



MANAPPURAM FINANCE LIMITED  
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## Notice

Notice is hereby given that the **31<sup>st</sup> Annual General Meeting (AGM)** of the shareholders of **Manappuram Finance Limited** ("the Company") will be held on **August 17, 2023, Thursday at 11.00 A.M. (IST)** at Latha Convention Centre (formerly known as Anugraha Auditorium), Valapad, Thrissur, Kerala - 680 567, India to transact the following business:

### ORDINARY BUSINESS:

#### 1. Adoption of Financial Statements

To receive, consider and adopt the audited Standalone as well as Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, together with Reports of the Board of Directors and Auditors thereon.

#### 2. Appointment of Mr. S R Balasubramanian (DIN: 03200547) as Director, liable to retire by rotation

To appoint a director in place of Mr. S R Balasubramanian (DIN: 03200547), Non-Executive Non-Independent Director of the Company who retires by rotation, and being eligible, offers himself for a re-appointment.

### SPECIAL BUSINESS:

#### 3. Re-appointment of Mr. V P Nandakumar (DIN: 00044512) as Managing Director and Chief Executive Officer of the Company for a period of five years with effect from April 01, 2024

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and Schedule V and other applicable provisions, if any of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any statutory amendments made thereto, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Mr. V P Nandakumar (DIN:00044512) as Managing Director and Chief Executive Officer of the Company for a further period of 5 (Five) years with effect from April 01, 2024 to March 31, 2029."

**"RESOLVED FURTHER THAT** pursuant to the provisions of Section 196 (3) read with Part I of Schedule V to the

Companies Act, 2013 the approval of the members of the Company be and is hereby accorded to Mr. V P Nandakumar (DIN:00044512), to continue as Managing Director and Chief Executive Officer of the Company who may attain the age of 70 (Seventy) years during the tenure of his appointment."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee of Directors) be and is hereby authorized to vary and/ or revise the remuneration of Mr. V P Nandakumar (DIN: 00044512) as Managing Director and Chief Executive Officer within the overall limits under the Act subject to such other approval that may be necessary and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors to give effect to the aforesaid Resolution.

**"RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

#### 4. Revision in remuneration payable to Mr. V P Nandakumar, Managing Director & Chief Executive Officer of the Company.

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 and other applicable provisions, if any of the Companies Act, 2013 ("Act") (including Schedule V of the Act) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any statutory amendments made thereto, the consent of Members of the Company be and is hereby accorded for revision in remuneration of Mr. V P Nandakumar (DIN: 00044512), Managing Director and Chief Executive Officer of the Company, by way of increment with effect from April 01, 2023 and until March 31, 2024 and for the fresh term commencing from April 01, 2024 until March 31, 2029"

**“RESOLVED FURTHER THAT** the remuneration payable to Mr. V P Nandakumar (DIN: 00044512), Managing Director and Chief Executive Officer of the Company, with effect from April 01, 2023 and until March 31, 2024 and for the fresh term commencing from April 01, 2024 until March 31, 2029 shall be as under:

**Salary & Allowances:** ₹ 8,00,00,000/- (Rupees Eight Crore Only) per annum as Salary and ₹ 1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) per annum as allowances.

**Commission/ variable pay:** Not exceeding 1% of net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013. The quantum of commission is to be determined by the Board of Directors subject to the norms framed by the Board from time to time.

**Retirement Benefits/ Perquisites:**

**Contribution to Provident Fund:**

12% of the monthly salary and allowances as above. Further, contribution to Pension Fund, Superannuation Fund, Gratuity Fund, Encashment of Leave at the end of the tenure of appointment as per the rules of the Company (These shall not be included in the computation of remuneration or ceiling on the perquisites).

**Medical Reimbursement Expenses:** For self and family including premium payable for medical insurance in accordance with the rules of the Company.

**Personal Accident Insurance:** As per the rules of the Company.

**Leave Travel Concession:** For self and family, thrice in a year as per the rules of the Company.

**Fee for clubs:** Subject to maximum of two clubs excluding admission and life membership fees.

**Others:**

1. Provision of chauffeur driven cars for official purposes and telephones including internet at residence.
2. Such other allowances, perquisites, benefits, and amenities as may be provided by the Company to the top management from time to time.
3. Accompanying spouse or any other person for business trips both domestic and abroad.

For the purpose of calculating the ceiling on remuneration, perquisites shall be evaluated as per Income Tax Rules wherever applicable and in the absence of any such Rule, the same shall be evaluated at actual cost.

The above said remuneration and perquisites shall be subject to the ceiling laid down in Sections 197, 198 and all other applicable provisions of the Act, as may be amended from time to time.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee of Directors) be and is hereby authorized to vary and/ or revise the remuneration of Mr. V P Nandakumar (DIN: 00044512) as Managing Director and Chief Executive Officer within the overall limits under the Act subject to such other approval that may be necessary and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors to give effect to the aforesaid Resolution.”

**5. Revision in remuneration payable to Dr. Sumitha Nandan (DIN: 03625120), Whole-time Director of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any statutory amendments made thereto, the consent of Members of the Company be and is hereby accorded for revision in remuneration of Dr. Sumitha Nandan (DIN: 03625120), Whole-time Director, by way of increment with effect from January 01, 2024, on the following terms and conditions:

**Salary:** ₹ 8,50,000/- (Rupees Eight Lakh Fifty Thousand Only) per month with effect from January 01, 2024 with a minimum annual increment of 10%.

**Commission / Variable Pay:** Not exceeding 1% of net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013. The quantum of commission is to be determined by the Board of Directors subject to the norms framed by the Board from time to time.

**Retirement Benefits / Perquisites:**

**Contribution to Provident Fund:**

12% of the monthly salary and allowances as above. Further, contribution to Pension Fund, Superannuation Fund, Gratuity Fund, Encashment of Leave at the end of the tenure of appointment as per the rules of the Company (These shall not be included in the computation of remuneration or ceiling on the perquisites).”

**Medical Reimbursement Expenses:** For self and family including premium payable for medical insurance.

**Personal Accident Insurance:** As per the rules of the Company

**Leave Travel Concession:** For self and family once a year as per the rules of the Company.

**Fee for Clubs:** Subject to maximum of two clubs excluding admission and life membership fees.

**Others:** Such other allowances, perquisites, benefits, and amenities as may be provided by the company from time to time. For the purpose of calculating the ceiling on remuneration, perquisites shall be evaluated as per Income Tax Rules wherever applicable and in the absence of any such Rule, the same shall be evaluated at actual cost.

The above-mentioned remuneration and perquisites shall be subject to the ceiling laid down in Section 197 and 198, and all other applicable provisions of the Companies Act, 2013 as may be amended from time to time.

**“RESOLVED FURTHER THAT** except for the aforesaid revision in salary, all other terms, and conditions of appointment of Dr. Sumitha Nandan (DIN: 03625120) as Whole time Director of the Company, as approved by the resolution passed by the Members of the Company through postal ballot on February 03, 2023 shall remain unchanged.”

**“RESOLVED FURTHER THAT** Mr. V P Nandakumar, (DIN: 00044512), MD & CEO or Mr. Manoj Kumar V R Company Secretary or Ms. Bindu A L, Chief Financial Officer of the Company be and are hereby severally authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto.”

