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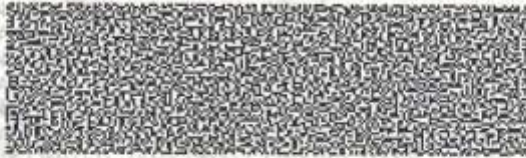
Rs. 1,000

e-Stamp

Certificate No. : IN-KA22439128638488S
Certificate Issued Date : 05-Mar-2020 11:49 AM
Account Reference : NONACC (FI)/ kacrsf108/ DOMLUR2/ KA-BN
Unique Doc. Reference : SUBIN-KAKACRSFL0853945550597617S
Purchased by : JANA SMALL FINANCE BANK LIMITED
Description of Document : Article 12 Bond
Description : SHARE SUBSCRIPTION AGREEMENT
Consideration Price (Rs.) : 0
 (Zero)
First Party : JANA SMALL FINANCE BANK LIMITED
Second Party : HERO ENTERPRISE PARTNER VENTURES
Stamp Duty Paid By : JANA SMALL FINANCE BANK LIMITED
Stamp Duty Amount (Rs.) : 1,000
 (One Thousand only)

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March 17, 2020

**JANA SMALL FINANCE BANK LIMITED
(FORMERLY JANALAKSHMI FINANCIAL SERVICES LIMITED)**

RAMESH RAMANATHAN

JANA URBAN FOUNDATION

AND

HERO ENTERPRISE PARTNER VENTURES

AMENDED AND RESTATED SECURITIES SUBSCRIPTION AGREEMENT

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AMENDED AND RESTATED SECURITIES SUBSCRIPTION AGREEMENT

This AMENDED AND RESTATED SECURITIES SUBSCRIPTION AGREEMENT is made on March 17, 2020 (“**Effective Date**”) at Bengaluru between:

1. **JANA SMALL FINANCE BANK LIMITED (FORMERLY JANALAKSHMI FINANCIAL SERVICES LIMITED)**, having PA number AABCJ7024M and whose registered office is at the Fairway Business Park, First Floor, Survey No.10/1, 11/2 & 12/2B, Off Domlur, Koramangala Inner Ring Road, Next to EGL Business Park Challaghatta, Bengaluru – 560 071 , Karnataka, India and corporate office is at Vaishnavi, 29 Union Street, Off Infantry Road, Bengaluru – 560 001, Karnataka, India (hereinafter referred to as the “**Banking Company**”, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of the **FIRST PART**;
2. **RAMESH RAMANATHAN**, an adult Indian inhabitant, aged about 52 years, having PA number of AHWPR3887M, residing at 4-402, III Floor, Lyndhurst Apartment, Walton Road, Lavelle Road, Bengaluru – 560 001, Karnataka, India (hereinafter referred to as “**RR**”, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include his successors, heirs, executors and permitted assigns) of the **SECOND PART**;
3. **JANA URBAN FOUNDATION**, a company established under the provisions of Section 25 of the Companies Act, 1956, having PA Number AABCJ6956J and whose registered office is at No. 4/1 to 4/8, Meanee Avenue Road, Old Tank Road, Ulsoor, Bangalore – 560 042 (hereinafter referred to as “**JUF**”, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of the **THIRD PART**; and
4. **HERO ENTERPRISE PARTNER VENTURES**, a partnership firm registered under the Indian Partnership Act, 1932 having its office at 29-A, Friends Colony (West), New Delhi – 110 065 (hereinafter referred to as “**Investor**”, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of the **FOURTH PART**.

The Banking Company, Founders and the Investor shall be individually referred to as a “**Party**” and collectively as the “**Parties**”.

WHEREAS:

- (A) The Banking Company is an unlisted public limited company incorporated under the Act (as defined hereinafter), and has obtained a certificate for commencement of small finance banking business from the Reserve Bank of India (“**RBI**”) on March 28, 2018 in accordance with the RBI’s Guidelines for Licensing of “Small Finance Bank” in the Private Sector dated November 27, 2014 and the RBI’s Clarifications to Queries on Guidelines for Licensing of Small Finance Banks in the Private Sector dated January 01, 2015 (“**SFB Guidelines**”). The Banking Company is engaged in the business of basic banking activities of acceptance of deposits and lending to unserved and underserved sections including small business units, small and marginal

farmers, micro and small industries and unorganised sector entities.

- (B) The Parties have entered into a securities subscription agreement dated March 29, 2019 (“**Agreement Date**”) for the subscription by the Investor of the Subscription Securities (“**Securities Subscription Agreement**”) issued by the Banking Company by way of private placement under Section 42 of the Act (as defined hereinafter) (“**Private Placement**”), on the terms and conditions set out in the Securities Subscription Agreement.
- (C) As on the Agreement Date, the authorised share capital of the Banking Company was Rs. 13,27,60,00,000 (Rupees One Thousand Three Hundred and Twenty Seven Crore and Sixty Lakhs) divided into 82,76,00,000 (Eighty Two Crore and Seventy Six Lakhs) equity shares of Rs. 10/- (Rupees Ten) each and 50,00,00,000 (Fifty Crore) preference shares of Rs. 10/- (Rupees Ten) each.
- (D) The Founders (as defined hereinafter) are the founders of the Banking Company.
- (E) The shareholding pattern of the Banking Company on a Fully Diluted Basis (as defined hereinafter) as on the Agreement Date was as mentioned in **Part A** of **Schedule 1** hereto.
- (F) Simultaneously with the execution of the Securities Subscription Agreement, the Parties thereto agreed that the Shareholders’ Agreement (as defined hereinafter) will continue to survive and bind the Parties and all other existing shareholders of the Banking Company. The Shareholders’ Agreement sets out *inter alia* the covenants of the existing investors in relation to the Banking Company.
- (G) The Parties have agreed to amend certain terms of the Securities Subscription Agreement and therefore, the Parties are desirous of amending and restating terms relating to the issue and subscription of the Subscription Securities as set out in the Securities Subscription Agreement. Accordingly, the Parties agree and acknowledge that with effect from the Effective Date, the Securities Subscription Agreement shall terminate, and with effect from such date, the terms relating to the issue and subscription of the Subscription Securities shall be governed by the terms set out in this Agreement.
- (H) The Parties intend that, upon and subject to the terms and conditions contained in the Definitive Agreements (as defined hereinafter), the Investor shall not acquire control of the Banking Company. The Investor shall be a financial investor in the Banking Company with certain rights which are designed to enable it to preserve the value of its investment.
- (I) The Definitive Agreements and the documents and agreements referred to in the Definitive Agreements sets out the entire agreement and relationship between the Parties hereto and their respective rights and obligations in relation to the matters referred to above, the investment in and the holding of the Investor Shares (as defined hereinafter) and/ or the Investor CCPS (as defined hereinafter) (as the case may be) by the Investor in the Banking Company and other matters in connection therewith.

NOW, THEREFORE, in consideration of the mutual promises, covenants, representations and warranties made herein and of the mutual benefits to be derived here from, the Parties

hereto agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, including in the recitals, and unless the context requires otherwise, the following words and expressions shall have the following meanings:

“2012 Shareholders’ Agreement” means the shareholders agreement dated June 28, 2012 executed between the Banking Company, Founders, Current Investors (as defined in the 2016 Subscription Agreement) (excluding VB), Lok Capital, Investor No. 1 (excluding GAWA 2), Investor No. 2, Investor No. 3, Investor No. 4 and MSDF;

“2012 Subscription Agreement” means the subscription agreement dated June 28, 2012 executed between the Banking Company, Founders, Current Investors (as defined in the 2016 Subscription Agreement) (excluding VB), Lok Capital, Investor No. 1 (excluding GAWA 2), Investor No. 2, Investor No. 3, Investor No. 4 and MSDF;

“2013 Shareholders’ Agreement” means the shareholders agreement dated August 01, 2013 executed between the Banking Company, Founders, Current Investors (as defined in the 2016 Subscription Agreement), Bellwether and Investors (as defined in 2016 Subscription Agreement) (excluding TPG and GAWA 2);

“2013 Subscription Agreement” means the subscription agreement dated August 01, 2013 executed between the Banking Company, Founders, Current Investors (as defined in the 2016 Subscription Agreement), Bellwether and Investors (as defined in 2016 Subscription Agreement) (excluding TPG and GAWA 2);

“2014 Shareholders’ Agreement” means the shareholders agreement dated October 22, 2014 executed between the Banking Company, Founders, the Current Investors (as defined in the 2016 Subscription Agreement) and the Investors (as defined in 2016 Subscription Agreement) (excluding Caladium);

“2014 Subscription Agreement” means the subscription agreement dated October 22, 2014 executed between the Banking Company, Founders, the Current Investors (as defined in the 2016 Subscription Agreement) and the Investors (as defined in 2016 Subscription Agreement) (excluding Caladium);

“2016 Subscription Agreement” means the subscription agreement dated February 11, 2016 executed between the Banking Company, Series G Investors (excluding JHL, BALIC, BAGIC, ICICI Prudential and ICICI Lombard) and Existing Non-Participating Series G Investors;

“2017 Subscription Agreement” means the subscription agreement dated September 7, 2017 executed between the Banking Company, Founders and certain investors as amended by the first amendment to the securities subscription agreement dated October 16, 2017;

“**Accounts**” means: (i) both the audited balance sheets and cash flow statements of the Banking Company as at March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 and the profit and loss accounts of the Banking Company in respect of the Financial Years ended on March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 together with any notes, reports, statements or documents included in or annexed to them, all of which are certified by the auditors of the Banking Company; and (ii) the unaudited balance sheet and cash flow statements of the Banking Company as on the Further Accounts Date and the unaudited profits and loss accounts of the Banking Company for the period from the Accounts Date and ended as of the Further Accounts Date, copies of which have been provided to the Investor;

“**Accounts Date**” means March 31, 2018;

“**Act**” means the Companies Act, 2013 and the relevant provisions of the Companies Act, 1956, to the extent applicable as on the date of this Agreement;

“**Allotment Rules**” shall mean the Companies (Prospectus and Allotment of Securities) Rules, 2014, framed under the Act, as amended, re-enacted or replaced from time to time;

“**Affiliate**” means, in relation to any Person (the “**Subject**”), any Person controlled, directly or indirectly, by that Subject, any Person that controls, directly or indirectly, that Subject, or any Person under common control with that Subject or, where the Subject is a natural Person, any Relative (as such term is defined in the Act) of such Subject. For the purpose of this definition:

- (i) “**control**” means the power to direct the management and policies of a Person, whether through the ownership of voting capital, by contract or otherwise;
- (ii) in relation to the Investor, also includes any Person controlled, directly or indirectly, by Mr. Sunil Kant Munjal or his Relatives (as such term is defined in the Act);
- (iii) a holding or subsidiary company of any Person shall be deemed to be an Affiliate of that Person; and
- (iv) the Banking Company shall be deemed not to be an Affiliate of the Investor;

“**Agreement**” means this subscription agreement dated March 29, 2019 together with its recitals, Schedules and Annexure;

“**Anti-Corruption Laws**” means all applicable laws and regulations relating to anti-bribery or anti-corruption (including, without limitation, the United States Foreign Corrupt Practices Act of 1977, the India Prevention of Corruption Act, 1988 and the United Kingdom Bribery Act 2010, each as amended);

“**Banking Company and Founders’ Warranties**” means the representations and warranties provided by the Banking Company and the Founders, set out in Clause 8.1 and **Schedule 4** of this Agreement and Clause 3.1 of the Shareholders’ Agreement;

“**Basel III Guidelines**” means the master circular dated July 1, 2015 issued by the

RBI titled 'Master Circular - Basel III Capital Regulations' bearing reference no. RBI/2015-16/5 DBR.No.BP.BC.1/21.06.201/2015-16, as amended or substituted from time to time;

“**BALIC**” means BAJAJ Allianz Life Insurance Company Limited, a company incorporated under the laws of India, having its registered office at GE Plaza, Airport Road, Yerawada, Pune – 411006, India;

“**BAGIC**” means Bajaj Allianz General Insurance Company Limited, a company incorporated under the laws of India, having its registered office at GE Plaza, Airport Road, Yerawada, Pune – 411006, India;

“**Bellwether**” means Bellwether Microfinance Fund Private Limited, a company incorporated under the provisions of the Companies Act, 1956, registered with RBI as a Non-Banking Financial Company with PA number of AADCS4132K and having its head office at III Floor, 8-2-596 /5/B/1, Road No.10, Banjara Hills, Hyderabad-500 034, India;

“**Benefit Plan**” means the existing schemes provided by the Banking Company for the benefit of the employees of the Banking Company;

“**Big Four**” means one of KPMG, PricewaterhouseCoopers, Ernst & Young and Deloitte Touche Tohmatsu and/or their Affiliates eligible to practice in India;

“**Board**” means the board of directors of the Banking Company and/or any duly constituted committee thereof from time to time;

“**Business**” means the basic banking activities of acceptance of deposits and lending to unserved and underserved sections including small business units, small and marginal farmers, micro and small industries and unorganised sector entities;

“**Business Day**” shall mean a day (other than a Saturday or a Sunday) on which scheduled commercial banks are generally open for business in Bengaluru, India;

“**Caladium**” means Caladium Investment Pte Ltd, a company incorporated under the laws of Singapore, having its registered office at 168 Robinson Road, #37-01 Capital Tower, Singapore 068 912;

“**Competitor**” means any of Equitas Small Finance Bank, Ujjivan Small Finance Bank, AU Small Finance Bank, ESAF Small Finance Bank, Suryoday Small Finance Bank;

“**Completion**” means the completion of all the events set out in Clause 6 including the issuance of the Subscription Securities by the Banking Company to the Investor in accordance with Clause 6;

“**Completion Date**” means the date on which the Completion occurs;

“**Conditions Precedent**” means the conditions set out in **Schedule 3** of this Agreement;

“**Confidential Information**” means information, in whatever form, relating to the

business, services, affairs, operations, plans, performance, finances, clients, customers and counterparties of the Banking Company for the time being confidential to it or treated by it as such, including Marketing Information, trade secrets (including, without limitation, technical data and know-how) and other Intellectual Property Rights relating to or belonging to the Banking Company;

“**Connected Person/Concern**” of the Banking Company means:

- (i) any company under the same management (as defined by Section 370 (1-B) of the Act) as the Banking Company, including without limitation JUF, Janaadhar (India) Private Limited, Crossdomain Solutions Private Limited, Jana Urban Services for Transformation Private Limited, Jana Capital Limited and Jana Holdings Limited;
- (ii) any member, director, officer, key management personnel of the Banking Company or any Affiliate of, any such member or director;
- (iii) the Founders or any Affiliates of the Founders;
- (iv) the trustees and beneficiaries of any trust in which the Banking Company, the Founders or any Affiliate of the Founders is either a trustee or beneficiary;
- (v) any director of the Banking Company or of any holding or subsidiary company of the Banking Company or of any Affiliate of the Banking Company;
- (vi) any trust in which any Founder or any Affiliate of a Founder is a trustee or beneficiary;
- (vii) any director of any holding or subsidiary company of any Founder or any Affiliate of the Founders;
- (viii) any Affiliate of the Banking Company, or of a director referred to in subparagraph (vii) above (for the purposes of this definition, “**such director**”);
- (ix) any firm or unlisted company in which the Banking Company, the Founders, any such director or any Affiliate or partner of any such director, Founder or Affiliate is a partner, shareholder or director or exercises control or holds at least 5% (Five per cent) of the share capital or interest of such firm or unlisted company;
- (x) any listed company in which the Banking Company, the Founders, any such director or any Affiliate or partner of any such director, Founder or Affiliate is a director or hold/s shares exceeding 5% (Five per cent) of the paid-up equity share capital of such listed company;
- (xi) any company, the board of directors, managing director or manager whereof acts or is accustomed to act in accordance with the directions or instructions of the Board or any director of the Banking Company, of the Founders, or of any Affiliate;

“**Consent**” means any consent, approval, authorisation, waiver, permit, grant, franchise, concession, agreement, license, certificate, exemption, permission, order, registration, declaration, filing, report or notice of, with, to, from or by any Person, including any third party consents;

“**Contract**” means any agreements, contracts, instruments, obligations, offers, legally binding commitments, arrangements and understandings (whether written or oral) including all loan agreements, indentures, all transactions for debt assignment and securitization, letters of credit (including related letter of credit applications and reimbursement obligations), mortgages, security agreements, pledge agreements, deeds of trust, bonds, notes, guarantees, surety obligations, warranties, licenses, franchises, permits, powers of attorney, purchase orders, leases, including any amendment, variation, termination or extension under or in respect of any of the foregoing;

“**CVC Investment Agreement**” means the investment agreement dated June 1, 2011 executed between the Banking Company, the Founders, the Current Investors (as defined in the 2016 Subscription Agreement) (excluding VB), Lok Capital, MSDF and Investor No. 2 (as amended by amendment agreement dated May 15, 2012);

“**Definitive Agreements**” mean this Agreement and the Shareholders’ Agreement;

“**Disclosure Letter**” means the disclosure letter in Agreed Form, as enclosed in **Schedule 5**, provided by the Banking Company and the Founders to the Investor (and accepted by the Investor in writing) simultaneous with the execution of this Agreement, which sets out the specific disclosures made by the Founders and the Banking Company in respect of the Banking Company and Founders’ Warranties;

“**Encumbrance**” means any encumbrance including, without limitation, any claim, deed of trust, right of others, security interest, burden, title defect, title retention agreement, Lease, covenant, debenture, mortgage, pledge, charge, hypothecation, lien, assignment by way of security, deposit by way of security, bill of sale, option interest, proxy, beneficial ownership (including usufruct and similar entitlements), encroachment, public right, easement, common right, way leave, any voting agreement, interest, option, right of first offer, first, last or other refusal right, or transfer restriction in favour of any Person, any adverse claim as to title, possession or use, any provisional or executorial attachment and any other interest held by a third party or any agreement, arrangement or obligation to create any of the foregoing and “**Encumber**” shall be construed accordingly;

“**Environmental Law**” means any common or statutory law, regulation, directive or other law and all codes of practice, statutory guidance and the like applicable in India relating to the environment, pollution of the environment, human health or safety or the welfare of any other living organism which applies to the company concerned, its premises or its activities;

“**Environmental Permits**” means any permit, license, authorisation or Consent required pursuant to applicable Environmental Laws;

“**Equity Shares**” shall mean the equity shares of the Banking Company having a face value of Rs. 10 (Rupees Ten) each;

“**Existing Non-Participating Series G Investors**” means ENAM, BP, VB, TRG Trust, TRG 1, Alpha, TRG 2, IFIF and Global Financial Inclusion Fund (“**GAWA 2**”);

“**Financial Investor**” means any Person who is investing / proposing to invest in the Banking Company with the intent of financial gain, but excluding a Competitor;

“**Financial Year**” means a financial year commencing on 1st April of a calendar year and ending on 31st March in the immediately succeeding calendar year;

“**First HV SSA**” means the securities subscription agreement dated December 22, 2017 as amended by the first amendment to the securities subscription agreement dated January 05, 2018;

“**Founders**” means JUF and RR together and “**Founder**” shall be construed accordingly;

“**Fully Diluted Basis**” means that the relevant calculation is to be made taking into account the total of all classes and series of shares of the Banking Company outstanding combined with all options (including both issued and unissued) and convertible securities of all kinds, all on an "as if exercised" or "as if converted" basis;

“**Further Accounts Date**” means December 31, 2018;

“**GAAP**” means Generally Accepted Accounting Principles in India;

“**Governmental Approvals**” means any Consent of, with, to, from or by any Governmental Authority;

“**Governmental Authority**” means the Government of India, any state or other political subdivision thereof, any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any government authority, agency, department, board, commission or instrumentality or any political subdivision thereof, any court, tribunal or arbitrator and any self-regulatory organisation or a statutory authority, and includes the Securities and Exchange Board of India (“**SEBI**”), recognised stock exchanges or quotation systems and the RBI;

