint only 1 (One) arbitrator in the manner set out in Article 16.6 of Part II of the Articles below.

16.6 The Investors agree that the appointment of the arbitrator pursuant to Article 16.5(ii) of Part II of these Articles by the Disputing Investors shall be made in the following manner:

- i. All the Disputing Investors shall unanimously appoint the arbitrator within 30 (Thirty) days of the failure of the attempt to amicably settle the Dispute in accordance with Article 16.1 of Part II of these Articles;
- ii. If the Disputing Investors fail to appoint an arbitrator in the manner set out in Article 16.6(i) of Part II of these Articles, then within 15 (Fifteen) days thereof, the Disputing Investors shall with the written consent of the majority of the Disputing Investors, appoint an arbitrator, provided the dissenting Disputing Investor(s) do not have any existing or potential conflict of interest with the shortlisted arbitrator. In case of any such conflict, the dissenting Disputing Investor(s) shall in writing provide sufficient reasons for such conflict of interest, to the other Disputing Investors. The Investors agree that for the purpose of this Article 16 of Part II of these Articles an Investor and its Affiliates holding Securities shall be entitled to cast only 1 (one) vote i.e. multiple entities from the same group holding Securities shall jointly have 1 (one) vote for the purpose of this Article 16 of these Articles.
- iii. If the Disputing Investors fail to appoint an arbitrator in accordance with Article 16.6(i) and 16.6(ii) of Part II of these Articles then the Disputing Investors shall re-initiate the process for appointment of an arbitrator in accordance with the procedure set out at Article 16.6(ii) of Part II of these Articles and shall complete the appointment within 15 (Fifteen) days of the expiry of the period referred at Article 16.6(ii) of Part II of these Articles; and
- iv. If the Disputing Investors have not appointed an arbitrator in accordance with Articles 16.6(i), 16.6(ii) and 16.6(iii) of Part II of these Articles, then such arbitrator shall be appointed in accordance with Section 11 of the Arbitration

and Conciliation Act, 1996.

- 16.7** The Company, the Promoters, the Key Shareholders and the Investors agree that they shall not have any right to commence or maintain any suit or legal proceedings in any court of competent jurisdiction with respect to any Dispute, other than for: (i) interim reliefs with respect to the arbitration proceedings, if permitted by Applicable Law; or (ii) for enforcement of any arbitral award rendered in the arbitration pursuant to Article **16.8** of Part II of these Articles.
- 16.8** Any arbitration award rendered shall be final, binding and not subject to any form of appeal save and except to the extent permitted by Applicable Law.
- 16.9** The existence of a Dispute, or the commencement or continuation of arbitration proceedings shall not, in any manner, prevent or postpone the performance of those obligations of the Company, the Promoters, the Key Shareholders and the Investor under these Articles which are not in dispute.
- 16.10** The arbitration proceedings and all matters pertaining to the arbitration and all documents and submissions made therein pursuant to this Article 16 of Part II of these Articles shall be strictly confidential and subject to the provisions of confidentiality.
- 16.11** The non-prevailing party shall be required to bear the costs of the arbitration proceedings including the fees and expenses of the arbitrators and the costs of preparing and presenting the prevailing party's case including attorney's fees and expenses.

SCHEDULE I

PROMOTER GROUP

S. No.	Name of the Shareholder
1.	Sarvjit Singh Samra
1.1	Sarvjit Singh Samra
1.2	Amarpreet Kaur
2.	Amarjit Singh Samra
3.	Navneet Kaur Samra
4.	Surinder Kaur Samra
5	Dinesh Gupta
5.1	Dinesh Gupta-HUF
5.2	Dinesh Gupta