## 6. Alteration of the Articles of Association of the Company

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

**“RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications or re-enactment thereof for the time being in force), and subject to the necessary approval (s), permissions, consents and sanctions required, if any by the statutory authority and all other applicable laws and regulations if any, approval of the Members of the Company be and is hereby accorded for effecting the following alteration in the existing Articles of Association of the Company:-

- i. To add the following paragraph after the existing Article No. 75 of Articles of Association of the Company: -

“Further, in case of an issue of Non - Convertible Securities, the Company shall appoint the person nominated by the debenture trustee (s) in terms of clause (e) of sub-regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a director on its Board of Directors at the earliest and not later than one

month from the date of receipt of nomination from the debenture trustee (s).”

- ii. To delete Part II of the Articles of Association of the Company containing Articles No.129 to 174 specifically given as Annexure - I to this Notice calling 31<sup>st</sup> Annual General Meeting of the Company.

## 7. Material Related Party Transaction(s) between the Company and Asirvad Micro Finance Limited, a subsidiary

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Regulations 2(1)(zc), 23 (4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 (‘Act’) read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws/ statutory provisions, if any, the Company’s Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/ or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall be deemed to include the Audit Committee or any other Committee constituted/ empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s)/Contract (s)/ Arrangement(s)/ Agreement (s) entered into/ proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and Asirvad Micro Finance Limited (‘AMFL’), a subsidiary of the Company and accordingly a ‘Related Party’ of the Company, on such terms and conditions as may be mutually agreed between the Company and AMFL, for an aggregate value not exceeding ₹1000,00,00,000.00 (Rupees One Thousand Crore Only) during the period commencing from the date of this meeting and until the conclusion of next Annual General Meeting or for a period of 15 months commencing from the date of this meeting, whichever is earlier.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s)/ arrangement(s)/ agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to

take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer/ Authorized Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.”

**“RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect.”

By order of the Board of Directors

Sd/-

Place: Valapad, Thrissur  
Date: June 20, 2023

**Manoj Kumar V R**  
Company Secretary

**NOTES:**

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM DULY COMPLETED MUST BE SENT SO AS TO REACH THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED.

1. Statement of material facts pursuant to Section 102(1) of the Companies Act, 2013 in respect of item nos. 3, 4, 5, 6 & 7 are annexed hereto and forms part of this notice.
2. Pursuant to the provisions of Section 124 of the Companies Act, 2013, dividends from the financial year ended March 31, 2016, which remains unclaimed for a period of seven years will be transferred on the due dates as mentioned below to the Investor Education and Protection Fund of the Central Government. Dividends relating to subsequent financial years would also be transferred to said account on the expiry of seven years after transfer of the same to unpaid dividend account as detailed below:

Details of Unclaimed Dividend for the last Seven Year:

Financial Year	Date of Declaration of Dividend	Last date for claiming unpaid dividend
2017	Aug 09, 2016	Sep 16, 2023
2017	Nov 10, 2016	Dec 17, 2023
2017	Feb 08, 2017	Mar 15, 2024
2018	May 25, 2017	Jun 29, 2024
2018	Aug 10, 2017	Sep 14, 2024
2018	Nov 07, 2017	Dec 12, 2024
2018	Feb 08, 2018	Mar 15, 2025
2019	May 18, 2018	Jun 29, 2025
2019	Aug 09, 2018	Sep 13, 2025
2019	Nov 06, 2018	Dec 11, 2025
2019	Feb 06, 2019	Mar 13, 2026
2020	May 15, 2019	Jun 19, 2026
2020	Aug 13, 2019	Sep 17, 2026
2020	Nov 06, 2019	Dec 11, 2026
2020	Jan 28, 2020	Mar 03, 2027
2020	Feb 27, 2020	Apr 02, 2027
2021	Nov 06, 2020	Dec 11, 2027
2021	Jan 29, 2021	Mar 05, 2028
2022	May 26, 2021	Jun 30, 2028
2022	Aug 10, 2021	Sep 14, 2028
2022	Nov 13, 2021	Dec 18, 2028
2022	Feb14, 2022	Mar 21, 2029
2022	May 18, 2022	Jun 22, 2029
2023	Aug 04, 2022	Sep 08, 2029
2023	Nov 12, 2022	Dec 17, 2029
2023	Feb 03, 2023	Mar 10, 2030

As per Section 124 of the Companies Act, 2013 read with IEPF Rules, 2016, the Company has to transfer not only the unclaimed dividends but also the equity shares in respect of which dividends are not claimed for the seven consecutive years by any shareholder, to the IEPF Demat A/c as may be identified by the IEPF Authority. For more details, please see the link <https://www.manappuram.com/investors/transfer-of-shares-to-iepf.html>.

Shareholders who have not encashed the dividend warrants/ cheques so far for the above years are requested to make their claim to the Company/RTA immediately.

3. A person can act as proxy on behalf of members up to and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.

4. Members/ proxies should bring the duly filled attendance slip enclosed to this notice along with a valid photo identity proof such as the PAN Card, Passport, Aadhar Card or Driving License to attend the Meeting.
5. Corporate members are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf in the meeting.
6. Members are requested to: (a) intimate changes, if any, in the registered addresses to the Company/ Registrar and Share Transfer Agent ('RTA') in case of shares held in physical form and to their respective Depository Participant (DP) for the shares held in dematerialized form, (b) quote ledger folio number in all their correspondence, and (c) the duly filled Attendance Slip with them at the Annual General Meeting ("AGM").
7. Members holding shares in dematerialized form are requested to write their client ID and DP ID Numbers in attendance slip and in all their correspondence with the Company. Those who hold shares in physical form are requested to write their folio number in the attendance slip.
8. Members holding shares in physical form are requested to approach a Depository Participant for dematerializing the shares so that the shareholding particulars can be electronically kept and the loss of certificate, etc. can be avoided. Furthermore, SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 notified on June 08, 2018, states that w.e.f. December 05, 2018, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.
9. Members may kindly update regularly the changes in bank account with the following information in your DP account for the shares held in dematerialized form and with RTA in case of shares held in physical form;
  - Bank account Number in full,
  - MICR Code,
  - IFS Code,
  - Full name of the Bank and address of the branch,
  - email address.

The correct and complete particulars will help us to serve you better by timely credit of your future dividends immediately on payment by means of electronic credit.
10. Members who would like to ask questions on Accounts are requested to send their questions to the Registered Office of the Company at least 10 days before the date of Annual General Meeting to enable the Company to prepare suitable replies to such questions.
11. Electronic copy of the Annual Report for the FY 2022-23 and Notice of the 31<sup>st</sup> AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participant (s) for communication purposes unless any member has requested for a hard copy of the same.
12. Members may also note that the notice of the 31<sup>st</sup> AGM and the Annual Report for the FY 2022-23 will be available on the Company's website, [www.manappuram.com](http://www.manappuram.com) and websites of Stock Exchanges (NSE & BSE). Members who require physical copy of the same, may write to us at [cosecretary@manappuram.com](mailto:cosecretary@manappuram.com).
13. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to offer the facility of voting through electronic means, to all its Members to enable them to cast their votes electronically. Members who have not voted through electronic means or members who have no access to electronic voting can vote at the AGM, electronically. The cut-off date for recognizing voting rights of members to vote by electronic means (remote e-voting) as well as at the Annual General Meeting is Thursday August 10, 2023 in terms of Companies (Management and Administration) Amendment Rules, 2015 ('cut-off date').
14. The facility for voting electronically, will also be made available at the AGM and the members who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through electronic voting system using DP ID or PAN or Folio No. as user ID and onetime password which will be shared with Members upon their registration at the AGM. Members who already cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.
15. Any person who acquires shares of the Company and becomes its member after the dispatch of the notice for the annual general meeting and continues to hold the shares of the Company as on the cut-off date may obtain login id and password by sending a request at [info@skdc-consultants.com](mailto:info@skdc-consultants.com) or [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
16. The voting rights of the Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.
17. The Company has appointed CS Suresh M V, FCS (M.No.9741), Senior Partner, SMS & Co, Company Secretaries LLP to act as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.