“**Government Official**” means (i) any employee or official of a Governmental Authority, or its foreign equivalent, or (ii) a political party or political official, or (iii) a candidate for political office, or (iv) any employee or official of a public international organisation;

“**Hazardous Substances**” means any substance that:

- (i) is or contains asbestos, urea formaldehyde insulation, polychlorinated biphenyls, petroleum or petroleum products, radon gas, microbiological contamination or related materials; or
- (ii) requires investigation or remedial action pursuant to any Environmental Law, or is defined, listed or identified as a “hazardous waste,” “hazardous substance,” “toxic substance” or words of similar import thereunder; or

(iii) is regulated under any Environmental Law;

“**ICICI SSAs**” means: (a) the securities subscription agreement dated December 29, 2017 executed between the Banking Company, JUF, RR and ICICI Prudential; and (b) the securities subscription agreement dated January 02, 2018 executed between the Banking Company, JUF, RR and ICICI Lombard General Insurance Company Limited;

“**Indebtedness**” as applied to any Person, means, without duplication (i) all indebtedness for borrowed money, (ii) all obligations evidenced by a note, bond, debenture, letter of credit, draft or similar instrument, (iii) that portion of obligations with respect to capital leases that is properly classified as a liability on a balance sheet in conformity with GAAP, (iv) notes payable and drafts accepted representing extensions of credit, (v) any obligation owed for all or any part of the deferred purchase price of property or services, (vi) all guarantees of any nature extended by such Person with respect to indebtedness of any other Person, and (vii) all indebtedness and obligations of the types described in the foregoing paragraphs (i) through (vi) to the extent secured by any Encumbrance on any property or asset owned or held by that Person regardless of whether the indebtedness secured thereby shall have been assumed by that Person or is non-recourse to the credit of that Person;

“**Intellectual Property Rights**” means all patents, patent applications, trademarks, service marks, logos, get-up, trade names, internet domain names, rights in designs, copyrights, software (including rights in computer software) and moral rights, databases, trade secrets, processes and models, rights in know-how, confidential information and other intellectual property rights, in each case whether registered or unregistered and including applications for registration, and all rights or forms of protection having equivalent or similar effect anywhere in the world which are held or beneficially owned by, the Banking Company;

“**Investor CCPS**” shall mean 15,00,00,000 (Fifteen Crore) fully paid up, unsecured, non-cumulative compulsorily convertible preference shares having face value of Rs. 10 (Rupees Ten only), to be issued and allotted by the Banking Company to the Investor, upon terms and conditions contained herein and the conditions annexed hereto at **Schedule 6**;

“**Investor CCPS Amount**” shall mean an aggregate sum of Rs. 150,00,00,000 (Rupees One Hundred and Fifty Crore only) payable by the Investor into the Bank Account in consideration of the Investor CCPS;

“**Investor Deed of Adherence**” means the deed of adherence to the Shareholders’ Agreement executed on or about the Agreement Date between the Banking Company, Founders and existing shareholders of the Banking Company and the Investor, *inter alia* setting out the rights and obligations of the Investor under the Shareholders’ Agreement;

“**Investor No. 1**” collectively means GAWA 1 and GAWA 2;

“**Investor No. 2**” collectively means TRG 1, TRG 2 and TRG Trust;

“**Investor No. 3**” means IFIF;

“**Investor No. 4**” means ENAM;

“**Investor Shares**” shall mean 3,15,427 (Three Lakh Fifteen Thousand Four Hundred and Twenty Seven) number of fully paid up equity shares having face value of Rs. 10 (Rupees Ten only) per share to be issued and allotted by the Banking Company to the Investor, upon terms and conditions contained herein;

“**Investor Shares Subscription Amount**” shall mean an aggregate sum of Rs. 30,00,00,000 (Rupees Thirty Crore Only) payable by the Investor into the Bank Account in consideration of the Investor Shares;

“**Investor Group**” with respect to the Investor, means the Investor and any Permitted Transferee of the Investor;

“**Investor Warranties**” means the representations and warranties provided by the Investor, set out in Clause 8.16;

“**JHL**” means Jana Holdings Limited a Non-Banking Finance Company Non-Operating Financial Holding Company recognised by the RBI and a company incorporated under the Act and having its registered office at M S Square, No. 34/1- 1, Langford Road, Shantinagar, Bengaluru - 560 027, Karnataka, India;

“**Law**” means and includes all treaties, statutes, enactments, acts of legislature or parliament, laws (including rules of equity), codes, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, directions, directives applicable in India and all orders, decisions, decrees of any Governmental Authority, statutory authority, tribunal, board, court or recognised stock exchange and Governmental Approvals;

“**Lease(s)**” means real property and equipment leases, sub-leases, licenses and occupancy agreements;

“**Litigation**” means and includes any action, cause of action, claim, demand, suit, proceeding, citation, summons, subpoena, inquiry or investigation of any nature, civil, criminal, regulatory or otherwise, in law or in equity, pending by or before any court, tribunal, arbitrator or other Governmental Authority;

“**Lok Capital**” means Lok Capital LLC, a Category I Global Business Company incorporated under the laws of Mauritius with its offices at Les Cascades, Edith Cavell Street, Port Louis, Mauritius;

“**Marketing Information**” means all information relating to the marketing of any products or services, including customer / borrower names and lists, sales targets, sales statistics, market share statistics, marketing surveys and reports, marketing research and any advertising or other promotional material;

“**Material Adverse Effect**” means any:

- (i) event, occurrence, fact, condition, change, development or effect that is, or may reasonably be, materially adverse to the valuation, business, operations, prospects, profits, results of operations, internal controls, regulatory matters (including, ethical practices and environmental matters), condition (financial or otherwise), properties (including intangible properties), assets (including intangible assets) or liabilities of the Banking Company and/or the Business;

- (ii) material impairment of the ability of the Banking Company, the Founders or any other Party to exercise its rights or perform its obligations under the Definitive Agreements;
- (iii) any material adverse change in India or financial markets;
- (iv) any material breach or default by the Banking Company or the Founders under the Definitive Agreements; or
- (v) the invalidity, unenforceability, illegality, repudiation or termination of the Definitive Agreements (or any material provision of the Definitive Agreements);

“**MSDF**” means the Michael and Susan Dell Foundation, a non-profit corporation organised under the laws of the State of Texas, United States of America, having its offices at 4417, Westlake Drive, 2nd Floor, Austin, TX 78746;

“**NHPEA**” means North Haven Private Equity Asia Platinum Pte. Ltd., a company incorporated under the laws of Singapore, having its registered office at 10 Changi Business Park Central 2, #05-01, HansaPoint @ CBP, Singapore – 486 030;

“**OFAC**” means the Office of Foreign Assets Control of the U.S Department of the Treasury;

“**Offer Letter**” means the private placement offer cum application letter to be issued to the Investor in accordance with Section 42(1) of the Act and in the format as prescribed under Form PAS-4 under Rule 14(1)(a) of the Allotment Rules;

“**Operating Guidelines**” shall mean the Operating Guidelines for Small Finance Banks dated October 6, 2016 issued by the RBI;

“**Organisational Documents**” means the articles of incorporation, certificate of incorporation, charter, bylaws, memorandum and articles of association, articles of formation, regulations, operating agreement, certificate of limited partnership, partnership agreement, and all other similar documents, instruments or certificates executed, adopted, or filed in connection with the creation, formation, or organisation of a Person, including any amendments thereto;

“**Parties/parties**” means the parties to this Agreement and “**Party/party**” shall be construed accordingly;

“**Permitted Transferees**” with respect to the Investor means: (a) any Affiliate of the Investor; (b) 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, in which any member or subsidiary of the Investor is a general or limited partner, shareholder, investment manager or advisor, member of a management or investment committee, nominee, custodian, trustee or unit holder; (c) any other fund under the management of the Investor or its Affiliates; (d) any contributor to the Investor or its Affiliates; and (e) any partners, members, directors, officers, employees or investors (either directly or indirectly through any investment partnerships of entities of such entity) who are distributees of investments held by an entity specified in paragraphs (b) and (c), pursuant to the bona

vide liquidation of such entity in which securities held by such entity are distributed to such distributes;

“**Person(s)**” means any individual, sole proprietorship, unincorporated association, unincorporated organisation, firm, body corporate, corporation, company, partnership, unlimited or limited liability company, joint venture, Governmental Authority, business trust or trust or any other entity or organisation;

“**QRG**” means QRG Enterprises Limited, a company incorporated under the laws of India, having its registered office at 1 Raj Narain Marg, Civil Lines, Delhi – 110 054, India;

“**Reorganisation**” means every issue by way of capitalisation of profits or reserves and every issue by way of rights or bonus and every consolidation or sub-division or reduction of capital, buy-back of securities or capital distribution or other reconstruction or adjustment relating to the share capital of the Banking Company and any merger, demerger, spin-off, consolidation, amalgamation or reconstruction affecting the share capital of the Banking Company;

“**Representatives**” means, with respect to any Person, its Affiliates and such Person’s and its Affiliates’ respective members, partners, accountants, financial advisers, financiers, counsels, consultants (including actuarial, and industry consultants), officers, directors, employees, agents and other advisors;

“**Required Governmental Approvals**” means those Governmental Approvals as may be necessary or advisable for the subscription, issue or purchase of the Subscription Securities, and/or other Equity Shares by an Investor Group on the terms contained in the Definitive Agreements and the consummation of the transactions contemplated in the Definitive Agreements, including any Governmental Approvals which are granted automatically contingent upon requisite filing of specified documents and/or reports being made;

“**Rupees**” or “**Rs.**” means the lawful currency of the Republic of India;

“**Series F Shareholders’ Agreement**” means the shareholders’ agreement dated 11 February 2016 entered into *inter alios* the Banking Company and certain investors of the Banking Company;

“**Series G Investors**” means collectively Treeline, NHPEA, QRG, TPG, Caladium, VB HUF, JHL, BALIC, BAGIC, ICICI Prudential and ICICI Lombard and individually any of them;

“**Shareholders’ Agreement**” means the restated shareholders’ agreement as applicable to a Small Finance Bank and dated 09 June 2016, as amended by: (a) the deed of adherence dated September 7, 2017 entered into between the Banking Company, Founders, Treeline, NHPEA, QRG, TPG, Caladium, Enam Securities Private Limited (“**ENAM**”), Badri Narayan Pulinja (“**BP**”), Vallabh Bhanshali (“**VB**”), VB HUF, Growth Partnership II Shiv Shankar Co-investment Trust, Growth Partnership II Ajay Tandon Co-investment Trust (“**TRG Trust**”), Client Rosehill Limited (“**TRG 1**”), Alpha TC Holdings Pte Ltd (“**Alpha**”), CVCI GP II Employee Rosehill Limited (“**TRG 2**”), India Financial Inclusion Fund (“**IFIF**”), K.P. Samuel and Alwyn D’Souza and Global Financial Inclusion Fund, and (b) deeds of adherence

to the restated shareholders' agreement that may be executed from time to time;

“**Subscription Amount**” shall mean the sum of the Investor CCPS Amount and the Investor Shares Amount;

“**Subscription Securities**” means collectively, the Investor CCPS and the Investor Shares;

“**Subsidiary / subsidiary**” has the meaning given to such term in Section 2(87) of the Act and “**Subsidiaries**” will be construed accordingly;

“**Tax(es)**” or “**Taxation**” means any central, federal, state, local or foreign income, alternative, minimum, accumulated earnings, personal holding company, franchise, share capital, profits, windfall profits, gross receipts, sales, use, value added, transfer, registration, transaction, documentary, recording, listing, stamp, premium, excise, customs, severance, environmental, real property, personal property, ad valorem, occupancy, license, occupation, wage, withholding, provident fund, insurance, gratuity, employment, payroll, social security, disability, unemployment, workers' compensation, withholding, dividend, goods and services or other similar tax, duty, fee, contribution, levy, impost, assessment or other governmental charge or deficiencies thereof (including all interests, surcharges, fines and penalties thereon and additions thereto) due, payable, levied, imposed upon or claimed to be owed;

“**Tax Holiday**” includes any relief from Taxation, or allowance, subsidy, exemption, set-off or deduction in computing, or against, profits, income or gains for the purposes of Taxation, or a credit against Taxation;

“**Tax Return**” means any return, report, declaration, form, claim for refund or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof;

“**TPG**” means TPG Asia VI SF Pte. Ltd., a company incorporated under the laws of Singapore, having its registered office at 80 Raffles Place, #15-01 UOB Plaza 1, Singapore 048-624;

“**Transfer**” includes any transfer, assignment, sale, disposal, lease, alienation, amalgamation, merger, or creation of Encumbrance, in each case whether voluntary or involuntary;

“**Treeline**” means Tree Line Asia Master Fund (Singapore) Pte. Ltd., a company incorporated under the laws of Singapore and having its Head Office at 135 Amoy Street, #02-01, Far East Square, Singapore 049 964;

“**VB HUF**” means Vallabh Bhanshali HUF, a Hindu Undivided Family, represented herein by their *karta*, Vallabh Bhanshali, presently residing at 12, Laxmi Vilas, 87, Nepean Sea Road, Mumbai - 400 006; and

“**Warranties**” means a collective reference to the Banking Company and Founders' Warranties and the Investor Warranties and “**Warranty**” shall be construed accordingly.

1.2 Interpretation

In this Agreement, unless the context requires otherwise:

- (i) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Agreement;
- (ii) references to one gender shall include all genders;
- (iii) any reference to any enactment or statutory provision is a reference to it as it may have been, or may from time to time be, amended, modified, consolidated or re-enacted (with or without modification) and includes all instruments or orders made under such enactment;
- (iv) words in the singular shall include the plural and vice versa;
- (v) any reference to Clause, Schedule or Annexure shall be deemed to be a reference to a Clause, Schedule or Annexure of this Agreement, unless the context requires otherwise;
- (vi) references to an agreement or document shall be construed as a reference to such agreement or document as the same may have been amended, varied, supplemented or novated in writing at the relevant time in accordance with the requirements of such agreement or document and, if applicable, of this Agreement with respect to amendments;
- (vii) any reference to a Party to this Agreement shall include, in the case of a body corporate, references to its successors and permitted assigns and in the case of a natural Person, to his or her heirs, executors, administrators and legal representatives, each of whom shall be bound by the provisions of this Agreement in the same manner as the Party itself is bound;
- (viii) any reference to a document or agreement in “**Agreed Form**” is to a document or agreement in form and substance agreed among the Banking Company, the Founders and the Investor;
- (ix) the words “hereby,” “herein,” “hereof,” “hereunder” and words of similar import refer to this Agreement as a whole (including any Schedules and Annexures hereto) and not merely to the specific article, clause or paragraph in which such word appears;
- (x) a “**month**” is reference to a period starting on 1 (one) day in a calendar month and ending on the numerically corresponding day in the next succeeding calendar month and references to “**months**” shall be construed accordingly;
- (xi) where any period specified in this Agreement would otherwise end on a day which is not a Business Day, it shall end on the next succeeding Business Day; and
- (xii) the words “include,” “includes” and “including” shall be deemed to be

followed by the phrase “without limitation”.

- 1.3 No provisions of this Agreement shall be interpreted in favour of, or against, any Party by reason of the extent to which such Party or its counsel participated in the drafting hereof or by reason of the extent to which any such provision is inconsistent with any prior draft hereof.
- 1.4 Terms used but not defined herein shall have the meaning ascribed to them in the Shareholders’ Agreement.

2. FUNDAMENTAL TERMS

- 2.1 The Banking Company and the Founders will ensure that the Investor is not considered or classified to be the ‘promoter’ of the Banking Company under applicable Laws for any reason whatsoever and that the Subscription Securities held by the Investor are not subject to any restriction on Transfer or otherwise (including that of lock-in or other restriction) which are applicable to promoters under any applicable Law.
- 2.2 The Parties expressly acknowledge and agree that in the context of the Founders’ relationship with the Banking Company as promoters and the appointers of key employees of the Banking Company, the Founders’ direct and indirect ownership interest in the Banking Company is a substantial ownership interest, and that the Investor would not proceed with the subscription to the Subscription Securities on the terms and conditions set out herein, but for the Founders’ covenants under the Definitive Agreements to ensure the protection of the value of the Banking Company. It is hereby clarified that the decision of the Investor to invest in the Banking Company is its own independent decision on the basis of the representations, warranties and undertakings herein and under the Shareholders’ Agreement.
- 2.3 On and from the Effective Date, the Securities Subscription Agreement shall be deemed to be restated and replaced by this Agreement and the rights and obligations of the parties thereto and the terms and conditions of the subscription by the Investor shall be defined exclusively in this Agreement. The Parties agree that notwithstanding anything to the contrary contained herein, the execution of this Agreement does not affect the rights, obligations and remedies of the Parties accrued under the Securities Subscription Agreement prior to the Effective Date (excluding any accrued indemnification obligations which shall not survive).

3. SUBSCRIPTION TO SECURITIES

- 3.1 In consideration of the Banking Company, the Founders and the existing shareholders agreeing to provide the Investor with the rights contained in the Definitive Agreements and subject to the terms and conditions contained in the Definitive Agreements, including the fulfilment of the Conditions Precedent (as contemplated by Clause 3 and Clause 6.1) to the satisfaction of the Investor, at the Completion, the Investor agrees to subscribe to and the Banking Company will allot and issue to the Investor the Subscription Securities in accordance with the terms of this Agreement.
- 3.2 Subject to the provisions of this Agreement, on the Completion Date (A) the Investor

shall pay its Subscription Amount to the Banking Company through ordinary banking channels and shall subscribe to the Subscription Securities; and (B) the Banking Company shall issue Subscription Securities to the Investor free of all Encumbrances whatsoever.

- 3.3 The Banking Company and the Investor agree and acknowledge that in the event that the Completion has not occurred on or before April 15, 2019 or such extended date as may be mutually acceptable to the Banking Company, the Founders and the Investor (the “**Long Stop Date**”), this Agreement shall terminate save as set out in Clause 13.4. The termination of this Agreement shall not affect the accrued rights and obligations of the Parties under this Agreement or the liability of the Banking Company in connection with the breach of this Agreement (if any) prior to the termination.
- 3.4 The Equity Shares issued to the Investor consequent to this Agreement shall rank *pari passu* with the existing Equity Shares of the Banking Company in all respects, including in respect of entitlement to voting and dividends.
- 3.5 At the end of the Completion, the Banking Company shall notify the Investor of the then shareholding pattern of the Banking Company in writing.

4. **FOREIGN SHAREHOLDING AND SHAREHOLDING OF JANA HOLDINGS LIMITED**

- 4.1 Notwithstanding anything to the contrary contained in this Agreement, the Banking Company shall ensure that upon completion of the Private Placement (i) the aggregate foreign shareholding in the Banking Company shall not exceed 49% (Forty Nine per cent); and (ii) the shareholding of Jana Holdings Limited in the Banking Company shall not fall below the limits stipulated by RBI.

5. **CONDITIONS PRECEDENT**

- 5.1 The obligations of the Investor under Clause 3 shall be conditional upon the fulfilment of the Conditions Precedent as set out in **Schedule 3**, in form and substance satisfactory to the Investor or waived in writing by the Investor, in its absolute discretion.
- 5.2 The Banking Company and the Founders shall use their best endeavours to ensure that each Condition Precedent, (to the extent that it is not waived in writing by the Investor in its absolute discretion) corresponding to the Completion, is satisfied as soon as reasonably practicable.
- 5.3 The Banking Company and the Founders must promptly notify the Investor in writing if it becomes aware that a Condition Precedent is satisfied or becomes incapable (for whatever reason) of being satisfied.
- 5.4 Upon fulfilment of the Conditions Precedent corresponding to the Completion, and in any event prior to the Completion Date, the Banking Company and the Founders shall certify the satisfaction of the Conditions Precedent to the Investor substantially in the format set out in **Annexure 1**, together with documentary evidence of such fulfilment to the satisfaction of the Investor (“**Conditions Precedent Completion**”).