18. At the AGM, prior to/ at the end of the discussion on the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutinizer, order electronic voting system for all those members who are present but have not cast their votes electronically using the remote e-voting facility.
19. The Scrutinizer shall, after the conclusion of electronic voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than two days after the conclusion of the AGM to the Chairman/ Managing Director of the Company. The Chairman / Managing Director, or any other person authorised by the Chairman/ Managing Director, shall declare the result of the voting forthwith.
20. The result, along with the Scrutinizer's Report, will be placed on the Company's website, [www.manappuram.com](http://www.manappuram.com) and on the website of Central Depository Services (India) Limited ('CDSL') immediately after the result is declared by the Chairman or any other person authorised by the Chairman, and the same shall be communicated to BSE & NSE.
21. A brief profile of the Director(s) who is/ are re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding in the Company and inter-se relationship between directors or key managerial personnel as required under Regulation 36 of the SEBI (LODR) Regulations, 2015 are furnished and forms part of the notice.
22. The Company has engaged the services of CDSL as an authorised agency to provide the remote e-voting and venue electronic voting facilities. The procedure and instructions for voting through electronic (remote e-voting) means are as follows:

#### **CDSL e-Voting System – For Remote e-voting**

#### **THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:**

- Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Monday, August 14, 2023, at 09.00 a.m. (IST) and ends on Wednesday, August 16, 2023, at 05.00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, August 10, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/ retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>Depository Participants (DP)</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

**For Physical shareholders and other than individual shareholders holding shares in Demat.**

- |     |   |
|-----|---|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul> |
|-----|---|

Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
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- If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for Manappuram Finance Limited.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.



(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cosecretary@manappuram.com](mailto:cosecretary@manappuram.com), if they have voted

from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

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

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 22 55 33

## Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013

### Item No.3:

The Nomination, Compensation and Corporate Governance Committee and the Board of Directors of the Company at its meeting held on May 31, 2022, and July 05, 2022, respectively approved the re-appointment of Mr.V P Nandakumar as Managing Director and Chief Executive Officer of the company with effect from July 28, 2022 up to March 31, 2024 subject to the approval of the Members of the company. Thereafter, the Members of the company at the 30<sup>th</sup> Annual General Meeting of the company held on August 25, 2022, by way of an ordinary resolution, approved the re-appointment of Mr. VP Nandakumar as Managing Director and Chief Executive Officer of the company with effect from July 28, 2022 up to March 31, 2024. The re-appointment of Mr. V.P. Nandakumar as Managing Director and Chief Executive Officer for a short period of less than two years was intended to align with the practice prevailing in the banking sector in the event of the age of the Managing Director was close to the Reserve Bank of India's prescription, even though the existing RBI regulations was applicable only for the banks, and the new "scale-based regulation" (the 'SBR') for NBFCs covering a series of regulatory changes being implemented from October 2022 in phases does not specify any such restrictions. Now the Board of Directors of the Company intends to revisit the matter in the light of the SBR. Accordingly, the Nomination, Compensation and Corporate Governance Committee and the Board of Directors of the Company at their respective meetings held on June 20, 2023 had a detailed discussion on the proposal and understood that company is in the process of exploring diversification and this strategy requires formidable presence of an experienced leader at the top and Mr. V P Nandakumar (DIN: 00044512) is fit enough to preside over this transition, both in regulatory aspects and in strategic point. Further, extended tenure will also be helpful to the Company in achieving a smooth transition to a new successor. Accordingly, considering the facts, the Board of Directors of the Company at its meeting held on June 20, 2023 approved the re-appointment of Mr. V P Nandakumar as Managing Director and Chief Executive Officer of the company for a period of five years commencing from April 01, 2024 to March 31, 2029 subject to the approval of the Members of the Company.

Mr. V P Nandakumar (DIN: 00044512) is now 69 years old, and he would be attaining the age of 70 years during the aforesaid tenure of five years. As per the provisions of section 196(3) read with Part I of Schedule V to the Companies Act, 2013, no company shall appoint or continue the employment of any person as managing director, whole-time director or manager who has attained the age of seventy years provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for the appointment of such person. Further, where no such special resolution is passed but votes cast in favour of the motion exceed the votes, if any, cast against the motion and the Central Government is satisfied, on an application

made by the Board of Directors of the Company, that such appointment is most beneficial to the company, the appointment of the person who has attained the age of seventy years may be made. Therefore, pursuant to the provisions of section 196 of the Companies Act, 2013, to retain the services of the director, consent of the Members of the Company is required by way of a Special Resolution. Accordingly, the Directors recommend the resolution given in the Notice as item no.3, for approval of the members of the Company as a Special Resolution.

No directors, Key Managerial Personnel of the Company or their relatives except V P Nandakumar (DIN: 00044512), and Dr. Sumitha Nandan (DIN: 03625120), are interested or concerned, financially or otherwise, in passing the proposed resolution set out in item no. 3.

### Item No: 4:

The Nomination, Compensation and Corporate Governance Committee and the Board of Directors of the Company at its meeting held on May 31, 2022, and July 05, 2022, respectively approved the re-appointment of Mr.V P Nandakumar as Managing Director and Chief Executive Officer of the company with effect from July 28, 2022 up to March 31, 2024 subject to the approval of the Members of the company. The remuneration proposed by the Board was ₹ 7,50,00,000.00 (Rupees Seven Crore Fifty Lakh Only) per annum as salary and ₹ 1, 50,00,000.00 (Rupees One Crore Fifty Lakh Only) per annum as allowances with other employment benefits. Thereafter, the members of the Company at the 30<sup>th</sup> Annual General Meeting of the company held on August 25, 2022, by way of an ordinary resolution, approved the re-appointment of Mr. V. P. Nandakumar (DIN: 00044512), as Managing Director and Chief Executive Officer of the company with effect from July 28, 2022 up to March 31, 2024 along with terms and conditions of the appointment including the aforesaid remuneration. Through the resolution, the members had also entrusted the Board of Directors of the company to alter or vary the terms of his appointment including the terms relating to remuneration at its discretion, deem fit, for the unexpired tenure from time to time subject to the overall maximum managerial remuneration as prescribed under the applicable provisions of the Companies Act, 2013. Accordingly, upon the recommendations of the Nomination, Compensation and Corporate Governance Committee and the Audit Committee of the Company, the Board of Directors at their meeting held on May 12, 2023, approved the revision in remuneration of Mr. V. P. Nandakumar (DIN: 00044512), as Managing Director and Chief Executive Officer of the company by way of an increment subject to the approval of the Members of the company. The details of the proposed revision in the remuneration of Mr. V. P. Nandakumar (DIN: 00044512) by way of an increment with effect from April 01, 2023 are as under:

**Salary & Allowances:** ₹ 8,00,00,000/- (Rupees Eight Crore Only) per annum as Salary and ₹ 1,50,00,000/- (Rupees One Crore Fifty Lakh Only) per annum as allowances.

**Commission/ Variable Pay:** Not exceeding 1% of net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013. The quantum of commission is to be determined by the Board of Directors subject to the norms framed by the Board from time to time.

**Retirement Benefits / Perquisites:**

Contribution to Provident Fund: 12% of the monthly salary and allowances as above.

Contribution to Pension Fund, Superannuation Fund, Gratuity Fund, Encashment of leave at the end of the tenure of appointment as per the rules of the Company (These shall not be included in the computation of remuneration or ceiling on the perquisites).

Medical Reimbursement Expenses: For self and family including premium payable for medical insurance in accordance with the rules of the Company.

Personal Accident Insurance: As per the rules of the Company.

Leave Travel Concession: For self and family, thrice in a year as per the rules of the Company.

Fee for clubs: Subject to maximum of two clubs excluding admission and life membership fees.

**Others:**

1. Provision of chauffeur driven cars for official purposes and telephones including internet at residence.
2. Such other allowances, perquisites, benefits, and amenities as may be provided by the Company to the top management from time to time.
3. Accompanying a spouse or any other person for business trips both domestic and abroad.

For the purpose of calculating the ceiling on remuneration, perquisites shall be evaluated as per Income Tax Rules wherever applicable and in the absence of any such Rule, the same shall be evaluated at actual cost.

The above said remuneration and perquisites shall be subject to the ceiling laid down in Sections 197, 198 and all other applicable provisions of the Act, as may be amended from time to time."

No directors, Key Managerial Personnel of the Company or their relatives except V P Nandakumar (DIN: 00044512), and Dr. Sumitha Nandan (DIN: 03625120), are interested or concerned, financially or otherwise, in passing the proposed resolution as set out in item no. 4.

The Board of Directors of your company recommends the resolution given in the Notice as item no.4, for approval of the Members of the Company as an Ordinary Resolution.

**Item No.5:**

The Board of Directors of the Company (the 'Board') in its meeting held on December 23, 2022, on the recommendation of the Nomination, Compensation and Corporate Governance

Committee ("the Committee"), in terms of Section 161 of the Companies Act, 2013 (the 'Act') and applicable Rules, read with the Articles of Association of the Company, appointed Dr. Sumitha Nandan (DIN: 03625120) as an Additional Director (Executive) of the Company effective January 01, 2023. Further, based on the recommendation of the Committee, in the aforesaid meeting the Board also decided to recommend for the appointment of Dr. Sumitha Nandan as a Whole-time Director of the Company for a period of five years effective January 01, 2023. Accordingly, the Board of Directors of the Company sought approval of its Members by way of postal ballot and the Members accorded their consent vide postal ballot dated February 03, 2023 for the appointment of Dr. Sumitha Nandan (DIN: 03625120) as a Whole-time Director of the Company for a period of five years effective January 01, 2023, liable to retire by rotation, on such remuneration and terms. The remuneration and perquisites were subject to the ceiling laid down under Section 197 & 198, and other applicable provisions of the Companies Act, 2013 amended from time to time. Further, the Members also entrusted the Board to alter or vary the above terms of the appointment including the terms relating to remuneration, at its discretion, deem fit for the unexpired tenure from time to time provided that the remuneration is within the limit as envisaged under Sections 197 & 198, and other applicable provisions, if any, of the Companies Act, 2013. Accordingly, considering the valuable contribution of Dr. Sumitha Nandan for the growth of the Company coupled with higher responsibilities cast on her, the Board, on recommendation of the Committee, at their meeting held on May 12, 2023, approved the proposal to increase the remuneration payable to Dr. Sumitha Nandan in accordance with the provisions of Sections 196, 197, other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, read with Schedule V of the Act (including any statutory modification(s) or re-enactments (s) thereof), subject to the approval of the Members, as set out in the resolution being item no. 5 of the accompanying notice w.e.f January 01, 2024 for the remaining period of her tenure. As per the provisions of Sections 196 (4) and 197 (4) of the Companies Act, 2013, and the Rules made thereunder, remuneration payable to a Whole Time Director is subject to an ordinary resolution passed by the Company at the General Meeting.

The details of the proposed increment in the remuneration of Dr. Sumitha Nandan (DIN: 03625120) with effect from January 01, 2024 are as under:

**Salary:** ₹ 8,50,000/- (Rupees Eight Lakh Fifty Thousand Only) per month with effect from January 01, 2024 with a minimum annual increment of 10%.

**Commission / Variable Pay:** Not exceeding 1% of net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013. The quantum of commission is to be determined by the Board of Directors subject to the norms framed by the Board from time to time.

**Retirement Benefits / Perquisites:** Contribution to Provident Fund 12% of the monthly salary. Further, Contribution to Pension Fund, Superannuation Fund, Gratuity Fund, Encashment of leave at the end of the tenure of appointment as per the rules of the

Company (These shall not be included in the computation of remuneration or ceiling on the perquisites).

**Medical Reimbursement Expenses:** For self and family including premium payable for medical insurance.

**Personal Accident Insurance:** As per the rules of the Company

**Leave Travel Concession:** For self and family once a year as per the rules of the Company.

**Fee for Clubs:** Subject to maximum of two clubs excluding admission and life membership fees.

**Others:** Such other allowances, perquisites, benefits, and amenities as may be provided by the company from time to time. For the purpose of calculating the ceiling on remuneration, perquisites shall be evaluated as per Income Tax Rules wherever applicable and in the absence of any such Rule, the same shall be evaluated at actual cost.

The above-mentioned remuneration and perquisites shall be subject to the ceiling laid down in Section 197 and 198, and all other applicable provisions of the Companies Act, 2013 as may be amended from time to time.

No directors, Key Managerial Personnel of the Company or their relatives except V P Nandakumar (DIN: 00044512), and Dr. Sumitha Nandan (DIN: 03625120), are interested or concerned, financially or otherwise, in passing the proposed resolution set out in item no.5.

The Board of Directors of your company recommends the resolution given in the Notice as item no.5, for approval of the Members of the Company as an Ordinary Resolution.

#### **Item No.6:**

The Securities and Exchange Board of India ("SEBI") has amended the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("NCS Regulations") by way of the SEBI (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2023 ("NCS Amendment Regulations"). The amendments are effective from February 02, 2023. Pursuant to the NCS Amendment Regulations, SEBI has mandated the amendment to the Articles of Association ("AoA") of the issuer entity for appointment of a nominee director and required such appointment to be made within 1 (one) month of nomination by the debenture trustee. Further, existing Issuers whose debt securities are already listed as on February 02, 2023 are required to amend their AoA on or before September 30, 2023 to incorporate the above-mentioned requirement with respect to nominee directors. Accordingly, the Board of Directors of your Company in their meeting held on May 12, 2023 approved alteration of the AoA subject to the approval of its members by way of adding the following paragraph after the existing Article No. 75 of Articles of Association of the Company:

"Further, in case of an issue of Non - Convertible Securities, the Company shall appoint the person nominated by the debenture trustee (s) in terms of clause (e) of sub-regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a director on its Board of

Directors at the earliest and not later than one month from the date of receipt of nomination from the debenture trustee (s)."

Further, Part II (i.e., from Articles No.129 to 174) of the Articles of Association of the Company contain the terms and conditions of the definitive agreement entered by the company with some of the investors. As the said investors move out of the company, Articles No.129 to 174 became inconsistent. Accordingly, the Board of Directors of your Company in their meeting held on May 12, 2023 approved the alteration of the AoA subject to the approval of its members by way of deleting Part II (i.e., from Articles No.129 to 174) of the AoA of the Company containing the terms and conditions of the definitive agreement entered by the company with investors. Subsequently, the word "PART I" appearing before preliminary of the Articles of Association in Page No.1 stands deleted.