Notice”). It is acknowledged and agreed that the Investor shall not be under any obligation whatsoever to subscribe to the Subscription Securities, in the event of the non-fulfilment of any Condition Precedent prior to the Completion Date.

5.5 If any of the Conditions Precedent are not fulfilled to the satisfaction of the Investor (to the extent that they are not waived by the Investor in writing in its absolute discretion) on or before the Long Stop Date or if any Conditions Precedent have ceased to be capable of being satisfied (unless they have been waived by the Investor in writing in its absolute discretion) on or before the Long Stop Date or if there has been any breach of this Agreement due to which the Completion has not occurred on or before the Long Stop Date, then this Agreement shall automatically stand terminated in its entirety on the Long Stop Date save as set out in Clause 13.4. Any such termination of this Agreement shall not affect the accrued rights and obligations of the Parties under this Agreement.

6. COMPLETION

6.1 Subject to the fulfilment of all Conditions Precedent set out in **Schedule 3**, the Completion shall take place on a date that is mutually agreed between the Investor and the Banking Company. On the Completion Date, the events set out in Clause 6.4 shall take place contemporaneously and no event shall be deemed to be occurred unless all such events are complete.

6.2 On or before the Completion Date, the Banking Company shall convene a meeting of its Board and shareholders to be held on the Completion Date to approve the matters set forth in Clause 6.4.

6.3 On the Completion:

(i) there shall have been no:

(a) breach of any of the agreements or covenants contained in the Definitive Agreements;

(b) breach of any of the Banking Company and Founders' Warranties and the Banking Company and Founders' Warranties shall be true and correct at the time of the Completion; or

(c) occurrence of an event (or series of events) which has or is reasonably likely to have (or, with the passage of time, giving of notice, satisfaction of a condition or otherwise, may have) a Material Adverse Effect,

and the Banking Company and the Founders shall deliver to the Investor certifications to this effect; and

(ii) the Banking Company and the Founders shall deliver a certificate to the Investor signed by the Banking Company and the Founders certifying the shareholding pattern of the Banking Company on a Fully Diluted Basis, as on the Completion Date, immediately prior to the Completion.

6.4 On the Completion Date, the following actions will occur:

- (i) The Investor shall give instructions to its bankers to remit the Subscription Amount to a bank account of the Banking Company in India (“**Bank Account**”), the details of which will be communicated in writing on or about the date of this Agreement by the Banking Company to the Investor;
- (ii) the Banking Company shall convene a meeting of the Board at which the following resolutions shall be passed:
 - (a) the Investor is allotted and issued the Subscription Securities;
 - (b) a director of the Banking Company shall be authorised to update the statutory registers and make the relevant filings with the Registrar of Companies respectively in relation to the transaction contemplated herein including issue of the Subscription Securities and receipt of the Subscription Amount; and
 - (c) such other matters as are necessary or required to give effect to the transactions contemplated under this Agreement to achieve the Completion.
- (iii) the Banking Company shall convene a meeting of its shareholders at which a special resolution shall be passed under which the Investor shall be allotted and issued the Subscription Securities;
- (iv) provide the Investor with certified true copies of all resolutions passed pursuant to this Clause 6.4.

6.5 The Banking Company shall, and the Founders shall procure that the Banking Company shall, on the Completion Date, issue a letter of allotment evidencing allotment of the Subscription Securities, and within 7 (Seven) Business Days thereafter credit the dematerialised accounts of the Investor with the Subscription Securities.

6.6 The Banking Company and the Founders undertake and agree that they shall hold the Subscription Amount in trust for the Investor until allotment and issuance of the Subscription Securities. The Parties agree that, notwithstanding anything contained in this Agreement, in the event that the Completion does not occur in the manner and time envisaged in this Agreement after remittance of the Subscription Amount of the Investor, then, without prejudice to the other rights the Investor may have under this Agreement and under Law or equity, at the request of the Investor, the Banking Company shall, within 15 (Fifteen) days of such request, refund the Subscription Amount paid by such Investor under this Agreement, provided, however, that nothing in this Clause 6.6 shall be deemed to relieve the Banking Company or the Founders for any breach of this Agreement arising prior thereto.

6.7 The name of the Investor shall be entered in the register of members of the Banking Company as the holders of the Subscription Securities and a certified extract of the register of members shall be provided to the Investor on the Completion Date.

6.8 The Banking Company shall be responsible for and bear the payment of any and all

Taxes (including stamp duty) attributable to the execution of the Definitive Agreements, as applicable, and the subscription, issuance, allotment, and delivery of the Subscription Securities to the Investor. For the avoidance of doubt, it is hereby clarified that the Banking Company shall pay any differential stamp duty and/ or penalty payable on this Agreement, if the Agreement is ever received in any State other than the State of Karnataka, promptly upon demand by Investor or within the time period prescribed in this regard under applicable Law, whichever is earlier.

6.9 Despite any other terms of this Agreement, upon a breach by any Party of this Agreement, the other Parties may, at their option, exercise all rights and remedies available at Law, including seeking specific performance.

7. POST-COMPLETION MATTERS

7.1 The Banking Company shall:

- (i) within 3 (Three) Business Days of the Completion Date, file with the Registrar of Companies e-Form No. PAS 3 in connection with the issuance and allotment of the Subscription Securities to the Investor; and
- (ii) take on record the resolutions passed at the Completion as set out in Clause 6.4 above at the immediately following Board meeting after the Completion.

7.2 Within 7 (Seven) days of the Completion Date, the Banking Company shall update the following statutory registers: (a) register of contracts in which directors are interested, (b) register of applications for and allotment of shares, and (c) register of contracts.

7.3 The Banking Company shall provide:

- (i) a certificate from its statutory auditor within 45 (Forty Five) days of the Completion Date; and
- (ii) a certificate from its Chief Executive Office and Managing Director and the Chief Financial Officer within 2 (Two) days of the Completion Date,

confirming that, as on March 31, 2019, the loans originated by the Banking Company in the calendar years 2015 and 2016, which are non-performing assets in terms of the extant RBI directions, have been provided for to the extent of at least 97% (Ninety Seven per cent) on a weighted average basis (not considering technical write-offs).

8. WARRANTIES

8.1 Warranties

- (i) Subject to the corresponding disclosure set out in the Disclosure Letter against the specified Banking Company and Founders' Warranty (subject to such disclosure being full, fair and reasonable and being accepted in writing by the Investor), the Banking Company and the Founders, hereby jointly and severally, represent and warrant to the Investor, as on the Agreement Date,

and on the Completion Date, that each of the Banking Company and Founders' Warranties is and will be true and correct in all respects and not misleading in any respect, and acknowledge that the Investor has entered into the Definitive Agreements in reliance upon the Banking Company and Founders' Warranties being true and correct in all respects and not misleading in any respect.

- (ii) Each of the Banking Company and Founders' Warranties shall be construed as a separate and independent Warranty, as the case may be, and shall not be limited, restricted, modified or qualified by reference to or inference from the terms of any other Banking Company and Founders' Warranty, any disclosure in the Disclosure Letter or findings by the Investor or any other term of the Definitive Agreements, other than a disclosure made in the Disclosure Letter against the specific Banking Company and Founders' Warranty, in the manner prescribed herein.
- (iii) The Banking Company and the Founders undertake to notify the Investor in writing forthwith if they become aware of any fact, matter or circumstance (whether existing on or before the date of this Agreement or arising afterwards) which would cause any of the Banking Company and Founders' Warranties given by them to become untrue or inaccurate or misleading in any respect. The Banking Company shall not and the Founders shall cause the Banking Company to not, do, allow or procure any act or omission which would constitute a breach of any of the Warranties as if they were given at the Completion Date or which would make any of the Warranties untrue, inaccurate or misleading as if they were so given.
- (iv) Except as fairly disclosed in the Disclosure Letter against the corresponding Warranty only, none of the Banking Company and Founders' Warranties shall be treated as qualified by any actual or constructive knowledge or investigation on the part of the Investor or any of its agents, representatives, officers, employees or advisers. The Investor's rights shall not be adversely affected by an investigation made by, or on behalf of, the Investor or their representatives about the Founder and the Banking Company, the Business or any other matter, whether before or after the date of this Agreement.
- (v) Where any statement in this Clause 8, **Schedule 4** or elsewhere in this Agreement is qualified by the expression "*so far as the relevant Warrantor / any Party is aware*" or "*to the best of the relevant Warrantor's / Party's knowledge, information and belief*" or any similar expression, that statement shall, unless the contrary interpretation appears, be deemed to include an additional statement that it has been made after due and careful enquiry. Where any statement in this Clause 8 or in **Schedule 4** or elsewhere in this Agreement is qualified by the expression "material" with respect to the Banking Company, it means the event, change or effect referred to in such statement is material or materially adverse, as the case may be, to the Business, financial condition, profits, operations, properties, reputation, assets and/or liabilities or prospects of the Banking Company.
- (vi) Each of the Banking Company and the Founders jointly and severally represents and warrants to the Investor that the disclosures made in the Disclosure Letter have been made in a full, fair and reasonable manner. The

Banking Company and the Founders further represent and warrant that the Banking Company is a “for profit” organisation.

8.2 Survival of Warranties

The Parties agree, in respect of the Warranties, that:

- (i) the Banking Company and Founders’ Warranties set out in Clause 8, and paragraphs 1 (*Corporate Status*), 2 (*Authorisations, Enforceability, etc.*), 3 (*No Conflicts, etc.*), 4 (*Information*), 5 (*Capitalisation; Shareholding*) and 22 (*Insolvency*) of **Schedule 4** (*Representations and Warranties*) and the Investor’s Warranties hereto (the “**Perpetual Warranties**”), shall survive in perpetuity; and
- (ii) the Banking Company and Founders’ Warranties set out in paragraphs 9 (*Financial Matters*), 10 (*Taxation Matters*) and 27 (*Environmental Matters*) of **Schedule 4** (*Representations and Warranties*) hereto, shall survive until the period prescribed under the statute of limitations applicable to the matters contained therein; and
- (iii) the other Banking Company and Founders’ Warranties set out in **Schedule 4** (*Representations and Warranties*) hereto, shall survive until the expiry of 3 (Three) months from the receipt by the Investor of the audited balance sheet and profit and loss account of the Banking Company for the period ended March 31, 2021.

The time limits set out in this Clause 8.2 shall not apply to any fraud or wilful misrepresentation by the Banking Company, the Founders and/ or the Investor (as the case may be).

8.3 Investor’s Warranties

- (i) The Investor represents and warrants, to the Banking Company and to the Founders, as on the Agreement Date and as of the Completion Date that:
 - (a) it is duly organised and validly existing under the laws of its applicable jurisdiction and has the requisite corporate power and authority to enter into this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby;
 - (b) the execution, delivery and performance of this Agreement by the Investor does not conflict with or violate the Organisational Documents of the Investor;
 - (c) the execution, delivery and performance of this Agreement by the Investor will not: (A) conflict with or violate any law, rule, regulation, order, judgment or decree applicable to the Investor or by which the Investor or its assets and properties are bound or affected; or (B) result in any breach of, or constitute a default (or an event that with notice or lapse of time or both would become a default) under any instrument or obligation to which the Investor is a party or by which

the Investor or its assets and properties are bound or affected; and

- (d) the Definitive Agreements when executed and delivered, as applicable, by the Investor, will be duly executed and delivered by the Investor, and, upon due execution by the other parties thereto, the Definitive Agreements will constitute, legal, valid and binding obligations on such Investor, enforceable against it in accordance with their respective terms.
- (ii) The Investor represents and warrants, to the Banking Company and to the Founders, as on the Agreement Date and as of the Completion Date that it is a resident of India as defined under the Income Tax, 1961 and under the foreign exchange laws prevailing in India.

9. EXERCISE OF RIGHTS BY FOUNDERS, INVESTOR AND BANKING COMPANY

9.1 Without prejudice to the other provisions of this Agreement, the Founders, the Investor (to the extent that it is within their power to do so) and the Banking Company agree to exercise all powers and rights available to them (including their voting rights and their rights as and in respect of directors and shareholders of the Banking Company) to give full effect to the provisions of the Definitive Agreements and so as to procure and ensure that the provisions of the Definitive Agreements are complied with in all respects by the Investor, the Banking Company and the Founders and their respective Connected Persons / Concerns.

9.2 Each of the Founders and the Investor (to the extent that it is within their power to do so) shall vote or cause to be voted all Equity Shares, instruments convertible to Equity Shares or any other security bearing voting rights beneficially owned by it at any annual or extraordinary meeting of shareholders of the Banking Company (the “**Shareholders’ Meeting**”) or in any written consent executed in lieu of such a meeting of shareholders (the “**Written Consent**”), and shall take all other actions necessary to give full effect to the provisions of the Definitive Agreements. In addition, each of the Founders and the Investor (to the extent that it is within their power to do so) shall vote or cause to be voted all Equity Shares, instruments convertible to Equity Shares or any other security beneficially owned by it at any Shareholders’ Meeting or act by Written Consent with respect to such Equity Shares, instruments convertible to Equity Shares or any other security, upon any matter submitted for action by the Banking Company’s shareholders or with respect to which such shareholder has a right to vote or act by Written Consent, in conformity with the provisions of the Definitive Agreements.

9.3 In order to effectuate the provisions of the Definitive Agreements, and without limiting the generality of this Clause 9, the Founder, the Investor and the Banking Company shall, to the extent that it is within their power to do so:

- (i) when any action or vote is required to be taken by such shareholder pursuant to the Definitive Agreements, call, or cause the appropriate officers and directors of the Banking Company to call, one or more Shareholders’ Meetings to take such action or vote, to attend such Shareholders’ Meetings in person or by proxy for purposes of obtaining a quorum, or to execute or cause to be executed a Written Consent to effectuate such shareholder action;

- (ii) cause the Board to adopt, either at a meeting of the Board or by unanimous written consent of the Board, all the resolutions necessary to effectuate the provisions of the Definitive Agreements; and
- (iii) to the extent not in violation of applicable Law, cause the Board to cause the secretary of the Banking Company, or if there be no secretary, such other officer of the Banking Company as the Board may appoint to fulfil the duties of secretary, not to record any vote or consent contrary to the terms of this Clause 9.

10. GENERAL UNDERTAKINGS

10.1 Announcements

- (i) No formal or informal public announcement, press release or other communication which makes reference to the Investor and/or any of its Permitted Transferees and/or the existence of the Definitive Agreements and/or their terms and conditions or any of the matters or Parties referred to in the Definitive Agreements, shall be made or issued by or on behalf of any Party or its Permitted Transferees without such Investor's prior written consent.
- (ii) If any Party is obliged to make or issue any announcement or press release required by Law (Indian or any relevant foreign equivalent) or by any stock exchange or Governmental Authority or statutory or regulatory authority (whether Indian or relevant foreign equivalent), it shall give the Investor every reasonable opportunity to comment on any announcement or release before it is made or issued (provided that this shall not have the effect of preventing such Party from making the announcement or release or from complying with its legal, stock exchange, governmental and/or regulatory obligations).
- (iii) The Banking Company and the Founders undertake with the Investor that they shall not:
 - (a) use the name of the Investor or any of its Permitted Transferee in any context whatsoever (except as required by Law); or
 - (b) hold themselves out as being associated with the Investor or any of its Permitted Transferee in any manner whatsoever,

without such Investor's prior written consent, except where the Banking Company and/or the Founders are obliged to disclose such information to the RBI, other Governmental Authority or lenders of the Banking Company.

10.2 Required Governmental Approvals

- (i) The Banking Company shall (and the Founders shall procure that the Banking Company shall) obtain, prepare and maintain all Required Governmental Approvals and all such forms, reports and documents as may

be required to be filed to obtain, maintain or comply with, any Required Governmental Approval under any Law and/or pursuant to any previously obtained Governmental Approvals and/or the rules or regulations made thereunder (as then in effect). The Banking Company shall make all such filings and reports with any Governmental Authority or other statutory or regulatory authority as may from time to time be required under any Law applicable to the Banking Company in connection with the transactions contemplated in the Definitive Agreements and the obtaining of all Required Governmental Approvals and furnish true copies thereof to the Investor.

- (ii) The Banking Company shall (and the Founders shall ensure that the Banking Company shall) ensure that all forms, reports and documents to be filed and/or delivered under this Clause 10 are in the prescribed format, are accurately completed and are accompanied by all the required documents.
- (iii) The Banking Company and the Founders shall promptly co-operate with any Governmental Authority, statutory and/or regulatory authority for the purpose of obtaining and maintaining any Required Governmental Approval.

10.3 Ethical business practices

- (i) The Founders and the Banking Company hereby represent, warrant and covenant that they, their respective Affiliates, directors and employees with respect to the Banking Company or acting for or on behalf of the Banking Company:
 - (a) have not, and shall not, whether in connection with the proposed investment contemplated herein or otherwise:
 - (A) act(ed) in violation of any Laws and regulations as applicable to them; or
 - (B) made / make improper payments to public officials in order to secure a business advantage;
 - (b) have had, and shall continue to have, in place anti-money laundering practices that are compliant with all applicable Laws; and
 - (c) follow, and shall continue to follow, highest standards of ethical business practices.
- (ii) The Banking Company and the Founders hereby represent and warrant to the Investor, with respect to the Banking Company and their respective Affiliates, that in the process of obtaining for the Banking Company any Governmental Approvals, Consents, concessions or licenses required in the operation of the Business, neither they nor any Person acting on their behalf, committed any act that could be deemed to be a violation of the United States Foreign Corrupt Practices Act (“FCPA”), if the FCPA were applicable to them and covenant to the Investor that the Banking Company, the Founders and all Persons acting on their behalf or at their direction will continue to act in accordance with the FCPA, as if it applied to them.

- (iii) The Banking Company and the Founders hereby undertake not to make any offer, payment, promise to pay or authorisation of the payment of any money, or other property, gift, promise to give, or authorisation of the giving of anything of value to any employee or official of a Governmental Authority or any relevant foreign equivalent, to any statutory or regulatory authority, arbitration tribunal, or political party, domestic or foreign (or official thereof) or candidate for political office or to any other Person who was or is in a position to help or hinder the Banking Company: (i) with the intent or purpose of inducing such official, political party or candidate, or other Person, to do or omit to do any act in violation of the lawful duty of such Person/official; or (ii) that would cause the Banking Company to violate or be in violation of any applicable Law and/or the FCPA (as if it were applicable to them) or subject the Banking Company, the Founders, and/or the Investor to damages or penalties in a civil or criminal proceeding.

10.4 Compliance with Laws

- (i) The Banking Company shall:
 - (a) comply with applicable Law, including Environmental Laws;
 - (b) obtain and maintain all Consents; and
 - (c) notify, in writing, the Investor immediately if the Banking Company ceases to hold any such Consent or if any of them expire (and have not been renewed).
- (ii) The facilities of the Banking Company will be built and operated and the business of the Banking Company shall be conducted in compliance with all applicable national and local Environmental Laws, labour and/or employment Laws and worker safety and welfare regulations and with due regard for the health and safety of its workers.
- (iii) The Banking Company agrees and undertakes that the Banking Company shall implement appropriate policies and procedures, to procure, or ensure, that the Banking Company, its Affiliates, Representatives or any third person acting on their behalf, conduct their businesses in conformity with sanctions measures or embargos (“**Sanctions Laws and Regulations**”).

11. CONFIDENTIALITY

11.1 The Banking Company authorises the Investor to consult regarding the Banking Company and to disclose Confidential Information (or permit the disclosure of Confidential Information):

- (i) to the Banking Company’s lenders, bankers and auditors;
- (ii) to any other investors or proposed investors in the Banking Company and to its sources of capital and financing;
- (iii) to any Permitted Transferee;

- (iv) to the professional advisers of each of the persons listed in (i) to (iii) above;
- (v) to any other Person if, and to the extent, such disclosure is necessary for the performance of obligations or the exercise of rights (including remedies) under this Agreement, provided such Person is made aware of the confidentiality undertakings set out in this Clause 11.1;
- (vi) as required by Law and by the Investor for compliance with customary reporting obligations of its Affiliate investment funds for preparation of tax returns and other regulatory filings and with its obligations to inform their investors, provided that the recipients are bound by customary confidentiality obligations; and
- (vii) as required by any stock exchange or any regulatory authority or Governmental Authority to which the Investor is subject.