The Articles of Association as on date along with the proposed amendments are available for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 09.00 a.m. and 01.00 p.m. up to the date of the Meeting and at the Meeting and on the website of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in anyway concerned or interested in this Resolution except to the extent of the rights or powers provided if any under the revised Articles of Association to them or their relatives. The Board of Directors of your company recommends the resolution given in the Notice as item no.6, for approval of the Members of the Company as a Special Resolution.

#### **Item No.7:**

Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), inter alia, states that effective from April 01, 2022, all Material Related Party Transactions (RPT) shall require prior approval of the shareholders by means of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm's length pricing basis. A transaction with a Related Party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeding ₹ 1000,00,00,000.00 (Rupees One Thousand Crore Only) or 10% of the annual consolidated turnover of a listed entity as per the last audited financial statements of the listed entity, whichever is lower. Regulation 2(1) (zc) of the Listing Regulations defines related party transaction to mean a transaction involving transfer of resources, services, or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity, regardless of whether a price is charged or not.

In view of the afore-mentioned regulations, Item No. 7 is placed for approval by the Members. The Management has provided the Audit Committee with relevant details of the proposed RPTs, including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted its approval for entering the below mentioned RPT. The Audit Committee has noted that the said transaction(s) is at an arm's length pricing basis and will be in the ordinary course of business.

**Information provided to the Shareholders for consideration of related party transaction**

Sl. No.	Particulars	Information
1	Name of the Product/ Service	Setting a limit of ₹ 1000,00,00,000.00 (Rupees One Thousand Crore Only) for all transactions to be entered into with Asirvad Microfinance Limited for a period commencing from the date of the 31 <sup>st</sup> annual general meeting of the Company and up to the date of next AGM or 15 months whichever is earlier.
2	Name of the Related Party	1. Asirvad Microfinance Limited
3	Relationship of related party with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	Subsidiary Company.
4	Type/ nature of the proposed transaction	Setting a limit of ₹ 1000,00,00,000.00 (Rupees One Thousand Crore Only) for all transactions to be entered into with Asirvad Microfinance Limited for a period commencing from the date of the 31 <sup>st</sup> annual general meeting of the Company and up to the date of next AGM or 15 months whichever is earlier.
5	Material terms and particulars of the proposed transaction	The coupon/ return will be above the cost of borrowing for MAFIL + 1% and based on independent valuation wherever required
6	Tenure/ Term of the proposed transaction (tenure shall be specified)	For a period commencing from the date of the 31 <sup>st</sup> annual general meeting of the Company and up to the date of next AGM or 15 months whichever is earlier.
7	Value of the proposed transaction	₹ 1000,00,00,000.00 (Rupees One Thousand Crores Only)
8	The percentage of the Company's turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	<ol style="list-style-type: none"> <li>The consolidated turnover of Manappuram Finance Limited for the financial year ended on 31.03.2022 is ₹ 6,126.314 Crores. Hence, the percentage of value of the proposed transaction serial numbered as one (1) above on the consolidated turnover is <math>1,000 / 61,26.314 * 100 = 16.32\%</math></li> <li>The standalone turnover of Manappuram Finance Limited for the financial year ended on 31.03.2022 is ₹ 4586.997 Crores. Hence, the percentage of value of the proposed transaction serial numbered as two (2) above on the standalone turnover is <math>1,000 / 4,586.997 * 100 = 21.80\%</math></li> </ol>
9A	If the transaction relates to any loans, inter-corporate deposits, advances, or investments made or given by the Company then source of funds in connection with the proposed transaction	N-A
9B	Where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances, or investments:  · Nature of indebtedness  · Cost of funds  · tenure	N-A
9C	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security;	N-A
9D	Purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	N-A

Sl. No.	Particulars	Information
10	Justification as to why the RPT is in the interest of the Company	Subsidiary Company.
11	A copy of the valuation or other external party report, if any such report has been relied upon	NIL
12	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis (If available)	Turnover of Asirvad Microfinance Limited for the FY 2021-22 was ₹ 1,355.69 Crores. Hence the percentage will be as follows: = $1,000/1,355.69 \times 100 = 73.76\%$
13	Brief details of the Arm's length test conducted	The coupon/ return will be above the cost of borrowing for MAFIL + 1% and based on independent valuation wherever required.
14	Ordinary course or not	Yes
15	Necessity of entering into the transaction	As a part of contingency funding plan to subsidiary company namely Asirvad Microfinance Limited
16	Does the transaction require prior approval of MAFIL's Audit Committee	Yes
17	Does the transaction require prior approval of MAFIL Shareholders	Yes
18	Any other information that may be relevant	Nil
19	Test for subsequent materiality of the transaction taken together with other transactions carried out in the Financial Year with the subject related party.  The value of all transactions entered in the current financial year versus 10% of annual consolidated turnover.	This transaction is for a period commencing from the date of this AGM and upto to the date of next AGM or 15 months whichever is earlier. Hence, it is required to take approval of shareholders of Manappuram Finance Limited.

Based on the recommendation of the Audit Committee, the Board of Directors of the Company recommends the Ordinary Resolution as set forth at Item No. 7 of the Notice for approval by the Members by way of an ordinary resolution.

No directors, Key Managerial Personnel of the Company or their relatives except V P Nandakumar (DIN: 00044512), and Dr. Sumitha Nandan (DIN: 03625120), are interested or concerned, financially or otherwise, in passing the proposed resolution set out in item no. 7

The Members may note that in terms of the provisions of the Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 7 of the Notice, whether the entity is a Related Party to the particular transaction or not.

By order of the Board of Directors

Place: Valapad, Thrissur  
Date: June 20, 2023

Sd/-  
**Manoj Kumar V R**  
Company Secretary

## Additional information on directors recommended for reappointment as required under Regulation 36 of the LODR Regulations and applicable secretarial standards



**S R Balasubramanian**  
*Non-Executive Non - Independent Director*

S R Balasubramanian holds a Bachelor degree in Electronics Engineering from Madras University and Post Graduate Diploma in Computer Science from IIT Bombay. He has over 43 years of experience in the field of Information Technology at various capacities. Out of which 35 years are in the IT space of BFSI. He was the former VP of Citibank and has worked in India, Singapore and Kenya. He played a key role as Technology Head for implementing Cash Management Technology in Citibank during the early 90s. He was with HDFC Bank for over 7 years as Senior VP and moved to IT Advisory role for few Banks in India and was Business Advisor to a software company and served there for 4 years. He was the former Board member of Quantum Asset Management Company Private Limited and presently holds membership in the Information Security Committee of Quantum AMC.

**DIN:** 03200547

**Age & Date of Birth:** 73 years, October 03, 1949

**Nationality:** Indian

**Nature of expertise in specific functional areas:** S R Balasubramanian has over 43 years of experience in the field of Information Technology at various capacities. Out of which 35 years are in the IT space of BFSI.

**Disclosure of inter-se relationships between directors and KMP:** Nil

**Listed entities (other than Manappuram Finance Limited) in which S R Balasubramanian holds directorship and committee membership:** Nil

**Listed entities from which S R Balasubramanian has resigned in the past three years:** Nil

**Directorship in other Companies:** Nil

**Membership/ Chairmanship of Audit Committee and Stakeholders Relationship Committee of the Board of Directors of other Companies of which he/ she is a Director:** Nil

**Membership/ Chairmanship of Committees of other Boards not mentioned above:** S R Balasubramanian holds memberships in Corporate Social Responsibility Committee, IT Strategy Committee, and Stakeholders Relationship and Securities Transfer Committee of the Board of Directors of Manappuram Finance Limited.

**Shareholding in the Company as on the date of his appointment:** Nil

**Remuneration proposed to be paid:** Apart from sitting fees, based on the resolution approved in item no. 8 of the 27<sup>th</sup> Annual General Meeting Notice read with explanatory statement thereto – [https://www.manappuram.com/public/uploads/editor-images/files/Manappuram%20Finance\\_AGM%20Notice%202019.pdf](https://www.manappuram.com/public/uploads/editor-images/files/Manappuram%20Finance_AGM%20Notice%202019.pdf)

**Key terms and conditions of appointment:** As per the resolution approved in Item no.5 of the 29<sup>th</sup> Annual General Meeting Notice read with explanatory statement thereto – <https://www.manappuram.com/public/uploads/editor-images/files/Mannapuram%20Notice.pdf>

**Date of first appointment to the Board, last drawn remuneration and number of meetings of the Board attended:** S R Balasubramanian was first appointed to the Board with effect from June 28, 2021 as an additional director, and thereafter he was re-appointed by Members at the 29<sup>th</sup> Annual General Meeting as a Non-Executive Non-Independent Director of the Company. The details pertaining to his remuneration, and number of meetings attended are provided in the Corporate governance report section of the Annual Report 2022-23.



**V P Nandakumar**  
*Managing Director & Chief Executive Officer*

V P Nandakumar is a post-graduate in Science with additional qualifications in Banking and Foreign Trade. He started his career with the erstwhile Nedungadi Bank. In 1986, he resigned to take over the family business, following the demise of his father, V.C. Padmanabhan. In 1992, he promoted Manappuram Finance Limited and has been a Director of the Company since then.

**DIN:** 00044512

**Age & Date of Birth:** 69 years, May 18, 1954

**Nationality:** Indian

**Nature of expertise in specific functional areas:** More than 31 years of experience in promoting and managing NBFC and 10 years of experience in banking industry.

**Disclosure of inter-se relationships between directors and KMP:** V P Nandakumar is the father of Dr. Sumitha Nandan, Executive Director of Manappuram Finance Limited.

**Listed entities (other than Manappuram Finance Limited) in which V P Nandakumar holds directorship and committee membership:** Nil

**Listed entities from which V P Nandakumar has resigned in the past three years:** Nil

**Directorship in other Companies:** VP Nandakumar holds directorships in Manappuram Health Care Limited, Manappuram Construction and Consultants Limited, Manappuram Home Finance Limited, Asirvad Micro Finance Limited, Manappuram Chits (Karnataka) Private Limited, Manappuram Chit Funds Company Private Limited, Manappuram Insurance Brokers Limited, Manappuram Comptech and Consultants Limited, Adlux Medicity And Convention Centre Private Limited, Manappuram Chits (India) Limited, Manappuram Agro Farms Limited, Manappuram Jewellers Limited, SNST Advisories Private Limited, DTA Advisory Private Limited, DTB Advisory Private Limited, DT3 Advisory Private Limited and Finance Industry Development Council.

**Membership/ Chairmanship of Audit Committee and Stakeholders Relationship Committee of the Board of Directors of other Companies of which he is a Director are given below:**

Directorships	Committee memberships
Manappuram Finance Limited	1. Stakeholders Relationship and Securities Transfer Committee*
Manappuram Health Care Limited	2. Audit Committee*
Manappuram Comptech and Consultants Limited	3. Audit Committee*

\* Member

**Membership/ Chairmanship of Committees of other Boards not mentioned above:**

Directorships	Committee memberships
Manappuram Finance Limited	1. Asset- Liability Management Committee* 2. Financial Resource & Management Committee* 3. Debenture Committee* 4. Risk Management Committee 5. Corporate Social Responsibility Committee
Asirvad Microfinance Limited	1. Management Committee* 2. Borrowing and securities Committee
Manappuram Jewellers Limited	1. Corporate Social Responsibility Committee 2. Nomination & Remuneration Committee



Directorships	Committee memberships
Manappuram Health Care Limited	1. Nomination & Remuneration Committee
Manappuram Comptech and Consultants Limited	1. Nomination & Remuneration Committee
Manappuram Insurance Brokers Limited	1. Nomination & Remuneration Committee
Manappuram Home Finance Limited	1. Asset Liability Management Committee*
	2. Investment Committee*
	3. Financial Resource & Management Committee*
	4. Debenture Committee*
	5. Nomination Compensation and Corporate Governance Committee
	6. Corporate Social Responsibility Committee

\* Chairperson

**Shareholding in the Company as on the date of his appointment:** 24,54,54,221 Equity Shares

**Remuneration proposed to be paid:** As per the resolution proposed in Item no. 3 of this Notice, read with the explanatory statement thereto.

**Key terms and conditions of appointment:** As per the resolution proposed in Item no. 3 of this Notice, read with the explanatory statement thereto.

**Date of first appointment to the Board, last drawn remuneration and number of meetings of the Board attended:** V P Nandakumar is one amongst the promoter directors of the company since its incorporation on July 15, 1992. The details pertaining to his remuneration, and number of meetings attended are provided in the Corporate governance report section of the Annual Report 2022-23.



**Dr. Sumitha Nandan**  
*Executive Director*

Dr. Sumitha Nandan had acted in various executive capacities at Manappuram Finance Limited including as Chief Executive Officer of Online Gold Loan (OGL). She had held the whole time Director position in Manappuram Health Care Limited. She had also held Directorships in Manappuram Home Finance Limited, Manappuram Agro Farms Limited, Systemic Ayurvedic Research Private Limited and Macare Dental Care Private Limited.

Dr. Sumitha Nandan has completed her MBBS from Rajiv Gandhi University Of Science & Research Institute, Karnataka. She holds MS from Sri Ramachandra University Chennai and a fellowship in Cosmetic Gynecology. She has worked in multiple Hospitals as consultant Gynecologist at Trikakkara Co-operative Hospital Cochin and KIMS Hospital Cochin. She worked as an Assistant Professor in Amritha Institute of Medical Science and she also consultant Gynecologist and Cosmetologist in Cimar Hospital, Cochin.

**DIN:** 03625120

**Age & Date of Birth:** 43 years, May 30, 1980

**Nationality:** Indian

**Nature of expertise in specific functional areas:** Dr. Sumitha Nandan has acted in various executive positions at Manappuram Finance Limited including as Chief Executive Officer of Online Gold Loan (OGL). During those tenures she has shown possessing good business acumen and managerial skills. Apart from the said positions, she had also held Whole- time Directorship in Manappuram Health Care Limited, directorship in Manappuram Home Finance Limited, Manappuram Agro Farms Limited, Systemic Ayurvedic Research Private Limited, and Macare Dental Care Private Limited where she has proved as good leader and steward. Given her experience in health care with intense consumer focus as well as regulatory oversight and her experience with the Company engaged in Financial services, she is mindful of the consumer expectations which is one of the important areas of regulatory focus and concern.

**Disclosure of inter-se relationships between directors and KMP:** Dr. Sumitha Nandan is the daughter of Mr. V P Nandakumar, the Managing Director & Chief Executive Officer of Manappuram Finance Limited.