11.2 In the ordinary course of the Investor's business, the Investor reviews existing investments and new investment proposals and conducts other investment and investment management activities. Investor's Permitted Transferees may disclose and use Confidential Information for these purposes in all cases amongst Permitted Transferees only.

11.3 Subject to the provisions of Clauses 10.1(i) and 10.1(ii) (*Announcements*) and 11.1 above, the Parties shall maintain the confidentiality of the terms of the Definitive Agreements and the Confidential Information, provided that the Parties may deliver or disclose such terms and/or Confidential Information to the extent required by Law (Indian or any relevant foreign equivalent), regulation or legal process or to defend a claim brought against or by the disclosing Party or as requested by any examiner or other regulatory authority; provided that the disclosing Party shall provide the non-disclosing Parties with prompt written notice thereof, if it is legally permitted to do so, such that the non-disclosing Parties may seek (with the cooperation and reasonable efforts of the disclosing Party) a protective order, confidential treatment or other appropriate remedy, and in any event shall furnish only that portion of the information which is reasonably necessary for the purpose at hand and shall exercise reasonable efforts to obtain an assurance that confidential treatment will be accorded to such information to the extent reasonably requested by the non-disclosing Party.

11.4 This Clause shall not apply to:

- (i) any information which is in the public domain, other than as a result of a breach;
- (ii) any information which the recipient was aware of prior to the same being communicated / disclosed by the other Party; or
- (iii) any information independently developed by the recipient or received by it from a third party who is not subject to a confidentiality obligation to the disclosing Parties, with respect to such information.

12. RIGHT TO INVEST

- 12.1** Without prejudice to Clause 10 and 11 of the Shareholders' Agreement, the Banking Company and the Founders acknowledge that the Investor and its Permitted Transferees invest and may invest in numerous companies, some of which may compete with the Banking Company and/or its Business. The Banking Company and the Founders confirm and acknowledge that the Investor and its Permitted Transferees shall not be liable for any claim arising out of, or based upon: (i) the fact that they hold an investment in any Person that competes with the Banking Company and/or its Business; or (ii) any action taken by any of their officers or Representatives to assist any such competing Person, whether or not such action was taken as a board member of such competitive company, or otherwise and whether or not such action has a detrimental effect on the Banking Company and/or the Business.
- 12.2** The Banking Company and the Founders unconditionally and irrevocably consent to the Investor and/or their Permitted Transferees at any time and from time to time investing in any Person engaged in the same or a similar business as the business of the Banking Company or entering into collaborations or other agreements or arrangements with any Persons in or outside India engaged in the same or a similar business as the business of the Banking Company. Upon the execution of this Agreement, the Banking Company and the Founders shall simultaneously, and thereafter from time to time at the request of the Investor or its Permitted Transferees, certify that they do not object to such investment, agreement or arrangement with such Persons, in Agreed Form as may be requested by the Investor.
- 12.3** If the Investor at any time holds any securities of the Subsidiaries that may be incorporated after the Agreement Date, then the Banking Company and the Founders shall procure that the Subsidiaries shall also provide such consent as referred to in Clauses 12.1 and 12.2 above in respect of such Subsidiaries.

13. TERM

13.1 This Agreement shall become effective on and from the date of its execution by the Parties to this Agreement.

13.2 Termination provisions

- (i) This Agreement shall terminate in the circumstances mentioned in Clause 5.6 regarding non-fulfilment of the Conditions Precedent or non-occurrence of the Completion before the Long Stop Date.
- (ii) Any termination of this Agreement shall not affect the accrued rights and obligations of the Parties under this Agreement.

13.3 On termination of this Agreement in accordance with Clause 13.2, the Investor Deed of Adherence for the Investor as a party to the Shareholders' Agreement shall stand automatically terminated.

13.4 Survival after termination

On termination of this Agreement in accordance with Clause 13.2, the provisions of Clause 1 (*Definitions and Interpretation*), Clauses 10.1(i), 10.1(ii) and 10.1(iii) (*Announcements*), 11 (*Confidentiality*), 13.2 (*Termination Provisions*) 14.1 (*Costs*),

15 (*Notices*), 16 (*Dispute Resolution*) and 17 (*Governing Law and Jurisdiction*), shall survive the termination of this Agreement.

14. MISCELLANEOUS

14.1 Costs

- (i) Subject to Clause 6.8, each Party shall bear its own costs in connection with this Agreement and the Shareholders' Agreement, including advisory, legal, accounting and other costs.
- (ii) The Banking Company shall bear the cost of issuance of the Subscription Securities to the Investor under the terms hereof.

14.2 No partnership or agency

Nothing in this Agreement (or any of the arrangements contemplated herein) shall be deemed to constitute a partnership or joint venture between the Parties, nor, except as may be expressly provided herein, constitute any Party as the agent of another Party for any purpose, or entitle any Party to commit or bind another Party in any manner.

14.3 Entire agreement

This Agreement, together with the Shareholders' Agreement, Disclosure Letter and the other agreements as may be entered into as Conditions Precedent and on the Completion set out the entire agreement and understanding between the Parties with respect to the subject matter hereof and with respect to any shareholder rights. This Agreement and the aforementioned documents supersede all previous agreements (including the Securities Subscription Agreement), letters of intent, confidentiality agreements, heads of terms, prior discussions and correspondence exchanged between any of the Parties in connection with the matters and transactions referred to herein.

14.4 Further assurances

- (i) The Banking Company and the Founders agree to do all such further things and to execute and deliver all such additional documents as are necessary or required by the Investor to give full effect to the terms of this Agreement.
- (ii) The Banking Company and the Founders undertake with the Investor that (so far as they are legally able and permitted to do so) they will do or procure to be done all such further acts and things, execute or procure the execution of all such other documents and exercise all voting rights and powers, whether direct or indirect, available to them in relation to any Person so as to ensure the complete and prompt fulfilment, observance and performance of the provisions of this Agreement and generally that full effect is given to the provisions of this Agreement.

14.5 English language

All notices or formal communications under or in connection with this Agreement

shall be in the English language.

14.6 Assignment and binding effect

- (i) The Banking Company and the Founders shall not be entitled to, nor shall they purport to Transfer all or any of its/their rights and/or obligations under this Agreement nor grant, declare, create or dispose of any right or interest in it, in whole or in part or create an Encumbrance.
- (ii) The Investor shall be entitled to Transfer all or any of its rights and/or obligations under this Agreement to its Permitted Transferee without the consent of any other Party. Post the Completion, the Investor shall be entitled to Transfer all or any of its Subscription Securities in accordance with the Shareholders' Agreement.
- (iii) This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, successors, permitted assigns, executors and administrators.

14.7 Severability

If any provision of this Agreement is or becomes invalid, illegal or unenforceable under the laws of any jurisdiction, then such provision shall (so far as it is invalid or unenforceable) be given no effect and shall be deemed not to be included in this Agreement but without invalidating any of the remaining provisions of this Agreement which shall not in any way be affected or impaired. The Parties hereto shall then use all reasonable endeavours to replace the invalid or unenforceable provisions with a valid and enforceable and mutually satisfactory substitute provision, achieving as nearly as possible the intended commercial effect of the invalid, illegal or unenforceable provision.

14.8 Waivers and remedies

A breach of any term or provision of this Agreement shall be waived only by a written instrument of the Party or Parties entitled to the benefits thereof. Any such waiver shall constitute a waiver only with respect to the specific matter described in such writing and shall in no way impair the rights of the Party granting such waiver in any other respect or at any other time. Neither the waiver by any of the Parties of a breach of or a default under any of the provisions of this Agreement, nor the failure by any of the Parties, on one or more occasions, to enforce or timely enforce any of the provisions of this Agreement or to exercise any right or privilege hereunder, shall be construed as a waiver of any other breach or default of a similar nature, or as a waiver of any of such provisions, rights or privileges hereunder. The rights and remedies provided in this Agreement are cumulative and none is exclusive of any other, or of any rights or remedies that any Party may otherwise have at Law or in equity. The rights and remedies of any Party based upon, arising out of or otherwise in respect of any inaccuracy or breach of any representation, Warranty, covenant or agreement or failure to fulfil any condition, shall in no way be limited by the fact that the act, omission, occurrence or other state of facts upon which any claim of any such inaccuracy or breach is based may also be the subject matter of any other representation, Warranty, covenant or agreement as to which there is no inaccuracy or breach.

14.9 Variation

No variation of this Agreement (or of any of the documents referred to in this Agreement) shall be valid unless it is made by an instrument in writing and signed by duly authorised representatives of each of the Parties hereto or thereto. The expression “variation” shall include any variation, amendment, supplement, deletion or replacement however effected.

14.10 Counterparts

This Agreement may be executed in any number of counterparts and by the Parties to it on separate counterparts, each of which shall be an original but all of which together shall constitute one and the same instrument. Delivery of an executed signature page of a counterpart of this Agreement by facsimile transmission or in AdobeTM Portable Document Format (PDF) sent by electronic mail shall take effect as delivery of an executed counterpart of this Agreement. If either method is adopted, without prejudice to the validity of this Agreement, each Party shall provide the others with the entire Agreement in original along with such signature page as soon as reasonably practicable thereafter.

14.11 Choice of remedy

For the avoidance of doubt, it is hereby clarified that the Investor shall be free to exercise any of its remedies for breach under this Agreement to the exclusion of, or in preference to the other remedies available to the Investor under this Agreement, in Law or in equity or otherwise at its sole discretion.

14.12 Anti - Corruption Laws

Notwithstanding any other provision of this Agreement to the contrary, nothing herein shall (i) require the Investor to make any payment that it reasonably believes will constitute a violation of the Anti-Corruption Laws, or (ii) prohibit the Investor, in its sole discretion, from reporting any actual or possible violation of the Anti-Corruption Laws to law enforcement officials.

15. NOTICES

15.1 Service of notice

Any notice or other communication to be given by one Party to any other Party under, or in connection with, this Agreement shall be made in writing and signed by or on behalf of the Party giving it. It shall be served by letter or facsimile transmission (save as otherwise provided herein) and shall be deemed to be duly given or made when delivered (in the case of personal delivery), at the time of transmission (in the case of facsimile transmission, provided that the sender has received a receipt indicating proper transmission and a hard copy of such notice or communication is forthwith sent by prepaid post to the relevant address set out below) or 10 (Ten) days after being despatched in the post, postage prepaid, by the fastest form of mail available and by registered mail if available (in the case of a letter) to such Party at its address or facsimile number specified in Clause 15.2, or at such other address or facsimile number as such Party may hereafter specify for

such purpose to the other Parties hereto by notice in writing.

15.2 Details for notices

The addresses and fax numbers for the purpose of Clause 15.1 are as follows:

(i) In case of notices to the Banking Company:

Address : Vaishnavi, 29 Union Street, Off Infantry Road
Bangalore – 560 001, India.

Attention : Ajay Kanwal

Email : ajay.kanwal@janalakshmi.com

(ii) In case of notices to RR

Address : 4-402, 3rd Floor, Lyndhurst Apartment, Walton
Road, Lavelle Road, Bangalore – 560 001, India.

Attention : Mr. Ramesh Ramanathan

Telephone : +91 80 4259 5700

Facsimile : +91 80 42595710

Email : ramesh.ramanathan@janalakshmi.com

(iii) In case of notices to JUF

Address : ‘Rajashree Saroja Plaza’, No.34/1, Andree Road,
Shanthinagar, Bangalore – 560 027, India.

Attention : Mr. Ramesh Ramanathan

Telephone : +91 80 4259 5700

Facsimile : +91 80 4152 5770

Email : ramesh.ramanathan@janalakshmi.com

(i) In case of notices to Investor:

Address : 29-A, Friends Colony (West),
New Delhi – 110 065

Attention : Mr. Amit Aggarwal/ Mr. Mohit Dhawan

Telephone : +91 11 46467000

Facsimile : +91 11 47467070

Email : [Amit.aggarwal@herocorp.com/](mailto:Amit.aggarwal@herocorp.com)
investments.skm@herocorp.com

16. DISPUTE RESOLUTION

- 16.1** In the event of any dispute between the Parties arising out of any claim, difference or controversy, arising out of or in connection with this Agreement, including without limitation, any question regarding its execution, existence, validity, enforcement, breach, performance, interpretation, implementation, termination, expiration or the consequences of its nullity or the question as to whether the termination of this Agreement by one Party hereto has been legitimate, and any dispute relating to any obligation arising out of or in connection with it (“**Dispute**”), representatives of the Parties shall, attempt to settle the Dispute amicably.
- 16.2** If after a period of 30 (Thirty) days following service of a written notice from any Party to the other relevant Party stating the existence of a Dispute, the Parties have failed to amicably resolve the Dispute, such Dispute shall, at the request of any of the Parties, be referred to and finally resolved by arbitration in New Delhi in accordance with the Arbitration and Conciliation Act, 1996 (“**Arbitration Act**”).
- 16.3** The number of arbitrators shall be 3 (Three), with one arbitrator being appointed by the Investor, one jointly by Founders and the Banking Company and the third arbitrator being appointed by the two arbitrators so appointed.
- 16.4** The arbitral tribunal shall have the authority to assess the costs and expenses of the arbitration proceeding (including the arbitration tribunal's fees and expenses) against one or more of the disputing Parties in whatever manner or allocation the tribunal deems appropriate.
- 16.5** The arbitrator's award shall be substantiated in writing, binding on the Parties and the award shall be enforceable in the competent court of law.
- 16.6** The provisions of Clauses 16 and 17 shall survive any termination of this Agreement.

17. GOVERNING LAW AND JURISDICTION

- 17.1** This Agreement and the relationship between the Parties shall be governed by, and interpreted in accordance with, the laws of India.
- 17.2** Subject to Clause 16, this Agreement shall be subject to the exclusive jurisdiction of the courts and tribunals at New Delhi, India.

SCHEDULE 1

SHAREHOLDING PATTERN OF THE BANKING COMPANY

Part A: Shareholding pattern of the Banking Company as on the Agreement Date

Sr No.	Name of the Equity Shareholder	Class	No of Shares	% holding
	Domestic Investor			
1	Jana Holdings Limited	Class A	19,798,778	44.41%
2	QRG Enterprises Limited	Class A	986,216	2.21%
3	Vallabh Bhanshali	Class A	119,410	0.27%
4	Enam Securities Private Limited	Class A	4,290	0.01%
5	Badri Narayan Pulinja	Class A	115,195	0.26%
6	Vallabh Bhanshali HUF	Class A	199,958	0.45%
7	Growth Partnership II Shiv Shankar Co-investment Trust	Class A	1,995	0.004%
8	Growth Partnership II Ajay Tandon Co-investment Trust	Class A	825	0.002%
9	Bajaj Allianz Life Insurance Company Ltd	Class A	1,084,128	2.43%
10	Bajaj Allianz General Insurance Company Ltd - Policyholder Fund	Class A	252,963	0.57%
11	Bajaj Allianz General Insurance Company Limited - Shareholder Fund	Class A	108,413	0.24%
12	ICICI Prudential Life Insurance Company Ltd	Class A	1,107,639	2.48%
13	ICICI Lombard General Insurance Company Ltd	Class A	361,376	0.81%
	Foreign Investor			
14	TPG Asia VI SF Pte. Ltd	Class A	4,431,580	9.94%
15	North Haven Private Equity Asia Platinum Pte. Ltd (earlier known as MSPEA Platinum Pte. Ltd.)	Class A	4,147,427	9.30%
16	Caladium Investment Pte. Ltd	Class A	762,608	1.71%
17	Client Rosehill Limited	Class A	1,757,755	3.94%
18	Alpha TC Holdings Pte Ltd	Class A	1,748,975	3.92%
19	CVCI GP II Employee Rosehill Limited	Class A	984,455	2.21%
20	Treeline Asia Master Fund (Singapore) Pte. Ltd.	Class A	1,652,101	3.71%

Sr No.	Name of the Equity Shareholder	Class	No of Shares	% holding
21	India Financial Inclusion Fund (IFIF)	Class A	246,220	0.55%
22	Global Financial Inclusion Fund	Class A	141,285	0.32%
23	HarbourVest Partners Co-Investment Fund IV L.P.	Class A	2,022,014	4.54%
24	HarbourVest Partners Co-Investment IV AIF L.P.	Class A	531,032	1.19%
25	HarbourVest Skew Base AIF L.P.	Class A	70,469	0.16%
26	HIPEP VIII Partnership Fund L.P.	Class A	245,091	0.55%
27	HIPEP VIII Partnership AIF L.P.	Class A	163,395	0.37%
28	HarbourVest Asia Pacific Fund VIII L.P.	Class A	35,742	0.08%
29	HarbourVest Asia Pacific VIII AIF L.P.	Class A	66,378	0.15%
30	HarbourVest Co-Investment Opportunities Fund L.P	Class A	255,305	0.57%
31	HarbourVest Co-Invest 2017 Private Equity Partners L.P.	Class A	510,609	1.15%
32	The Maple Fund L.P.	Class A	510,609	1.15%
33	Manipal Research & Management Services International	Class A	156,500	0.35%
	Total		44,580,736	100.00%

Part B: Shareholding pattern of the Banking Company post the Completion Date

Sr No.	Name of the Equity Shareholder	Class	No of Shares	% holding
	Domestic Investor			
1	Jana Holdings Limited	Class A	19,798,778	41.80%
2	QRG Enterprises Limited	Class A	986,216	2.08%
3	Vallabh Bhanshali	Class A	119,410	0.25%
4	Enam Securities Private Limited	Class A	4,290	0.01%
5	Badri Narayan Pulinja	Class A	115,195	0.24%
6	Vallabh Bhanshali HUF	Class A	199,958	0.42%
7	Growth Partnership II Shiv Shankar Co-investment Trust	Class A	1,995	0.004%
8	Growth Partnership II Ajay Tandon Co-investment Trust	Class A	825	0.002%
9	Bajaj Allianz Life Insurance Company Ltd	Class A	1,084,128	2.29%
10	Bajaj Allianz General Insurance Company Ltd - Policyholder Fund	Class A	252,963	0.53%
11	Bajaj Allianz General Insurance Company Limited - Shareholder Fund	Class A	108,413	0.23%
12	ICICI Prudential Life Insurance Company Ltd	Class A	1,107,639	2.34%
13	ICICI Lombard General Insurance Company Ltd	Class A	361,376	0.76%
14	Hero Enterprise Partner Ventures	Class A	525,712	1.11%
	Foreign Investor			
14	TPG Asia VI SF Pte. Ltd	Class A	4,431,580	9.36%
15	North Haven Private Equity Asia Platinum Pte. Ltd (earlier known as MSPEA Platinum Pte. Ltd.)	Class A	4,147,427	8.76%
16	Caladium Investment Pte. Ltd	Class A	762,608	1.61%
17	Client Rosehill Limited	Class A	1,757,755	3.71%
18	Alpha TC Holdings Pte Ltd	Class A	1,748,975	3.69%
19	CVCI GP II Employee Rosehill Limited	Class A	984,455	2.08%
20	Treeline Asia Master Fund (Singapore) Pte. Ltd.	Class A	1,652,101	3.49%
21	India Financial Inclusion Fund (IFIF)	Class A	246,220	0.52%

Sr No.	Name of the Equity Shareholder	Class	No of Shares	% holding
22	Global Financial Inclusion Fund	Class A	141,285	0.30%
23	HarbourVest Partners Co-Investment Fund IV L.P.	Class A	2,022,014	4.27%
24	HarbourVest Partners Co-Investment IV AIF L.P.	Class A	531,032	1.12%
25	HarbourVest Skew Base AIF L.P.	Class A	70,469	0.15%
26	HIPEP VIII Partnership Fund L.P.	Class A	245,091	0.52%
27	HIPEP VIII Partnership AIF L.P.	Class A	163,395	0.34%
28	HarbourVest Asia Pacific Fund VIII L.P.	Class A	35,742	0.08%
29	HarbourVest Asia Pacific VIII AIF L.P.	Class A	66,378	0.14%
30	HarbourVest Co-Investment Opportunities Fund L.P	Class A	255,305	0.54%
31	HarbourVest Co-Invest 2017 Private Equity Partners L.P.	Class A	510,609	1.08%
32	The Maple Fund L.P.	Class A	510,609	1.08%
33	Manipal Research & Management Services International	Class A	156,500	0.33%
34	Amansa Holdings Pte. Ltd.	Class A	2,260,564	4.77%
	Total		47,367,012	100.00%