**Listed entities (other than Manappuram Finance Limited) in which Dr. Sumitha Nandan holds directorship and committee membership:** Nil

**Listed entities from which Dr. Sumitha Nandan has resigned in the past three years:** Nil

**Directorship in other Companies:** Nil

**Membership/ Chairmanship of Audit Committee and Stakeholders Relationship Committee of the Board of Directors of other Companies of which he/ she is a Director:** Nil

**Membership/ Chairmanship of Committees of other Boards not mentioned above:** Dr. Sumitha Nandan is a member of the Audit Committee, Financial Resource & Management Committee, and IT Strategy Committee of Manappuram Finance Limited.

**Shareholding in the Company as on the date of her appointment:** Nil

**Remuneration proposed to be paid:** As per the resolution proposed in Item no. 5 of this Notice, read with the explanatory statement thereto.

**Key terms and conditions of appointment:** As per the resolution proposed in Item no. 5 of this Notice, read with the explanatory statement thereto.

**Date of first appointment to the Board, last drawn remuneration and number of Board meetings attended:** Dr. Sumitha Nandan was first appointed to the Board with effect from January 01, 2023 as an additional director by the Board of Directors of the Company and thereafter Vide Postal ballot results dated 03.02.2023, Shareholders approved the appointment of Dr. Sumitha Nandan as a Whole-time Director of the Company for a period of five years effective January 01, 2023, liable to retire by rotation, on such remuneration and terms. The details pertaining to her remuneration, and number of meetings attended are provided in the Corporate governance report section of the Annual Report 2022-23.

By order of the Board of Directors

Place: Valapad, Thrissur  
Date: June 20, 2023

Sd/-  
**Manoj Kumar V R**  
Company Secretary

**ANNEXURE - I**  
**PART II**  
**DEFINITIONS**

129. In the event of any conflict between the provisions of Part I and Part II of the Articles, the provisions of Part II shall apply. Unless the context otherwise requires, or unless otherwise defined or provided for herein, words or expressions contained in Part II shall have the meanings as provided below. Other terms may be defined elsewhere in the text of Part II of these Articles and, unless otherwise indicated, shall have such meaning throughout Part II of these Articles.

**"AAIA"** shall mean AA Development Capital India Fund I LLC, a company established in the Republic of Mauritius as a public limited company under the Mauritius Companies Act, 2001 and having its registered office at 10, Frere Felix De Valois Street, Port Louis, Mauritius, and shall include its successors and permitted assigns;

**"AAIA Additional Shares Offer Terms"** shall have the meaning as set out in Article 164;

**"AAIA Director"** shall have the meaning as set out in Article 139(iv);

**"AAIA Offer Shares"** shall have the meaning as set out in Article 164;

**"AAIA Subscription Shares"** shall mean an aggregate of 2,240,000 (Two Million Two Hundred Forty Thousand only) CCPS issued by way of preferential allotment to AAIA;

**"Acceptance Notice"** shall have the meaning as set out in Article 161(i); "Act" shall mean the Companies Act, 1956;

**"Additional Shares"** shall have the meaning as set out in Article 164;

**"Additional Shares Offer Period"** shall have the meaning as set out in Article 165;

**"Affiliate"** shall mean with respect to any Person, (i) any Person, which, directly or indirectly, Controls, is Controlled by or is under common Control with, such Person, and (ii) where such Person is an individual, shall include Relatives of such Person;

**"Alternate Director"** shall have the meaning as set out in Article 147;

**"Annual General Meeting" or "AGM"** shall mean the annual general meeting of the Company convened and held in accordance with the Act;

**"Articles of Association" or "Articles"** shall mean the Articles of Association of the Company as amended from time to time;

**"BRIC II Mauritius Trading"** shall mean BRIC II Mauritius Trading, a company incorporated and validly existing under the laws of Mauritius with its principal place of business at c/o Citco (Mauritius) Limited, 4<sup>th</sup> Floor, Tower A, 1 Cybercity, Ebene, Mauritius, and registered as sub-account with the

Securities and Exchange Board of India bearing registration number 20110205 (and unless repugnant to the context or meaning thereof, shall be deemed to mean and include its successors, legal representatives and permitted assigns);

**"Baring India Private Equity Fund II Limited"** shall mean Baring India Private Equity Fund II Limited, a company incorporated and validly existing under the laws of Mauritius with its principal place of business at C/o Multiconsult Limited, Rogers House, 5, President John Kennedy Street, Port Louis, Mauritius, and registered as a sub-account with the Securities and Exchange Board of India bearing registration number 20110969 (and unless repugnant to the context or meaning thereof, shall be deemed to mean and include its successors, legal representatives and permitted assigns);

**"Baring India Private Equity Fund III Listed Investments Limited"** shall mean Baring India Private Equity Fund III Listed Investments Limited, a company incorporated and validly existing under the laws of Mauritius with its principal place of business at C/o Multiconsult Limited, Rogers House, 5, President John Kennedy Street, Port Louis, Mauritius, and registered as an FII with the Securities and Exchange Board of India bearing registration number IN-MU-FD-2055-08 (and unless repugnant to the context or meaning thereof, shall be deemed to mean and include its successors, legal representatives and permitted assigns);

**"Baring Investors"** shall mean Baring India Private Equity Fund II Limited, Baring India Private Equity Fund III Listed Investments Limited and BRIC II Mauritius Trading, collectively.

**"Beaver Investment Holdings"** shall mean Beaver Holdings Limited, a company incorporated and validly existing under the laws of Mauritius with its principal place of business at IFS Court, TwentyEight, Cybercity, Ebene, Mauritius, and registered as a sub-account with the Securities and Exchange Board of India bearing registration number 20090030 (and unless repugnant to the context or meaning thereof, shall be deemed to mean and include its successors, legal representatives and permitted assigns);

**"Board of Directors" or "Board"** shall mean the board of directors of the Company in office at applicable times and as nominated and appointed in accordance with the terms of these Articles;

**"Business Day"** shall mean a day on which the scheduled commercial banks are open for business in Mumbai and Kochi, India;

**"CCPS"** shall mean the 0.05% compulsorily convertible preference shares of ₹ 100 (Rupees One Hundred only) each in the Share Capital issued to the Investors issued to the Investors as fully paid up preference shares, and having the rights and privileges attached to them as agreed

in writing between the Company, the promoters and each Investor and these Articles of Association;

**"Closing Date"** shall November 5, 2008;

**"Contract"** shall mean, with respect to a Person, any agreement, contract, subcontract, lease, understanding, instrument, note, warranty, insurance policy, benefit plan or legally binding commitment or undertaking of any nature, whether written or oral, entered into by such Person;

**"Control"** (including with correlative meaning, the terms **"Controlled by"** and **"under common Control with"**) shall mean the power and ability to direct the management and policies of the controlled enterprise through ownership of voting shares of the controlled enterprise or the power to appoint a majority of the members on the board of directors of such controlled enterprise or by Contract or otherwise. Without prejudice to the generality of the above, in the context of the Subsequent Investors, the direct or indirect ownership of or the power to direct the vote of 50% or more of the voting share capital of a Person shall also be deemed to constitute Control of that Person;

**"Deed of Adherence"** shall mean the deed of adherence in the form agreed to between the Company, the Promoters and each of AAIA, Hudson and GHIOF separately;

**"Defaulting Party"** shall mean a person who commits an Event of Default;

**"Direct Competitor"** shall mean any Person who is directly engaged as its principal activity in the business of providing gold loans (such that these gold loans and income arising therefrom is not less than 50% of its total assets and total income respectively) and has a minimum asset size of INR 2,500,00,00,000 (Indian Rupees Two Thousand Five Hundred Crores only);

**"Director"** shall mean a director of the Company;

**"ESOP(s)"** shall mean any employee stock option plans or employee stock purchase plans existing or which may be approved or adopted in future by the Company;