SCHEDULE 2

DETAILS OF THE BANKING COMPANY

Registration number	: U65923KA2006PLC040028
Date of incorporation	: July 24, 2006
Place of incorporation	: Bangalore, Karnataka
Address of registered office	: The Fairway Business Park, #10/1, 11/2 & 12/2B Off Domlur, Koramangala Inner Ring Road, Next to EGL, Challaghatta, Bengaluru - 560071
Class of company	: Public limited company
Authorised share capital	: Rs. 13,27,60,00,000
Issued share capital	: 44,58,07,360
Secretary	: Lakshmi R.N.
Accounting Reference Date	: March 31
Auditors	: BSR & Associates, Chartered Accountants
Tax residence	: Resident
Names of Directors	: Mr. Ramesh Ramanathan Mr. Ajay Kanwal Mr. R. Gandhi Mr. Vikram Gandhi Ms. Vijayalatha Reddy Mr. R. Ramaseshan

SCHEDULE 3

CONDITIONS PRECEDENT

1. The Banking Company having obtained all required regulatory or statutory approvals for the transactions contemplated in this Agreement;
2. The Banking Company having issued required notices and convened necessary meetings of its Board to approve / authorise: (i) Issuance of the Subscription Securities by way of Private Placement to the Investor; (ii) Offer Letter to be issued to the Investor; and (iii) Convening a general meeting to obtain the approval of the shareholders for the resolution mentioned at (i) to (iii), and the Banking Company shall have delivered the Investor a certified true copy of the aforesaid resolution;
3. The Banking Company having convened a general meeting, and shareholders having passed (i) an ordinary resolution increasing and reclassifying the authorised share capital of the Banking Company to provide for the issuance and allotment of the Subscription Securities; and (ii) a special resolution for approving the issuance of the Subscription Securities by way of a Private Placement on a preferential basis and approving the Offer Letter, and shall have delivered the Investor a certified true copy of the aforesaid resolution;
4. The Banking Company having obtained a valuation report in respect of the Investor Shares as contemplated under the Companies Act, 2013 as well as Section 56(2)(viib) and Section 56(2)(x) of the Income Tax Act, 1961 and Rule 11UA of the Income Tax Rules, 1962;
5. The Banking Company having obtained:
 - (a) a certificate from its statutory auditor clearly stating that the conversion mechanism chosen by the Banking Company for the Investor CCPS issuance is able to generate common equity Tier 1 under the prevailing accounting standards;
 - (b) a legal opinion confirming that the conversion of the Investor CCPS at the pre-specified triggers contemplated in **Schedule 6** by the Banking Company is legally enforceable;
6. The Banking Company having filed with the jurisdictional Registrar of Companies, following the meetings convened as per paragraph 2 and 3 of this **Schedule 3**, Form MGT-14, approving the offer of the Subscription Securities, and the Investor having received certified copies of the forms referred to above;
7. The Banking Company shall have issued the Offer Letter to the Investor for the subscription of the Subscription Securities in accordance with Rule 14(1)(b) of the Allotment Rules;
8. The grant, issue and continuance in full force and effect of all Consents and all or any other Required Governmental Approvals, corporate, creditors', shareholders' consents required under Law or under any Contract or otherwise:

- (a) for the Investor and/or any member of the Investor Group specified by the Investor to subscribe to the Subscription Securities and for the consummation of the transactions contemplated in the Definitive Agreements including issue and allotment of the Subscription Securities;
 - (b) for the waiver by the shareholders of the Banking Company of the Pre-Emption Right available in terms of the Shareholders' Agreement, in a form and manner satisfactory to the Investor;
 - (c) to render the Definitive Agreements legally valid, binding and enforceable; and
 - (d) to enable the Parties to exercise their rights and to perform their obligations under the Definitive Agreements, including the compliance by the Banking Company and the Founders with all conditions attaching to each such Consent, and the Investor shall have received certified copies thereof;
9. The Parties shall have finalised the Agreed Form of all resolutions to be passed by the Board of the Banking Company at the Completion;
10. The Warranties being true and correct in all respects and not misleading in any respects and no breach of the Definitive Agreements having taken place;
11. No event (or series of events) shall have occurred which, in the sole determination of the Investor, has or is reasonably likely to have (or, with the passage of time, giving of notice, satisfaction of a condition or otherwise, may have) a Material Adverse Effect;
12. Consummation of the transactions contemplated by the Definitive Agreements shall not have been restrained, enjoined or otherwise prohibited or made illegal by any applicable Law, including any order, injunction, decree or judgment of any court or other Governmental Authority or statutory or regulatory authority; and no such Law that would have such an effect shall have been promulgated, entered, issued or determined by any court or other Governmental Authority or statutory or regulatory authority to be applicable to the Definitive Agreements. No action or proceeding shall be pending or threatened by any Person before any court or Governmental Authority or any relevant foreign equivalent or other statutory or regulatory authority to restrain, enjoin or otherwise prevent or challenge the consummation of the transactions contemplated by the Definitive Agreements;
13. The Investor shall have received certified true copies of all the authorisations, approvals, confirmations, certificates including certificates confirming the Conditions Precedents set out above and resolutions referred to above, all of which shall be in Agreed Form or in forms satisfactory to the Investor;
14. All the documents mentioned in this **Schedule 3** which are required to be in Agreed Form shall have been agreed upon;
15. The Banking Company shall have procured consent of Union Bank of India and

Vijaya Bank and has intimated the following lenders: (1) Axis Bank; (2) Bank of Baroda; (3) Catholic Syrian Bank Limited; (4) Doha Bank; (5) Karnataka Bank (6) Woori Bank; (7) Sate Bank of Mauritius; (8) Indian Overseas Bank; (9) Capital First Limited; and (10) NABARD, in relation to the transaction contemplated herein in a form acceptable to the Investor;

16. The Investor Deed of Adherence shall have been duly stamped and executed.

SCHEDULE 4

REPRESENTATIONS & WARRANTIES

Banking Company and Founders' Warranties

Save and except as disclosed in the Disclosure Letter in the manner set out in Clause 8, the Banking Company and the Founders hereby jointly and severally represent, warrant and undertake to the Investor as on the Agreement Date and on the Completion Date, that:

1. CORPORATE STATUS

- 1.1 The shareholding pattern of the Banking Company as on the Agreement Date is set out in **Part A** of **Schedule 1**.
- 1.2 The Banking Company is duly incorporated, validly existing and in good standing under the Laws of India and has full corporate power and authority to own, lease and operate the assets and properties it now owns, leases and operates and to carry on the Business as now being conducted and as proposed to be conducted.
- 1.3 The Banking Company is duly and validly registered as Jana Small Finance Bank Limited with the Registrar of Companies and is a "for profit" organisation. The Banking Company received an operating license dated 28 April, 2017 from the RBI to operate as a small finance bank ("**Operating License**"). The Operating License is valid and subsisting, has never been cancelled, revoked or suspended and the Banking Company has not received any notice or communication from the RBI threatening or contemplating such cancellation, revocation or suspension. The Banking Company is in compliance with the terms of the Operating License and the terms and conditions set out in the letter dated April 28, 2017 issued by the RBI bearing reference no. DBR.NBD.(SFB-JFS) No. 12881/16.13.216/2016-17.
- 1.4 The Banking Company carries on Business under its own corporate name and not in any other name. The Banking Company has obtained a certificate for commencement of small finance banking business in accordance with the relevant guidelines issued by the RBI, including the SFB Guidelines.
- 1.5 Foreign direct investment in the Banking Company is permitted under the automatic route and the Banking Company is in compliance with the applicable conditions prescribed for foreign direct investment in companies engaged in small finance banking business.
- 1.6 The information relating to the Banking Company contained in **Part A** of **Schedule 1** and **Schedule 2** is accurate and complete.
- 1.7 The Banking Company has no activities, employees or permanent establishments, offices, branches or any form of business presence outside India.
- 1.8 Except as fairly disclosed in the Disclosure Letter, the Banking Company does not hold or beneficially own, nor has it agreed to acquire, any securities or other equity interest or controlling interest in any other company or in any corporation, or joint venture in India or abroad.

- 1.9 The Banking Company does not conduct any trade or business activities in the United States of America.
- 1.10 The Banking Company does not conduct any business activities and does not serve customers, directly or indirectly, in countries that are the subject of economic sanctions by the United States of America administered by OFAC.
- 1.11 The business of the Banking Company is in accordance with the businesses prescribed under Regulation K (“**Regulation K**”) issued by the Board of Governors of the United States Federal Reserve System under the authority of the United States Federal Reserve Act; the United States Bank Holding Company Act of 1956; and the International Banking Act of 1978.
- 1.12 The business of the Banking Company is restricted to activities listed in Section 211.10 of Regulation K. Clauses 211.10(a)(14) and 211.10(a)(15) of Regulation K are not applicable to the Banking Company.

2. AUTHORISATIONS, ENFORCEABILITY; ETC.

- 2.1 The Banking Company and the Founders have full corporate power and authority and full legal capacity, to enter into the Definitive Agreements, to perform their respective obligations under the Definitive Agreements and to consummate the transactions contemplated under the Definitive Agreements. The execution and delivery of the Definitive Agreements, the performance of the Banking Company’s obligations thereunder, including the allotment and issuance of the Subscription Securities, and the consummation by the Banking Company and Founders of the transactions contemplated by the Definitive Agreements have been duly authorised by all necessary action on the part of the Banking Company and the Founders.
- 2.2 The Definitive Agreements when executed and delivered by the Banking Company and the Founders, will be duly executed and delivered by the Banking Company and the Founders, and the Definitive Agreements, will constitute, legal, valid and binding obligations of the Banking Company and the Founders, enforceable against the Banking Company and the Founders in accordance with their respective terms.
- 2.3 All corporate authorisations and all other Governmental Approvals, statutory, regulatory or other Consents, except consents from the lenders set out in paragraph 15 of **Schedule 3** (*Conditions Precedent*) which are Conditions Precedent, required for consummation of the transactions contemplated under the Definitive Agreements and to render the Definitive Agreements legally valid, binding and enforceable in accordance with their terms have been obtained and continue to be in full force and effect.
- 2.4 The Founders have not entered into or agreed to enter into any Contract, undertaking or transaction on behalf of the Banking Company or incurred any liabilities (actual or contingent) on behalf of the Banking Company or otherwise bound the Banking Company in any way whatsoever except in the ordinary course of the Banking Company’s business and within the scope of the authority conferred by the memorandum of association and articles of association of the Banking Company and with the approval of the Board.

- 2.5 There are no other commitments / Contracts entered into by the Banking Company and/or the Founders which may be in breach of the terms of any Definitive Agreement or the obligations of any party thereunder.
- 2.6 The Banking Company is not engaged in nor has undertaken any activity or project in which foreign investment is prohibited.
- 2.7 The Banking Company does not have any liabilities (including contingent liabilities) that are not fairly disclosed to the Investor in the Accounts or in the Disclosure Letter.

3. NO CONFLICTS, ETC.

- 3.1 The execution, delivery and performance by the Banking Company and the Founders of the Definitive Agreements, the allotment and issuance of the Subscription Securities to the Investor and the consummation of the transactions contemplated under the Definitive Agreements, do not and will not: (a) conflict with, contravene, result in a violation or breach of or default under (with or without the giving of notice or the lapse of time or both); (b) create in any other Person a right or claim of termination, amendment, or require modification, acceleration or cancellation of; or (c) result in the creation of any Encumbrance (or any obligation to create any Encumbrance) upon any of the assets or properties of the Banking Company under: (i) any provision of the Organisational Documents of the Banking Company or the Founders; (ii) any Law (Indian or any relevant foreign law equivalent) applicable to the Banking Company or the Founders or any of their respective assets or properties; (iii) any order, judgment or decree of any court, Governmental Authority or any relevant foreign equivalent or other statutory or regulatory authority to which any of the Banking Company or the Founders is a party or by which any of its respective assets or properties may be bound or affected; or (iv) any Contract to which any of the Banking Company or the Founders is a party or by which any of its respective assets or properties may be bound or affected.

4. INFORMATION

- 4.1 All the information provided to the Investor and their Representatives during the preparation and negotiation of the Definitive Agreements and up to Completion was provided by the Banking Company, the Founders and their respective Representatives in good faith and was when given, and is as of the Agreement Date, and on the Completion Date, true, accurate, complete and not misleading.
- 4.2 All information contained in the Definitive Agreements is true, accurate and complete in all respects and not misleading. The Definitive Agreements do not contain any untrue statement of a material fact or omit to state a material fact required to be stated in the Definitive Agreements or necessary in order to make the statements contained herein or therein in light of the circumstances under which they were made, not misleading.
- 4.3 Except as fairly disclosed in the Disclosure Letter, since the Accounts Date, there is no fact known to any Party (other than the Investor) which could have a Material Adverse Effect.

4.4 All the information which, according to the particular nature of the Banking Company, its Business and the Subscription Securities, is necessary to enable a Financial Investor acting reasonably to make an informed assessment of the assets, liabilities, financial position, profits, losses and prospects of the Banking Company and of the rights attaching to the Subscription Securities, has been disclosed to the Investor.

5. CAPITALISATION; SHAREHOLDING

5.1 The Banking Company is an unlisted public limited company incorporated under the Act, and has obtained a certificate for commencement of small finance banking business from the RBI on March 28, 2018 in accordance with the SFB Guidelines. The Banking Company is engaged in the business of basic banking activities of acceptance of deposits and lending to unserved and underserved sections including small business units, small and marginal farmers, micro and small industries and unorganised sector entities. As on the date of execution of this Agreement, the authorised share capital of the Banking Company is Rs. 1327,60,00,000/- (Rupees One Thousand Three Hundred Twenty Seven Crore and Sixty Lakhs) constituted of 82,76,00,000 (Eighty Two Crore and Seventy Six Lakhs) equity shares of Rs. 10/- (Rupees Ten) each and 50,00,00,000 (Fifty Crore) preference shares of Rs. 10/- (Rupees Ten) each.

5.2 The share details of the Equity Shares which are set out in **Part A** of **Schedule 1** constitute the whole of the issued and allotted share capital of the Banking Company and are fully paid up. All shares of the Banking Company have been issued in compliance with the provisions of Law and the Organisational Documents of the Banking Company and the share certificates pertaining to the shares have been validly issued and duly stamped in accordance with applicable Law.

5.3 Other than as contemplated under this Agreement, there are no outstanding rights, plans, options, warrants, calls, conversion rights, repurchase rights, redemption rights or any Contracts or requirements of any character (either oral or written, firm or conditional) whether issued, vested or unvested obligating the Banking Company to issue, deliver, sell, purchase, repurchase or otherwise acquire, or cause to be issued, delivered, sold, purchased, repurchased or otherwise acquired, any Equity Shares or any securities exchangeable for or convertible into Equity Shares or obligating the Banking Company to grant, extend or enter into any such Contract or requirement, nor are there any rights to receive dividends or other distributions in respect of any such securities. No Person is entitled or has claimed to be entitled to require the Banking Company to issue any share capital either now, or at any future date, whether contingently or not.

5.4 Upon delivery to the Investor of the Subscription Securities, and payment of the Subscription Amount, by the Investor as herein provided, the Subscription Securities, shall be validly issued and fully paid-up, and the Investor will acquire good, valid and marketable title to its Subscription Securities, free and clear of all Encumbrances and/or any pre-emptive rights.

5.5 No insolvency proceedings of any character, including without limitation

bankruptcy, receivership, reorganisation, composition or arrangement with creditors, voluntary or involuntary, affecting any of the Founders is pending or threatened, and no Founder has made any assignment for the benefit of creditors or taken any action in contemplation of, or which would constitute the basis for, the institution of such insolvency proceedings.

- 5.6 There is no action, suit, proceeding or investigation pending or threatened against the Founders, which questions the validity of the Definitive Agreements or the right of such Founders to enter into the Definitive Agreements, or to consummate the transactions contemplated under the Definitive Agreements, or which could result in any change in the current ownership of the Founders in the Banking Company's securities or prejudice the Investor's title to its Subscription Securities.
- 5.7 The Investor shall be entitled to receive and retain all dividends declared or paid and all accretions (including, without limitation, bonus and rights shares) which may accrue in respect of its Subscription Securities, after the Completion (notwithstanding that the same relate to a period prior to the Completion).
- 5.8 Except as fairly disclosed in the Disclosure Letter, there are no Contracts among the Banking Company and the shareholders of the Banking Company with respect to the holding, voting, transfer or otherwise, with respect to any Equity Shares or instruments convertible into Equity Shares of the Banking Company.

6. SUBSIDIARIES

The Banking Company does not have any Subsidiaries and is not in the process of incorporation of a Subsidiary as on the Agreement Date.

7. CORPORATE MATTERS

- 7.1 All Organisational Documents, minute books, including the minute books of all the committees of the Board and/or the Banking Company, directors and auditors reports and statutory books and records as required in accordance with applicable Law have been properly maintained / prepared and each of these, are true, accurate and complete in all respects; and no notice or allegation, that any of them is incorrect or should be rectified, has been received.
- 7.2 The copies of the memorandum of association and articles of association of the Banking Company which is annexed to the Disclosure Letter is accurate and complete and has been filed with the Registrar of Companies.
- 7.3 All returns, forms, particulars, resolutions, filings and documents required by the Act to be filed with the Registrar of Companies or required to be filed with any Governmental Authority in respect of the Banking Company have been duly filed in the manner prescribed by Law or by the relevant Governmental Authority within the prescribed period.
- 7.4 All the directors of the Banking Company have been duly appointed in accordance with the Act.
- 7.5 All the meetings of the Board and the shareholders of the Banking Company have

been duly convened and held in accordance with the Act.

- 7.6 All dividends or other distributions of profits or assets declared, made or paid by the Banking Company, have been declared, made or paid in accordance with applicable Law and Organisational Documents of the Banking Company.

8. ACCOUNTING MATTERS

- 8.1 The Accounts have been prepared in accordance with the historical cost convention and GAAP, which have been applied on a proper and consistent basis throughout the periods presented in the Accounts. The basis and policies of accounting, adopted for the purpose of preparing the Accounts is, in each case, the same.

- 8.2 The Accounts:

- (a) give a true and fair view of the assets, liabilities (including contingent, unquantified or disputed liabilities), state of affairs, results of the Banking Company and commitments of the Banking Company and its profits for the financial period covered in the Accounts;
- (b) comply with the requirements of the Act and applicable Law;
- (c) are not affected by extraordinary, exceptional or non-recurring items;
- (d) properly reflect the financial position of the Banking Company as at their date; and
- (e) contain as required in accordance with applicable Law specific provisions or accruals adequate to cover, or full particulars in notes, of all liabilities (whether quantified, contingent or otherwise) of the Banking Company.

- 8.3 Both the audited balance sheets and cash flow statements of the Banking Company as at March 31, 2018 and the profit and loss accounts of the Banking Company in respect of the Financial Year ended on March 31, 2018 together with any notes, reports, statements or documents included in or annexed to them, forming part of the Accounts, have been audited by a certified auditor who has rendered an auditor's certificate without qualification.

- 8.4 All statutory books of account of the Banking Company are in its possession, are up-to-date and give a true and fair view of its financial position and comprise complete and accurate records of all information required to be recorded therein.

- 8.5 Except as fairly disclosed in the Disclosure Letter, and apart from the First HV SSA, ICICI SSAs, 2017 Subscription Agreement, Series F Shareholders' Agreement, 2016 Subscription Agreement, 2014 Shareholders' Agreement, 2014 Subscription Agreement, 2013 Shareholders Agreement, 2013 Subscription Agreement, 2012 Shareholders Agreement, the 2012 Subscription Agreement, the CVC Investment Agreement and the Definitive Agreements, the Banking Company is not a party to any tax sharing or tax indemnity obligations.

9. FINANCIAL MATTERS

- 9.1 As on the Agreement Date, the Banking Company had no capital commitments outstanding and the Banking Company has not, from the Accounts Date until the Agreement Date, incurred or agreed to incur capital expenditure or commitments or disposed of or agreed to dispose of capital assets and there has been no material change in this position since the Agreement Date.
- 9.2 Since the Accounts Date:
- (a) the Banking Company has conducted its Business and operations in a normal and proper manner and consistent with past practice, and except as fairly disclosed in the Disclosure Letter, there has been no deterioration in its turnover, profitability or asset quality;
 - (b) the Banking Company has not paid, made or declared a dividend or other distribution;
 - (c) the Banking Company has not repaid, or become liable to repay, Indebtedness in advance of its stated maturity and there has been no material change in its Indebtedness other than in the ordinary course of business;
 - (d) the Banking Company has not made any change in the accounting principles and practices used by it, from those applied in the preparation of their Accounts;
 - (e) the Banking Company has not lost or changed its relationship with any client or customer or lender which might reasonably be expected to adversely affect its Business or any of the assets;
 - (f) the Banking Company has no outstanding liabilities (including contingent liabilities) other than the liabilities disclosed in the Accounts or incurred, in the ordinary course of business, since the Accounts Date; and
 - (g) the Banking Company has paid its creditors in accordance with their respective credit terms; and there are no amounts owing by the Banking Company to its creditors beyond the relevant due date for the payment of such amounts.
- 9.3 The Banking Company does not have any credit facilities, other than those, the full details of which are set out in the Disclosure Letter.
- 9.4 None of the credit facilities available to the Banking Company is dependent on the guarantee or indemnity of, or security provided by, a third party. There is no subsisting guarantee or indemnity given by, or for the accommodation of the Banking Company.
- 9.5 Except as fairly disclosed in the Disclosure Letter, the amounts due from debtors as on the Agreement Date has been recovered in full in the normal course of business and shall in the ordinary course of collection realise its nominal amount plus any costs of collection and any accrued interest. Except as otherwise set out in the

Accounts or as fairly disclosed in the Disclosure Letter, there are no bad and doubtful debts owing to the Banking Company.

- 9.6 No part of the amounts included in the Accounts as owing by any debtors has been released on terms that the debtor pays less than the full book value of his or her debt.
- 9.7 All Indebtedness in the form of borrowings from a bank, inter-corporate deposits and/or term loans from financial institutions (“**Loans**”) have been duly authorised by the Board and in accordance with applicable Law and neither the Banking Company nor the Founders have received a notice of “event of default” under any such Loans granted to the Banking Company. There are no defaults on repayment of any such Loans granted to the Banking Company. The Indebtedness of the Banking Company does not exceed any limitation on borrowing under applicable Law or its Organisational Documents or any Contract to which it is a party.
- 9.8 Except as fairly disclosed in the Disclosure Letter, all of the accounts receivable of the Banking Company arisen in the ordinary course of business is carried at values determined in a reasonable manner consistently applied. No Person has any Encumbrance on any accounts receivable of the Banking Company and no request or agreement for waiver, release or other compromise, deduction or discount has been made with respect to any accounts receivable of the Banking Company.
- 9.9 All external financing availed of by the Banking Company with any Encumbrance on the Banking Company's assets is secured by a fair and true valuation of such assets.

10. TAXATION MATTERS

- 10.1 The Banking Company is not and has not at any time been treated as a resident in any other jurisdiction for any Taxation purpose and is not liable to pay any Tax in any jurisdiction other than India. The Banking Company is not liable for any Taxation as the agent of any other person.
- 10.2 The Accounts for the Financial Year ended March 31, 2018 make full provision or reserve for all Indian Taxation (including deferred Indian Taxation) which is liable to be assessed on the Banking Company, or for which it may be accountable, in respect of the period ended on March 31, 2018 respectively.
- 10.3 All Indian Taxation of any nature whatsoever for which the Banking Company is liable or for which the Banking Company is liable to account and which has fallen due for payment has been duly paid (insofar as such Indian Taxation ought to have been paid).
- 10.4 All Indian Tax Returns, including but not limited to e-TDS returns in Form 26Q and Form 27Q for the period ended on December 31, 2018, notifications, computations and payment which should have been made or submitted by the Banking Company for an Indian Taxation purpose were properly and duly made or submitted within the requisite periods and are up-to-date, correct and on a proper basis; and none of them is, or is likely to be, the subject of a dispute with the Indian Taxation authorities. All Indian Taxation records required to be maintained by the

Banking Company have been duly maintained and are readily accessible. All information, notices, accounts, statements, reports, computations, assessments and returns which ought to have been submitted, made or given to the relevant Governmental Authority by the Banking Company have been properly, timely and duly so submitted, made or given, and all information, notices, accounts, statements, reports, computations, assessments and returns submitted, made or given to the relevant Governmental Authority are true and accurate and none of them is the subject of any dispute or to the best of the Banking Company and Founders' knowledge likely to become the subject of any dispute with any such authority.

- 10.5 The Banking Company has duly deducted and accounted for all amounts which it has been obliged to deduct in respect of Indian Taxation and, in particular, duly deducted tax from all payments made, or treated as made, to its employees or former employees, and accounting to the Income Tax department for all Indian Tax deducted by it and for all Indian Tax chargeable on benefits provided for its employees or former employees and no such deductions have been disallowed by Indian Taxation authorities.
- 10.6 The Banking Company is not a party to any agreement, and has not undertaken to any Person, to pay any Indian Taxes on behalf of any Person, including any agreements not to withhold Taxation payments under applicable Law or to gross up any payments made to any Person for Indian Taxes.
- 10.7 The Banking Company has not incurred or is not, or has not become, liable to incur, expenditure which will not be wholly deductible in computing its taxable profits.
- 10.8 The execution or completion of this Agreement will not result in a profit or gain being deemed to accrue to the Banking Company for Indian Taxation purposes.
- 10.9 The Banking Company has not engaged in a transaction in respect of which there may be substituted, for the purposes of Indian Taxation, a different consideration for the actual consideration given or received by it.
- 10.10 The Banking Company has not been subject to and is not currently subject to any interest, penalty, investigation, audit or search and/or seizure by any Indian Taxation authority with regard to any Indian Taxation or Indian Tax Returns of the Banking Company and has not received any notice of enquiry and no deficiencies for Indian Taxation have been proposed, asserted, raised or threatened by any Indian Taxation authority against the Banking Company. No adjustment relating to any return filed by the Banking Company has been proposed formally by any Taxation authority.
- 10.11 The Banking Company does not have a liability to Indian Taxation except in respect of the income and profits actually received and no arrangements exist which might give rise to such a liability, whether as a consequence of any provision relating to transfer pricing or otherwise. There are no Encumbrances for Indian Taxes (other than for current Indian Taxes not yet due) on the assets of the Banking Company. No Indian Taxes are or will be due from the Investor or the Banking Company, on account of the issue and allotment of the Subscription Securities to the Investor.

- 10.12 The Banking Company has obtained in its name all the relevant registrations with Indian Taxation authorities, including but not limited to permanent account number, goods and services tax identification numbers and tax deduction account number.
- 10.13 All rents, interest and other amounts paid or payable by the Banking Company are wholly allowable as deductions or charges in computing the Banking Company's income for Indian Taxation purposes. No claim has been made for the depreciation of any asset of the Banking Company for Indian Taxation purposes and no other claim has been made for a deduction, rebate or exemption of any nature, in circumstances in which, to the best of the Banking Company's and the Founders' knowledge, the claim is likely to be disallowed.
- 10.14 The amount of Indian Taxation chargeable on the Banking Company during any of the 5 (Five) Financial Years preceding this Agreement has not been affected to any extent by any concession, arrangements, contract or other arrangement with any Indian Taxation authority (not being a concession, contract or arrangement available to companies generally). The Banking Company is not subject to a special regime in respect of Taxation in India.
- 10.15 The Banking Company has not been engaged in, or been a party to, any transaction or series of transactions of which the main purpose, or one of the main purposes, was the evasion of or deferral of Taxation in any taxing jurisdiction where the Banking Company operates.
- 10.16 The Banking Company has not executed any waiver of any statute of limitations on or extending the period for the assessment or collection of any Taxation.
- 10.17 US Tax Representations

The Banking Company represents and warrants that:

- (a) no election has previously been filed in accordance with U.S. Treasury Regulations Section 301.7701-3 with regard to the U.S. tax classification of the Banking Company;
- (b) the Banking Company has not been a "controlled foreign corporation" (a CFC) as defined in Section 957 of the U.S. Internal Revenue Code at any time during the preceding 12 (Twelve) months;
- (c) the Banking Company is not currently engaged in a U.S. trade or business under U.S. federal income tax principles; and
- (d) except for non-convertible debentures issued by the Banking Company on a private placement basis and traded on recognised stock exchanges in India, no shares of or debt issued by the Banking Company are listed on any public exchange.

11. TRADING MATTERS

- 11.1 The Banking Company does not carry on any business save and except the

Business. The Banking Company is not an insurance agent and does not act as an insurance agent or hold itself out to be an insurance agent. The Banking Company does not draw income in the nature of commission from any insurance company and is not required to be registered with the Insurance Regulatory and Development Authority as a corporate agent.

- 11.2 Except for the Definitive Agreements, there is no Contract or specific direction from a Governmental Authority or any relevant foreign equivalent to the Banking Company or Founders that has the effect of or may reasonably be expected to have the effect of prohibiting or impairing the Business, any acquisition of property or assets by the Banking Company or otherwise limiting the freedom of the Banking Company to engage in any line of business or to compete with any Person.
- 11.3 The Banking Company is not, nor has agreed to become, a party to or member of a joint venture, consortium, partnership or other unincorporated association.
- 11.4 Since the Accounts Date, the Banking Company has not suffered any damage, destruction or loss (whether or not covered by insurance), or any strike or other employment-related problem, or any materially adverse change in relations with, or any loss of, a supplier.
- 11.5 No authorities (express or implied), including any power of attorney given by the Banking Company, by which any Person may enter into a Contract or commitment to do anything on behalf of the Banking Company are subsisting.
- 11.6 The profits and financial position of the Banking Company during the past 3 (Three) years have not been affected by, a Contract or arrangement which is not on an arm's length basis.
- 11.7 The Banking Company is not, nor has agreed to become, a party to or member of a joint venture, consortium, partnership or other unincorporated association. Except for the 2014 Subscription Agreement, 2014 Shareholders Agreement, 2013 Subscription Agreement, 2013 Shareholders Agreement, 2012 Subscription Agreement, the 2012 Shareholders Agreement, the CVC Investment Agreement, the 2016 Subscription Agreement, Series F Shareholders' Agreement, the Shareholders' Agreement, 2017 Subscription Agreement, ICICI SSAs and the First HV SSA, the Banking Company does not have any profit sharing bonds or otherwise attributed rights to any person to share in past, present or future income or profits, reserves or liquidation surpluses.

12. ASSET MATTERS

- 12.1 Except as fairly disclosed in the Disclosure Letter, the Banking Company owns and has good and marketable title to (except for current assets subsequently sold or realised in the normal course of business) all the assets included in the Accounts and to all assets acquired since the Accounts Date and not subsequently sold or realised as described above. Such assets comprise all assets necessary for continuation of the Business as carried on the Agreement Date. None of such assets including the goodwill of the Banking Company is subject to any Encumbrance.

- 12.2 The vehicles, computers and other equipment used in connection with the Business:
- (a) are in good and safe state of repair (subject to ordinary wear and tear) and satisfactory working order and have been properly serviced and maintained;
 - (b) are the absolute property of the Banking Company, except for those items which are the subject of hire purchase, leasing or rental agreements listed in the Disclosure Letter, or in respect of which the outstanding payments do not exceed Rs. 1,500,000 (Rupees One Million Five Hundred Thousand);
 - (c) are not expected to require replacements or additions at a cost in excess of Rs.5,000,000/- (Rupees Five Million) within 6 (Six) months from the Agreement Date.
- 12.3 All the assets of the Banking Company that are insurable have at all times been, insured with reputable insurers at a sum equal to the full replacement or reinstatement value of such assets, payable on losses caused by fire and other risks. The insurance policies so held by the Banking Company are on such terms, cover such risks, contain such deductibles and retentions and are in such amounts as are customarily held by companies of established reputation engaged in the same or similar business as the Banking Company.
- 12.4 The Banking Company is, and has at all times been, adequately and suitably covered against accident, damage, third party loss (including product liability), loss of profits and other risks customarily insured by Persons carrying on the same or similar type of business carried on by the Banking Company.

13. COMPLIANCE WITH APPLICABLE LAWS

- 13.1 The Business and all transactions undertaken by the Banking Company have been carried out in accordance with all applicable Laws.
- 13.2 The Banking Company and its Business:
- (a) is in compliance with applicable Law, including all the rules, regulations and norms prescribed by the RBI that are applicable to the Banking Company and Environmental Law, and the Banking Company has not received any notice or other communication from RBI in connection with any breach of applicable Law or from any other Governmental Authorities or any relevant foreign equivalent alleging any material default under applicable Law;
 - (b) has obtained and maintained all Consents required under applicable Law or as required to carry on its Business, and to the best of the Banking Company's or the Founders' knowledge, there is no reason why such Consents shall be suspended or revoked.
- 13.3 Neither the Founders nor the Banking Company nor any of their respective Affiliates, nor any officer, employee, director, principal, owner, agent, Representatives or any other persons acting on behalf of the Banking Company and/or the Founders (all of the foregoing being collectively the "**Relevant**

Persons”) has in the course of its actions for or on behalf of, the Banking Company, engaged directly or indirectly in transactions connected with any of North Korea, Cuba, Iran, Syria or Sudan, or otherwise engaged directly or indirectly in transactions connected with any government, country or other Person that is, or is owned or controlled by a Person that is, (i) the subject or target of economic sanctions administered or enforced by OFAC (including “Specially Designated Nationals and Blocked Persons” designated by the OFAC), the United Nations Security Council, the European Union or Her Majesty’s Treasury (collectively, “**Sanctions**”) and no Relevant Person is, or is owned or controlled by a Person that is, any such Person; or (ii) is located, organized or resident in a country or territory that is the subject of Sanctions (including without limitation, North Korea, Cuba, Iran, Syria or Sudan). No Relevant Person has directly or indirectly, lent, contributed or otherwise made available any monies to any Person for the purpose of financing the activities of any Person that is the subject of any Sanctions. No Relevant Person has conducted, or entered into a contract to conduct, any transaction or business activities with the Governmental Authorities, agents, representatives or residents of, or any Person based or resident in, the countries that are currently the subject of any Sanctions; and no Relevant Person has financed the activities of any person currently, or who at the time of financing was, the subject of any Sanctions. No Relevant Person shall, directly or indirectly, take any action with respect to the use of the Subscription Amount that would result in a violation by the Investor of Sanctions, including, without limitation: (i) funding or facilitating any activities or business of, or with, any Person or in any country or territory that, at the time of such funding or facilitation, is the subject of any Sanctions; (ii) taking any other actions that will result in a violation of Sanctions by any Person; or (iii) using the Subscription Amount to fund any business activities with, or for the benefit of, a government, national, resident or legal entity of North Korea, Cuba, Iran, Syria or Sudan, or any other country or Person with respect to which U.S. persons, as defined in U.S. regulations or statutes administered or enforced by OFAC, are prohibited from doing business.

13.4 None of the Relevant Persons, in the course of its actions for, or on behalf of, the Banking Company:

- (a) has violated or is in violation of any provision of the FCPA, or any other applicable money laundering laws or Anti-Corruption Laws or Sanctions Laws and Regulations and no action, investigation, suit or proceeding by or before any court or governmental agency, authority or body or law enforcement, regulatory agency or any customer or supplier any arbitrator involving the Banking Company or any of its subsidiaries with respect to the applicable money laundering laws, Anti-Corruption Laws or Sanctions Laws and Regulations is pending or, to the best knowledge of the Banking Company, threatened;
- (b) has admitted to, or been found by a court in any jurisdiction to have engaged in any violation of any Anti-Corruption Laws, Sanctions Laws and Regulations, or anti-moneylaundering laws, or been debarred from bidding for any contract or business, and there are no circumstances which are likely to give rise to any such investigation, admission, finding or disbarment;
- (c) has taken or omitted to take, directly or indirectly, any action that would

cause the: (i) Banking Company or any of its Subsidiaries; or (ii) as of following the Completion Date, the Investor or any of its Affiliates to be in violation of the Anti-Corruption Laws, and no Relevant Person is aware of any investigation of, or request for information from, the Banking Company by law enforcement officials regarding the Anti-Corruption Laws; or

- (d) has taken or omitted to take any action in furtherance of an offer, payment, promise to pay, authorisation or ratification of the payment, directly or indirectly, of any gift, money or anything of value to any Government Official or to any Person that would cause the Relevant Person to be in violation of applicable Law or subject to any civil or criminal proceeding or under circumstances where the Relevant Person knew that all or a portion of such money, property, gift or thing of value would be offered, given or promised to any Government Official, for the purpose of:
 - (i) influencing any act or decision of such Government Official in its official capacity;
 - (ii) inducing such Government Official to do or omit to do any act in relation to its lawful duty;
 - (iii) securing any improper advantage, including to obtain a tax rate at a lower than allowed by applicable Law;
 - (iv) inducing such Government Official to influence or affect any act or decision of any Governmental Authority or any relevant foreign equivalent; or
 - (v) assisting the Banking Company in obtaining or retaining Business.

13.5 Neither the Banking Company nor any of its Affiliates has received any allegation or conducted any internal investigation related to a violation or potential violation of the Anti-Corruption Laws.

13.6 Neither the Banking Company nor any of its Affiliates has information that would lead a reasonable person to believe that there is a high likelihood that any person has made any payment in violation of any Anti-Corruption Law on behalf of, or for the benefit of, the Banking Company or any of its Affiliates.

13.7 The Banking Company has no significant grounds to believe that the Banking Company or any of its Affiliates is in violation of the Anti-Corruption Laws, including any: (i) payments to agents in excess of commercially reasonable terms; (ii) requests or recommendations from a Governmental Official or other relevant person for the Banking Company or any of its Affiliates to retain a particular agent; (iii) requests by employees of the Banking Company or any of its Affiliates for an improper payment; (iv) unusually large expenses by employees or agents of the Banking Company or any of its Affiliates; or (v) unusual invoicing procedures.

13.8 (i) No current officer, director, employee, agent or shareholder of the Banking Company or any of its Affiliates is or, to the Banking Company's knowledge,

currently intends to become a Governmental Official; and (ii) no former officer, director, employee, agent or shareholder of the Banking Company or any of its Affiliates was a Governmental Official while such person was an officer, director, employee, agent or shareholder of the Banking Company or any of its Affiliates.

- 13.9 The Banking Company: (i) has established and continues to maintain reasonable policies and internal controls and procedures intended to ensure compliance with the Anti-Corruption Laws and anti-money laundering laws, including controls and procedures designed to ensure that the employees and agents of, and all other persons who perform or have performed services for or on behalf of, the Banking Company do not make payments in violation of the Anti-Corruption Laws and anti-money laundering laws; (ii) has maintained its books and records in a manner that, in reasonable detail, accurately and fairly reflects its transactions and dispositions of assets; and (iii) has maintained a system of internal accounting controls sufficient to provide reasonable assurances that: (a) transactions are executed and access to assets is given only in accordance with management's authorisation; (b) transactions are recorded as necessary to permit preparation of periodic financial statements and to maintain accountability of corporate assets; and (c) recorded assets are compared with existing assets at reasonable intervals and appropriate action is taken with respect to any discrepancies between recorded and actual assets.
- 13.10 To the best of the Banking Company's or the Founders' knowledge, no director or officer of the Banking Company has made false or misleading statements to, or attempted to coerce or fraudulently influence, an accountant in connection with any audit, review or examination of the financial statements of the Banking Company.
- 13.11 The Banking Company is not a party to any Contract or involved in any conduct which infringes, or is otherwise void or unenforceable in whole or in part under the prevailing legal regime and legislation governing competition in any jurisdiction in which it carries on business or has assets or sales and has not, pursuant to any such regime and legislation, given any undertaking, applied for negative clearance, exemption, guidance or approval, had an order, notice or direction made against it or received any request for information, investigation or statement of objections from or corresponded with any Governmental Authority or any relevant foreign equivalent.
- 13.12 The facilities of the Banking Company are built and operated and the business of the Banking Company is conducted in compliance with all applicable national and local Environmental Laws, labour and/or employment Laws and worker safety and welfare regulations and with due regard for the health and safety of its employees.
- 13.13 The Banking Company is not subject to any fine, penalty, judgment, order or decree of any Governmental Authority or any relevant foreign equivalent.

14. INDEBTEDNESS

14.1 Debts owed to the Banking Company

- (a) There are no debts owing to the Banking Company, other than book debts incurred in the ordinary and usual course of business, which do not exceed Rs. 7,315,00,00,000 (Rupees Seven Thousand Three Hundred and Fifteen

Crore) in aggregate as at December 31, 2018. The book debts shown in the Accounts have or will realise within the stipulated period from the date of the Accounts and their nominal amount less any specific provision for bad or doubtful debts included in such Accounts. The book debts incurred and owed to the Banking Company in relation to its business which are outstanding as at December 31, 2018 (of an amount aggregating to Rs. 5,422,00,00,000 (Rupees Five Thousand Four Hundred and Twenty Two Crore) only are due to be realised within the stipulated period from the date of incurrance their nominal amount less any specific provision for bad or doubtful debts included in such Accounts.

- (b) As on March 31, 2019, the loans originated by the Banking Company in the calendar years 2015 and 2016, which are non-performing assets in terms of the extant RBI directions, will have been provided for to the extent of atleast 97% (Ninety Seven percent) on a weighted average basis (not considering technical write-offs).

14.2 Debts owed by the Banking Company

- (a) The Banking Company does not have outstanding any borrowing or Indebtedness (including, without limitation, any indebtedness for money borrowed or raised under any acceptance credit, bond, note, bill of exchange or commercial paper, finance lease, hire purchase Contract, trade bills, forward sale or purchase Contract or conditional sale Contract or other transaction having the commercial effect of a borrowing), except money borrowed from third parties as disclosed in the Accounts for the Financial Year ended on the Accounts Date, and the details of which as at paragraph 14.2(a) (*Debts owed by the Banking Company*) are set out in the Disclosure Letter. The Banking Company has not received any notice to repay under any Contract relating to any borrowing or indebtedness which is repayable on demand.
- (b) In relation to each agreement, trust deed, instrument or arrangement under which the Banking Company has outstanding any loan capital, has outstanding any money borrowed or raised (including money raised by acceptances or debt factoring) or has any liability (whether present or future, actual or contingent) in respect of any guarantee or indemnity:
- (i) full, up to date and accurate particulars of it in reasonable detail are set out in or, as the case may be, annexed to the Disclosure Letter;
 - (ii) there has not been any contravention of, or non-compliance with, any of its terms or conditions, in connection with which “event of default” notice have been received from the creditors;
 - (iii) no steps for the enforcement of any Encumbrance have been taken or threatened;
 - (iv) except as fairly disclosed in the Disclosure Letter, there are no provisions requiring the Banking Company to seek consent of, or intimate, any other party to such agreement, in the event of a change

of Control, or a change in the shareholding pattern of the Banking Company;

- (v) the Banking Company or the Founders have not done anything which might affect or prejudice its continuation;
- (vi) it is not dependent on the guarantee of, or on any security provided by, a third party; and
- (vii) it is not terminable, and no amount is or may become repayable under it, directly or indirectly, by reason of the issue of the Subscription Securities or any other aspect of the transactions contemplated in the Definitive Agreements.

15. BANKING COMPANY'S ASSETS

For the purposes of this Warranty, “**assets**” shall not include the Properties, to which the provisions of paragraph 27 of this **Schedule 4** shall apply.

15.1 Ownership

Except as fairly disclosed in the Disclosure Letter, all the assets included in the Accounts or acquired since the Accounts Date (other than assets sold/ encumbered in the ordinary course of business) are the absolute property of the Banking Company, free and clear of any Encumbrance.

15.2 Possession and third party facilities

- (a) All of the assets owned by the Banking Company, or in respect of which the Banking Company has a right of use, are in the possession or under the control of the Banking Company.
- (b) Where any assets are used in the Business but not owned by the Banking Company or any facilities or services are provided to the Banking Company by any third party, including software / solutions such as Flexcell, FINO and Salesforce.com, there has not occurred any event of default or any other event or circumstance (including any event or circumstance which with the giving of notice and/or the lapse of time and/or a relevant determination would constitute such an event or circumstance), other than the expiry of any Contract in the normal course, which may entitle any third party to terminate any Contract or licence in respect of the provision of such facilities or services.

15.3 Adequacy of assets

The assets of the Banking Company and the facilities and services to which the Banking Company has a contractual right include all rights, properties, assets, facilities and services necessary for the carrying on of the Business by the Banking Company in the manner in which it is presently carried on and is contemplated to be carried on.

15.4 **Cash**

Since the Accounts Date, the cash balances of the Banking Company have not been reduced by any payments except for amounts payable in the ordinary and usual course of business.

15.5 **Insurance**

- (a) The Banking Company is insured with reputable insurers with respect to the matters set forth in the Disclosure Letter. The Banking Company's insurances are in full force and effect, all premiums due have been paid and the Banking Company is not in default thereunder. To the best of the Banking Company's or the Founders' knowledge, there are no circumstances which might lead to any liability under such insurance being avoided by the insurers.
- (b) The insurance policies held by the Banking Company are on such terms (including without limitation as to deductibles and self-insured retentions), cover such risks, contain such deductibles and retentions and are in such amounts as are (i) customarily held by companies of established reputation engaged in the same or similar business as the Business, in accordance with industry best practices, and (ii) required pursuant to the provisions of any Contract the Banking Company is party to. The insurance coverage provided by such policies is adequate and suitable for the Banking Company's Business and operations.
- (c) No claim is outstanding by the Banking Company under any policy of insurance held by it and there are no losses suffered by the Banking Company in respect of which a claim can be made under any policy of insurance held by it. To the best of the Banking Company or the Founders' knowledge, there are no circumstances that are likely to give rise to a claim under any policy of insurance held by the Banking Company.

16. **INTELLECTUAL PROPERTY AND INFORMATION TECHNOLOGY**

16.1 **Registered rights**

- (a) The Disclosure Letter contains true, complete and accurate lists of all Intellectual Property Rights registered or sought to be registered in any jurisdiction which are legally and beneficially owned solely by the Banking Company in relation to its Business, including details of any limit as to time or right of termination affecting the use of the Intellectual Property Right.
- (b) The Banking Company is the sole and absolute owner of or has the right to use all the Intellectual Property Rights required by it in relation to the Business.
- (c) The Banking Company has not entered into any agreement for the license of any Intellectual Property Rights and the Banking Company is not liable to pay any royalty or license fee to any Person. No act has been done or

omitted to be done which renders and no event has occurred or is, to the best of the Banking Company's and Founders' knowledge, likely to occur which may render any of such Intellectual Property Rights subject to revocation, compulsory licence, cancellation or amendment or may prevent the grant or registration of a valid Intellectual Property Right pursuant to a pending application.

- (d) The Intellectual Property Rights which are owned or otherwise used by the Banking Company are not subject to any Encumbrance.
- (e) No part of the Business of the Banking Company infringes, or is, to the best of the Banking Company's and Founders' knowledge, likely to infringe, any rights held by any Person or involves the unauthorised use of confidential information disclosed to the Banking Company in circumstances which entitle any Person to make a claim. No claim has been made by any Person which alleges any infringing act or process or which otherwise disputes the right of the Banking Company to use any Intellectual Property Rights relating to its Business. The Banking Company has not acquiesced to the unauthorised use by any Person of any Intellectual Property Rights. No circumstances (including any act or omission to act) exist or are likely to arise, which give rise to claims of infringement.
- (f) The Banking Company is not and has not in the past been in default under any licence, sub licence or assignment granted to it in respect of any Intellectual Property Rights used in relation to its Business.
- (g) No name or mark identical or similar to the Intellectual Property Rights has been registered by any Person in the same or similar business as the Business.
- (h) There has not been any unauthorised use by any Person of any Intellectual Property Rights of the Banking Company.

16.2 **Confidential information**

- (a) The Banking Company is not in breach of any confidentiality obligation owed to any Person. No Person that owes an obligation of confidentiality to the Banking Company is in breach of such obligations. The Founders are not in breach of any confidentiality obligation owed by them to the Banking Company in respect of any Confidential Information.
- (b) As a matter of practice, the Banking Company and the Founders execute confidentiality agreements while disclosing any Confidential Information to third parties.

16.3 **Records and software**

The Banking Company is licensed to use all software necessary to enable it to continue to use its computerised records for the foreseeable future in the same manner in which they have been used prior to the Agreement Date and does not share any user rights in respect of such software with any other Person.

17. MARKETING INFORMATION

- 17.1 All Marketing Information used by the Banking Company is owned by or is the subject of a valid grant of rights to the Banking Company and is not subject to any restriction which could affect the Banking Company's ability to use it for the purposes of its Business.
- 17.2 The Banking Company has not, except in the normal and proper course of the Banking Company's business, disclosed and is not obliged to disclose any Marketing Information of a confidential nature to any Person other than its employees.
- 17.3 The Banking Company is not in breach of any Contract under which any Marketing Information was or is to be made available to it.

18. DATA PROTECTION

- 18.1 For the purposes of this paragraph, "**Data Protection Legislation**" means all statutes, enacting instruments, common law, regulations, codes of practice, decisions, recommendations and the like (whether in India or elsewhere) concerning the protection and/or processing of personal data including relevant provisions of the (Indian) Information Technology Act, 2000.
- 18.2 All the records and all data and information of the Banking Company are recorded, stored, maintained, operated or otherwise held exclusively by the Banking Company and are not wholly or partly dependent on any facilities or means (including any electronic, mechanical or photographic process, computerised or otherwise) which are not under the exclusive ownership and control of the Banking Company. The Banking Company has not disclosed to any third party any such records, data or information.
- 18.3 The Banking Company has complied with all relevant requirements of Data Protection Legislation.
- 18.4 The Banking Company has not received any notice from any Governmental Authority or any relevant foreign equivalent, a data controller or a data subject alleging non-compliance with any Data Protection Legislation (including data protection principles), requiring the Banking Company to change or delete any data or prohibiting any transfer of data to a place within or outside India.
- 18.5 No person has claimed compensation from the Banking Company under any Data Protection Legislation, including for unauthorised or erroneous processing or loss or unauthorised disclosure of data.

19. CONTRACTUAL MATTERS

- 19.1 Except as fairly disclosed in the Disclosure Letter, all Contracts to which the Banking Company is a party have been properly executed by the Banking Company and the other party/ies thereto and duly stamped and registered (if required) in accordance with applicable Law.

19.2 **Material contracts**

Except for the Contracts set forth in the Disclosure Letter, there is no outstanding Contract to which the Banking Company is a party:

- (a) which is not in the ordinary course of business;
- (b) which relates to Indebtedness (whether incurred, assumed, guaranteed or secured by any asset);
- (c) involves payment of any sum by the Banking Company determined by reference to fluctuations in any index;
- (d) contains provisions requiring the Banking Company to seek consent of, or intimate, any other party to such contract or arrangement in the event of a change of Control, a change in the shareholding pattern or a change in the management of the Banking Company;
- (e) which, by virtue of the execution, delivery or performance of the terms of the Definitive Agreements, will result in:
 - (i) any other Person being relieved of any obligation or becoming entitled to exercise any right (including any right of termination or any right of pre-emption or other option); or
 - (ii) the Banking Company being in default under any Contract or losing any benefit, right or licence which it currently enjoys or in a liability or obligation of the Banking Company being created or increased;
- (f) which was entered into otherwise than in the ordinary course of business by way of bargain at arm's length (including, without limitation, in respect of shared facilities);
- (g) which, in the opinion of the management of the Banking Company exercising prudent business principles, upon completion by the Banking Company of its work or the performance of its other obligations under it, is likely to result in a loss which is not fully provided for in the Accounts or which is either not expected to make a normal profit margin or which involves an abnormal degree of risk;
- (h) which relates to the acquisition or disposition of any business, a material amount of stock or assets of any other Person or any material real property (whether by merger, sale of stock, sale of assets or otherwise);
- (i) which: (i) limits the freedom of the Banking Company to compete in any line of business or with any Person or in any area or which would so limit the freedom of the Banking Company after the Completion; or (ii) contains exclusivity obligations or restrictions binding on the Banking Company or that would be binding on the Banking Company after the Completion;

- (j) under which: (i) any Person has directly or indirectly guaranteed any liabilities or obligations of the Banking Company, or (ii) the Banking Company has directly or indirectly guaranteed any liabilities or obligations of any other Person (in each case other than endorsements for the purpose of collection in the ordinary course of business);
- (k) which involves or is likely to involve: (i) expenditure by the Banking Company in excess of Rs.100,000,000 (Rupees One Hundred Million); or (ii) obligations or restrictions on the Banking Company not in the ordinary and usual course of its business;
- (l) which establishes any agency, distributorship, marketing, purchasing, manufacturing or licensing Contract or arrangement;
- (m) which is a recognition, procedural or other Contract between the Banking Company and any recognised independent trade union; and
- (n) which has or, to the best of the Banking Company's or the Founders' knowledge is likely to have, a Material Adverse Effect on the business, condition (financial or otherwise), affairs, operations, assets or Properties of the Banking Company.

19.3 Defaults

- (a) Each Contract to which the Banking Company is a party is a legal, valid and binding obligation of each party thereto, in full force and effect in all respects and enforceable against each party thereto and is being performed in accordance with its terms.
- (b) The Banking Company has not received any "event of default" notice under any Contract to which it is a party.

19.4 Connected Person/Concern

- (a) All Contracts and arrangements entered into by the Banking Company with Connected Person/Concern have been fairly disclosed in the Disclosure Letter. As a result of the Completion, there will not be any outstanding amounts payable or receivable between the Banking Company and its Connected Person/Concern.
- (b) Neither the Founders, nor any Person or entity connected with the Founders, nor any Connected Person/Concern is or has at any time been a party to or interested in (directly or indirectly including by the provision of any security by or in favour of or for securing obligations of the Banking Company) any Contract in any way relating to the Banking Company or its activities.
- (c) Except as fairly disclosed in the Disclosure Letter, the Banking Company is not a party to any Contract or arrangement including for the provision of finance, goods, services or other facilities in which any Connected Person/Concern of the Banking Company is interested, directly or indirectly or any Contract or arrangement which is likely to be of importance to the

Business or profits of the Banking Company by reason of its scope, term, price, nature or otherwise, nor has there been any such contract or arrangement at any time during the 6 (Six) years ending on the Agreement Date.

- (d) No Connected Person/Concern of the Banking Company has any interest in any property (whether real, personal, or mixed and whether tangible or intangible) used in or pertaining to the Business or has owned (of record or as a beneficial owner) equity interest or any other financial or profit interest in a person that has had business dealings or a financial interest in any transaction with the Banking Company, other than business dealings or transactions conducted in the ordinary course of business with the Banking Company at prevailing market prices and on prevailing market terms.
- (e) The Business does not depend on the use of any asset owned by or resources or employees of or facilities or services provided by any Connected Person/Concern of the Banking Company.
- (f) No Connected Person/Concern of the Banking Company has any interest in any business which is or likely to be competitive with the Business.

20. LITIGATION AND INVESTIGATIONS

- 20.1 The Banking Company is not a claimant or defendant in, or otherwise a party to, any Litigation which is in progress or threatened, or pending by or against or concerning the Banking Company, any of its Properties, revenues or assets or any of its directors or officers in connection with the Banking Company and to best of the Banking Company and the Founders' knowledge there are no circumstances which are likely to give rise to any such Litigation in which the Banking Company will be a defendant.
- 20.2 There is no injunction, writ, preliminary restraining order or any order of any nature issued by an arbitrator, court, Governmental Authority or any relevant foreign equivalent or other statutory or regulatory authority affecting the Banking Company, any of its Properties, revenues or assets, or any of its directors or officers in connection with the Banking Company.
- 20.3 The Banking Company is not the subject of any investigation, inquiry, enforcement proceedings or process by any Governmental Authority and to best of the Banking Company and the Founders' knowledge there are no circumstances which are likely to give rise to any such investigation, inquiry, proceedings or process. No notice, claim, complaint or demand has been received by the Banking Company in respect of any Litigation instituted against the Banking Company.
- 20.4 There are no claims pending, or to the best of the Banking Company's or the Founders' knowledge, capable of arising, against the Banking Company, by an employee or workman or third party, in respect of an accident or injury, which are not fully covered by insurance.

21. DIRECTORS AND EMPLOYEES

- 21.1 The Banking Company is in compliance with all applicable labour legislations including the relevant shops and establishment legislations in respect of its employees employed in all its offices, the Employees Provident Fund and the Miscellaneous Provisions Act, 1952, the Payment of Bonus Act, 1965, the Minimum Wages Act, 1948, the Employees State Insurance Act, 1948 and Maternity Benefit Act, 1961 and has complied with all its obligations in relation to its employees including in relation to discharge in a timely manner of all payments.
- 21.2 There is no collective bargaining Contract, profit sharing, pension, retirement, bonus, incentive, compensation, option or benefit plan, employment, consulting or severance Contract and there are no labour unions or other organisations representing, purporting to represent or attempting to represent any employees of the Banking Company. The Banking Company has in relation to each of its employees (and so far as relevant to each of its former employees) complied with all statutes, regulations, codes of conduct, collective Contracts, terms and conditions of employment, orders and awards relevant to their terms and conditions of service or to the relations between the Banking Company and its employees (or former employees, as the case may be) or any recognised trade union, staff association or other body representing its employees or any of them.
- 21.3 No dispute has arisen between the Banking Company and its employees (or any trade union or other body representing all or any of such employees). No claim in relation to any of the Banking Company's employees or former employees has been made or threatened against the Banking Company or against any person whom the Banking Company is liable to compensate or indemnify.
- 21.4 Except ESOP 2017 and ESOP 2018, the Banking Company does not have in existence any employee stock option, stock purchase, stock appreciation right or phantom stock option schemes or any other plan or agreement providing for equity compensation to any person.
- 21.5 With respect to each Benefit Plan (a) all employer and employee contributions to each Benefit Plan required by applicable Law or by the terms of such Benefit Plan have been made, or, if applicable, accrued in accordance with GAAP; (b) the fair market value of the assets of each funded Benefit Plan, the liability of each insurer for any Benefit Plan funded through insurance or the book reserve established for any Benefit Plan, together with any accrued contributions, is sufficient to procure or provide for the accrued benefit obligations, as on the Completion Date, with respect to all current and former participants in such plan according to the actuarial assumptions and valuations most recently used to determine employer contributions to such Benefit Plan and none of the transactions contemplated under the Definitive Agreements shall cause such assets or insurance obligations to be less than such benefit obligations; and (c) each Benefit Plan required to be registered under applicable Law has been so registered and has been maintained in good standing with applicable Governmental Authorities.
- 21.6 Total number of employees as on January 31, 2019, standard appointment letters and bonus plan are set out in the Disclosure Letter.
- 21.7 Since the Accounts Date or where employment or holding of office commenced after that date, since the commencement date of employment or holding of office,

no change has been made in the rate of remuneration, or the emoluments or pension benefits, of an officer, ex-officer or senior executive of the Banking Company (a senior executive being a person in receipt of remuneration in excess of Rs.1,50,00,000 (Rupees One Crore and Fifty Lakhs) per annum), save and except for periodic annual bonuses and increments payable at the discretion of the Board.

- 21.8 Apart from the Benefit Plans, the Banking Company is not under a liability or obligation, or a party to an *ex-gratia* arrangement or promise, to pay or accustomed to paying pensions, gratuities, superannuation allowances or the like, to or for any of its past or present officers or employees or their dependants; and there are no retirement benefit, or pension or death benefit, or similar schemes or arrangements in relation to, or binding on, the Banking Company or to which the Banking Company contributes.
- 21.9 Accurate and complete particulars of the Benefit Plans are contained in, or annexed to, the Disclosure Letter, including the governing trust deeds, rules, announcements, explanatory, literature, assets, insurance policies and contracts, funding arrangements, current membership list and the latest actuarial report.
- 21.10 No proposal, assurance or commitment by the Banking Company has been communicated to any Person regarding any change to his terms of employment or working conditions or regarding the continuance, introduction, increase or improvement of any benefit or any customary or discretionary arrangement or practice and no negotiations have commenced for any such matter.
- 21.11 The Banking Company is in compliance with all applicable national and local labour and/or employment Laws and worker welfare and safety regulations and with due regard for the health and safety of its workers with respect to all its facilities and offices.
- 21.12 Except as fairly disclosed in the Disclosure Letter, the Banking Company does not engage any contract labourers as such term is understood under the Contract Labour (Regulation and Abolition) Act, 1970.
- 21.13 All statutory books, filings, registers and records as required in accordance with applicable labour and/or employment Law have been properly maintained and/or filed and each of these, are true, accurate and complete in all respects; and no notice or allegation, that any of them is incorrect or should be rectified, has been received.
- 21.14 The leave policy in the human resources manual of the Banking Company is in line with the leave to be granted to employees under applicable Law.

22. INSOLVENCY

- 22.1 The Banking Company is not insolvent and has not stopped or suspended paying debts as they fall due.
- 22.2 No order has been made, petition presented or meeting convened for the purpose of considering a resolution for the winding up of the Banking Company or for the appointment of any provisional liquidator. No Person has sought the appointment of an administrator out of court and no administrative order has been made in

relation to the Banking Company. No receiver (including any administrative receiver) has been appointed in respect of the whole or any part of any of the Properties, assets and/or undertaking of the Banking Company. No written demand has been made and no unsatisfied judgment, order or award is outstanding against the Banking Company. No distress, distraint, charging order, garnishee order, execution or other process has been levied or applied for in respect of the whole or any part of any of the Properties, assets and/or undertaking of the Banking Company.

- 22.3 The Banking Company has not entered into any compromise or arrangement with its creditors or any class of its creditors generally and no meeting to approve such a scheme of compromise or arrangement has been convened or proposed to be convened.
- 22.4 No guarantee, loan capital, borrowed money or interest for which the Banking Company is liable is overdue for payment and no other obligation or Indebtedness of the Banking Company is outstanding which is substantially overdue for performance or payment.

23. BROKERS

No broker, agent, finder, consultant or other Person has been retained by, or has acted on behalf of the Banking Company in such a manner as to give rise to any valid claim against the Banking Company for any brokerage or finder's commission, fee or similar compensation, or for any bonus payable to any Representative of the Banking Company based upon any Contract made by the Banking Company in connection with any of the transactions contemplated in the Definitive Agreements.

24. IMMUNITY

Neither the Banking Company nor any of its assets or Properties has any immunity from the jurisdiction of any court or Governmental Authority or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution or otherwise).

25. OTHERS

- 25.1 All filings required to be filed in respect of the Banking Company or as has been mandated by a Governmental Authority, including the minimum capitalisation returns / chartered accountant certificate, have been duly filed within the prescribed period and the Banking Company is in full compliance with all Laws pertaining to it and with any directions received by it from any Governmental Authority or other statutory or regulatory body. All the appropriate controls and policies required to be formulated and/or implemented by the Banking Company have been formulated and implemented and the Banking Company's investment policy and the policies pertaining to the Banking Company's exposure to a single party / single group of parties have been formulated in accordance with Law. The Banking Company's formulation of the maturity pattern of its assets and liabilities is in accordance with Law and the relevant prudential norms.

- 25.2 The Banking Company has not accepted any deposits except as permitted for a small finance bank under the applicable RBI regulations/guidelines.
- 25.3 The Banking Company has made provisions in its Accounts for non-performing assets in accordance with the regulatory guidelines.
- 25.4 The Banking Company does not have any outstanding obligation in respect of a derivative transaction including any foreign exchange transaction.
- 25.5 The Banking Company and the Founders are in compliance with all agreements and arrangements entered into with the existing shareholders of the Banking Company and have not received any notice alleging any breach of any of the terms of the aforesaid agreements or arrangements.
- 25.6 The Banking Company is not subject to any arrangement for receipt of payment of grant, subsidy or financial assistance from any Governmental Authority or any relevant foreign equivalent. The Banking Company has not incurred any political expenditure or made any political or charitable donation and is not under any commitment to do so.
- 25.7 The Banking Company and the Founders are in compliance with the CVC Investment Agreement and the 2012 Subscription Agreement, the 2012 Shareholders Agreement, the 2013 Subscription Agreement and the 2013 Shareholders Agreement, 2014 Subscription Agreement, 2014 Shareholders Agreement, 2016 Subscription Agreement, Series F Shareholders' Agreement, 2017 Subscription Agreement, the ICICI SSAs, the First HV SSA, the Shareholders' Agreement and all other agreements and arrangements entered into with the existing shareholders of the Banking Company and have not received any notice alleging any breach of any of the terms of the aforesaid agreements or arrangements.

26. PROPERTY WARRANTIES

26.1 General

- (a) The Banking Company does not hold any freehold property and has not leased or sub-let the Properties to any other Person.
- (b) The Properties comprise all the land and buildings leased, controlled, occupied or used by the Banking Company or in relation to which the Banking Company has any right, interest or liability. “**Properties**” means the properties leased or taken on leave and license and used by the Banking Company listed in the Disclosure Letter.
- (c) In respect of the Properties: (i) lease deeds have been executed in favour of the Banking Company; (ii) the Banking Company is in possession of the leased Properties in accordance with lease deeds; (iii) the lease deeds in respect of the Properties have been duly and validly stamped and registered at the appropriate public registry in accordance with applicable Law; and (iv) the information contained in the Disclosure Letter is true, complete and accurate and not misleading in any respect.

26.2 Possession and occupation

The Banking Company is in possession of the whole of each of the Properties and to the best of the Banking Company's knowledge, no other Person is in or actually or conditionally entitled to possession, occupation, use or control of any of the Properties. There is no covenant, restriction, burden or stipulation affecting any Property which conflicts with its present use.

26.3 Outgoings

- (a) The Properties are not subject to the payment of any outgoings nor is the Banking Company actually or contingently liable to pay any sums in relation to any of the Properties, other than the usual rates and Taxes, maintenance expenses, rent, insurance rent and service charge payable in case of leasehold properties in the relevant locations.
- (b) There is no outstanding liability beyond 30 (Thirty) days of the payment due date for any rent, service charge, insurance rent, rates, Taxes or other outgoings in respect of any of the Properties.

26.4 Costs

The Banking Company is not for any reason anticipating liability for or the expenditure of any material sum of money in respect of any of the Properties.

26.5 Leasehold properties

In relation to the leased Properties:

- (a) each Lease is legal, valid, binding and in full force and effect, all covenants, conditions and Contracts contained in the relevant Leases, on the part of the Banking Company, have been complied with;
- (b) the terms of the Lease are such as would normally be found in a Lease of similar nature;
- (c) there has been no complaint in writing alleging any breach or any refusal to accept rent;
- (d) no tenancy is being continued after the contractual expiry date whether pursuant to statute or otherwise; and
- (e) all Leases of Properties are on an arm's length basis and except as fairly disclosed in the Disclosure Letter, no Lease of any Property has been provided to or taken from any Connected Person/Concern.

27. ENVIRONMENTAL MATTERS

The Banking Company has complied with and is in compliance with all applicable Environmental Laws and has obtained and is in compliance with all applicable

Environmental Permits. No notice of violation, notification of liability or request for information has been received by the Banking Company relating to or arising out of any Environmental Law. No order has been issued, no penalty or fine has been assessed involving the Banking Company relating to or arising out of any Environmental Law. No Hazardous Substances are located and no releases of Hazardous Substances have occurred at, on, above, under or from any properties currently leased, operated or used by the Banking Company that has resulted in or would reasonably be expected to result in any cost, liability or obligation of the Banking Company under any Environmental Law.

SCHEDULE 5

DISCLOSURE LETTER

[enclosed]

SCHEDULE 6

TERMS OF THE INVESTOR CCPS

Sr. No.	Head of Term	Particulars
1.	Nature of Instrument	<p>Unsecured, Fully Paid-Up, Non-Redeemable, Non-Cumulative Compulsorily Convertible Preference Shares.</p> <p>The Investor CCPS shall not be redeemable and shall compulsorily convert to Equity Shares on the terms as set out herein.</p>
2.	Dividend	<p>The Investor CCPS shall carry a preferential dividend computed at 16% p.a. (Sixteen percent per annum).</p> <p>The dividend shall be payable in accordance with and subject to the relevant Basel III Guidelines. In particular, the following provisions will apply in respect of dividend:</p> <ul style="list-style-type: none"> • The Banking Company shall have full discretion in relation to declaration, payment and distribution of dividend, including declaration, payment and distribution to other classes of shareholders (including equity shareholders) over the holders of Investor CCPS provided that, subject to Basel III Guidelines, the Banking Company shall not be entitled to make dividend payments on/ undertake a buyback of common equity shares in the event that dividend on the Investor CCPS has not been paid; • The cancellation of discretionary payments shall not be an event of default. The Banking Company shall have full access to any cancelled distributions to meet its obligations as they fall due; • The dividend will be paid out of distributable items and out of current year's profits only and not out of any other funds available to the bank; • Dividend shall not be cumulative. <p>It is clarified that:</p> <p>(a) Dividend missed in a year will not be paid in future years, even if adequate profit is available and the level of capital to risk-weighted assets ratio conforms to the regulatory minimum.</p> <p>(b) Further, when dividend is paid at a rate lesser than the aforesaid rate, the unpaid amount will not be paid in future years, even if adequate profit is available with the Banking Company and the level of capital to risk-weighted assets ratio conforms to the prescribed regulatory minimum.</p>

Sr. No.	Head of Term	Particulars
3.	Seniority	<p>The claims of the holders of the Investor CCPS shall be:</p> <ul style="list-style-type: none"> • Superior to the claims of holders of equity shares of the Banking Company, until conversion of the Investor CCPS to Equity Shares; • Subordinated to the claims of perpetual debt instruments, all tier 2 regulatory capital instruments, depositors and general creditors of the Banking Company; and • Neither be secured nor covered by a guarantee of the Banking Company nor related entity or other arrangement that legally or economically enhances the seniority of the claim <i>vis-à-vis</i> creditors of the Banking Company.
4.	Terms of Conversion and loss absorption features	<p>The Investor CCPS shall have principal loss absorption through conversion to common shares at 4 (Four) objective pre-specified trigger point(s) set out below.</p> <p style="text-align: center;"><u>Terms of Conversion</u></p> <p><u>Mandatory Conversion</u></p> <p>The Investor CCPS shall mandatorily convert into Equity Shares of the Banking Company on the earlier of:</p> <ol style="list-style-type: none"> (a) 1 (one) day prior to the date on which the final prospectus in relation to a potential initial public offer of the securities of the Banking Company (“IPO”) is filed with the relevant Registrar of Companies (“RoC”); (b) if the IPO is not completed by March 31, 2023; (c) the Banking Company having Common Equity Tier 1 capital of 6% (Six percent) of the risk weighted assets of the Banking Company or such regulatory minimum trigger point as is prescribed as per the extant RBI directions/ operating guidelines at the relevant time; (d) the date on which the RBI determines that the Banking Company has reached a point of non-viability (in terms of the Basel III Guidelines) and requires the Investor CCPS to be converted into equity shares in accordance with Annex 16 of the Basel III Guidelines. <p>Conversion Price if IPO occurs before March 31, 2023</p> <ol style="list-style-type: none"> 1. The conversion price of the Investor CCPS shall be the IPO Price multiplied by the Discounting Factor (“IPO Conversion Price”).

Sr. No.	Head of Term	Particulars
		<p>2. The term “IPO Price” shall mean the simple average of IPO price band set out in the final prospectus filed by the Banking Company with the relevant RoC.</p> <p>3. The term “Discounting Factor” shall for each month after the allotment of the Investor CCPS up to March 31, 2023 be computed based on a range commencing from 0.77 (Zero decimal point Seven Seven) to 0.34 (Zero decimal point Three Four) with a reduction on a proportionate scale on a monthly basis.</p> <p>4. The Investor CCPS shall convert into Equity Shares of the Banking Company basis the IPO Conversion Price (“IPO Converted Shares”).</p> <p>Conversion Price if IPO does not occur before March 31, 2023</p> <p>1. If the IPO is not completed for any reason whatsoever on or prior to March 31, 2023, then the conversion price (“Valuation Price”) shall be determined as the notional price of a capital market offering of the shares of the Banking Company (being the average of the notional prices determined by 2 (Two) merchant bankers both mutually appointed by the Banking Company and the Investor) multiplied by a discounting factor of 0.34 (Zero decimal point Three Four) and the Investor CCPS shall mandatorily convert into Equity Shares of the Banking Company within 5 (Five) days from March 31, 2023.</p> <p>2. The Investor CCPS shall convert into Equity Shares of the Banking Company basis the Valuation Price (“Valuation Converted Shares”).</p> <p>Conversion Price in any other scenario of mandatory conversion</p> <p>1. The conversion price (“Other Scenario Conversion Price”) shall be determined as the notional price of a capital market offering of the shares of the Banking Company (being the average of the notional prices determined by 2 (Two) merchant bankers both mutually appointed by the Banking Company and the Investor) multiplied by the Discounting Factor applicable to the month in which such conversion occurs or 0.34 (Zero decimal point Three Four) in case such conversion occurs after March 31, 2023.</p> <p>2. The Investor CCPS shall convert into equity shares of the Banking Company basis the Other Scenario Conversion</p>

Sr. No.	Head of Term	Particulars
		<p>Price (“Other Scenario Converted Shares”).</p> <p>General terms</p> <p>In the event that the number of IPO Converted Shares/ Valuation Converted Shares/ Other Scenario Converted Shares to be issued to the Investor, when taken together with the percentage represented by the Equity Shares issued to the Investor, results in the Banking Company being required to issue Equity Shares in excess of 4.99% (Four decimal point Nine Nine percent) of the paid-up share capital of the Banking Company, then for such conversion, the necessary approval of the RBI shall be sought. The Investor and the Banking Company shall in good faith (i) make the necessary applications to the RBI for the issuance of such excess of equity shares (“RBI application”), and (ii) take all other steps as may be necessary under applicable Law in this regard.</p> <p>Upon conversion of the Investor CCPS, the terms of such common equity shares shall be subject to the regulations prescribed by the RBI including Annex 1 of the Basel III Guidelines and the shareholders’ agreement then prevailing among the shareholders of the Banking Company.</p>
5.	Other events – Insolvency, winding-up, amalgamation, acquisition, re-constitution	The treatment of Investor CCPS in the event of insolvency, winding-up, amalgamation, acquisition, re-constitution of the Banking Company shall be in accordance with the relevant provisions of the BASEL III Guidelines.
6.	Modification / Alteration of rights attached to Investor CCPS	<p>The Banking Company is and shall on or prior to the issuance of the Investor CCPS, satisfy itself that the terms and conditions attached thereto are in accordance with the provisions of the Banking Regulation Act, 1949 and the Basel III Guidelines issued by the RBI.</p> <p>The rights, privileges, terms and conditions attached to the Investor CCPS may be varied, modified or abrogated in the event that the same is mandatorily required as a result of any change or modification introduced in the provisions of the Banking Regulation Act, 1949 and the Basel III Guidelines issued by the RBI after the date of issuance of the Investor CCPS (“Change in Law Event”). In the event that after the date hereof, the Banking Company requires any modifications or amendments (other than due to a Change in Law Event), the Banking Company and the Investor shall in good faith hold discussions to seek to mutually agree upon such amendment/ substituted provision which achieves the same commercial effect as the terms and conditions had prior to such amendment. In the event that the Banking Company and the Investor do not</p>

Sr. No.	Head of Term	Particulars
		<p>arrive at a mutual agreement upon such amendment/ substitute provision within 30 (Thirty) days of the commencement of discussions in this regard, then notwithstanding anything to the contrary contained herein, no modifications to the terms and conditions shall be made.</p> <p>The Investor CCPS shall be transferable in accordance with the applicable provisions of the Act and the Banking Regulation Act, 1949.</p>
7.	Incorporation of Terms	The relevant provisions of the Basel III Guidelines shall be deemed to have been incorporated herein by reference.
8.	Opinions/ Certifications	<p>The Banking Company shall obtain:</p> <p>(a) a certificate from its statutory auditor clearly stating that the conversion mechanism chosen by the Banking Company for the Investor CCPS issuance is able to generate common equity Tier 1 under the prevailing accounting standards;</p> <p>(b) a legal opinion confirming that the conversion of the Investor CCPS at the pre-specified triggers contemplated in row 4 above by the Banking Company is legally enforceable.</p> <p>Further, the legal opinion should also confirm that there are no legal impediments to the conversion of the Investor CCPS into ordinary shares of the Banking Company upon a trigger event.</p>

ANNEXURE – 1

CONDITIONS PRECEDENT COMPLETION NOTICE

Date:

To,

[]

Dear Sirs,

Re: Confirmation of satisfaction of the Conditions Precedent to the Completion

We refer to the securities subscription agreement dated [●], (“SSA”) executed *inter alia* between Jana Small Finance Bank Limited and [*Insert name of the Investor*]. All capitalised terms used in this notice and not defined here shall have the meanings referred to them under the SSA.

This certificate is being issued pursuant to Clause 5.4 of the SSA. We hereby confirm satisfaction of all the Conditions Precedent.

Documentary evidence to the effect that the Conditions Precedent have been fulfilled, is enclosed herein.

Thank You

For Jana Small Finance Bank Limited

[*Insert name of authorised signatory*]

For Jana Urban Foundation

[*Insert name of authorised signatory*]

Mr. Ramesh Ramanathan

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

BY JANA SMALL FINANCE BANK LIMITED (FORMERLY KNOWN AS JANALAKSHMI FINANCIAL SERVICES LIMITED)

Through its authorised signatory



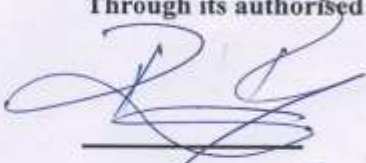
Name : AJAY KANWAL

Designation : MD & CEO

[EXECUTION PAGE TO THE AMENDED AND RESTATED SECURITIES SUBSCRIPTION AGREEMENT]

BY JANA URBAN FOUNDATION

Through its authorised signatory



Name : RAMESH RAMANATHAN

Designation : DIRECTOR

BY RAMESH RAMANATHAN

A handwritten signature in black ink, appearing to be 'Ramesh Ramanathan', written over a horizontal line.

BY HERO ENTERPRISE PARTNER VENTURES

Through its authorised signatory

The image shows two handwritten signatures in blue ink. The first signature is on a horizontal line and appears to be 'Amit Aggarwal'. The second signature is written above the first and appears to be 'Rakesh Kumar'.

Name : Amit Aggarwal and Rakesh Kumar

Designation : Authorised Signatories

[EXECUTION PAGE TO THE AMENDED AND RESTATED SECURITIES SUBSCRIPTION AGREEMENT]