**"Employee(s)"** shall mean Persons in the employment of the Company and/or its Affiliates, as the case may be;

**"Encumbrance"** shall mean any mortgage, pledge, equitable interest, assignment by way of security, conditional sales contract, hypothecation, claim, encumbrance, title defect, title retention agreement, voting trust agreement, interest, option, lien, charge, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off, any arrangement (for the purpose of, or which has the effect of, granting security), or any agreement, whether conditional or otherwise, to create any of the same;

**"Equity Shares"** shall mean the equity shares of the Company;

**"Event of Default"** shall mean an event of default as agreed between the Company, the Promoter Group and each of AAIA, Hudson and GHIOF;

**"Execution Date"** shall mean March 14, 2012.

**"Extra Ordinary General Meeting"** or **"EGM"** shall mean the extra ordinary meeting of the Company convened and held in accordance with the Act;

**"Financial Year"** shall mean the period commencing from April 1 each year and ending on March 31 the next year, or such other period as may be determined by the Board of Directors of the Company to be the financial year for the Company;

**"Fully Diluted Basis"** shall mean on the basis of the deemed conversion of all outstanding convertible Preference Shares of the Company including the CCPS in accordance with these Articles of Association, the exercise of all convertible notes, options, warrants, and any other convertible instruments;

**"Further Securities"** shall have the meaning as set out in Article 172(iv);

**"General Meetings"** shall mean either an EGM or an AGM of the Shareholders of the Company;

**"GHIOF"** shall mean GHIOF Mauritius, a company established in the Republic of Mauritius as a private limited company under the Mauritius Companies Act, 2001 and having its registered office at C/o DTOS Limited, 4<sup>th</sup> Floor, IBL House, Caudan, Port Louis, Mauritius, and shall include its successors and permitted assigns;

**"GHIOF Director"** shall have the meaning set out in Article 139(iv);

**"GHIOF Subscription Shares"** shall mean an aggregate of 420,000 (Four Hundred Twenty Thousand only) CCPS issued by way of preferential allotment to GHIOF;

**"Governmental Authority"** shall mean the Government of India or of any state or Union Territory in India, or any central, state or local governmental, semi-governmental, judicial, quasi-judicial, regulatory or administrative authority, branch, agency, any statutory body or commission or any court, tribunal, arbitral or judicial body, or any department thereof, or any Person (whether autonomous or not) who is charged with the administration of Law;

**"Hudson"** shall mean Hudson Equity Holdings Limited, a private limited company established in the Republic of Mauritius, registered under the Mauritius Companies Act, 2001, and having its registered office at 7<sup>th</sup> Floor, Happy World House, Sir William Newton St, Port Louis, Mauritius, and shall include its successors and permitted assigns;

**"Hudson Additional Shares Offer Terms"** shall have the meaning as set out in Article 164; "Hudson Director" shall have the meaning set out in Article 139(iv);

**"Hudson Offer Shares"** shall have the meaning as set out in Article 164;

**"Hudson Subscription Shares"** shall mean an aggregate of 1,146,250 (One Million One Hundred Forty Six Thousand Two Hundred Fifty only) CCPS issued by way of preferential allotment to Hudson;

**"INR" or "Rupees" or "₹"** shall mean Indian rupees, being the lawful currency of India;

**"Investors"** shall mean collectively AAIA, Hudson and GHIOF and the respective Investor Affiliates that may acquire Shares from time to time and who may execute a Deed of Adherence, and "Investor" shall mean any of them individually;

**"Investor Acceptance Notice"** shall have the meaning as set out in Article 164 (i);

**"Investor Affiliate(s)"** in relation to AAIA shall include, (a) any Affiliates of AAIA; (b) funds and/or foreign institutional investor entities advised by AAIA or its Affiliates; © entities which are wholly owned, controlled or managed, either directly or indirectly, by the funds advised by AAIA, or any of its Affiliates, excluding companies that are in direct competition with the Company in India; and (d) any fund or entity in which AAIA is a general or limited partner or any Affiliate or associate of such fund or other entity;

**"Investor Affiliate(s)"** in relation to Hudson shall include, (a) any Affiliates of Hudson; (b) funds and/or foreign institutional investor entities advised by Hudson or its Affiliates; © entities which are wholly owned, controlled or managed, either directly or indirectly, by the funds advised by Hudson, or any of its Affiliates, excluding companies that are in direct competition with the Company in India; and (d) any fund or entity in which Hudson is a general or limited partner or any Affiliate or associate of such fund or other entity;

**"Investor Affiliate(s)"** in relation to GHIOF shall include, (a) any Affiliates of GHIOF; (b) funds and/or foreign institutional investor entities advised by GHIOF or its Affiliates; © entities which are wholly owned, controlled or managed, either directly or indirectly, by the funds advised by GHIOF, or any of its Affiliates, excluding companies that are in direct competition with the Company in India; and (d) any fund or entity in which GHIOF is a general or limited partner or any Affiliate or associate of such fund or other entity;

**"Investor Director"** shall mean collectively the AAIA Director, the Hudson Director and the GHIOF Director;

**"Investor Observer"** shall mean collectively the observer appointed by each of Hudson on the Board of Directors of the Company

**"Investor Offered Shares"** shall have the meaning as set out in Article 164(i); "Investor Rejection Notice" shall have the meaning as set out in Article 164(v); "Investor Trigger Notice" shall have the meaning as set out in Article 164(i);

**"Key Management Personnel"** shall mean and include persons that head the finance, compliance, risk and human resources departments of the Company at the relevant time (by whatever name called) or above, the heads of department of any new line of business that the Company may commence and the managing director of the Company;

**"Law"** shall mean any statute, law, regulation, ordinance, rule, judgment, notification, rule of common law, order,

decree, bye-law, government approval, directive, guideline, requirement or other governmental restriction, or any similar form of decision of, or determination by, or any interpretation, policy or administration, having the force of law of any of the foregoing, by any Governmental Authority or Stock Exchange having jurisdiction over the matter in question;

**"Lien"** shall mean any mortgage, pledge, security interest, charge, lien, option, pre-emptive right, adverse claim, title retention agreement or other encumbrance of any kind, or a Contract to give or refrain from giving any of the foregoing, including any restriction imposed under applicable Law or Contract on the Transferability of the Shares;

**"MAFIT"** shall mean Manappuram Finance (Tamil Nadu) Limited, a Manappuram Group Company having its registered office at 1<sup>st</sup> Floor, Vijay Centre, 65 Oppanakkara Street, Coimbatore 641 012, Tamil Nadu, India;

**"MIBPL"** shall mean Manappuram Insurance Brokers Private Limited, a Manappuram Group company, having its registered office at "Manappuram House", Valapad P.O., Thrissur 680 567, Kerala, India;

**"Manappuram Group"** shall mean and include the Company and its Affiliates, including the entities listed below and any other entity as may become a Subsidiary or Affiliate of the Company after November

1. Manappuram General Finance and Leasing Limited
2. Manappuram Insurance Brokers Private Limited
3. Manappuram Benefit Fund Limited
4. Manappuram Finance (Tamil Nadu) Limited
5. Manappuram Chits (India) Limited
6. Manappuram Comptech and Consultants Private Limited
7. Manappuram Health Care Limited
8. Manappuram Asset Finance Limited

**"Memorandum of Association" or "Memorandum"** shall mean the Memorandum of Association of the Company as amended from time to time;

**"Nambe Investment Holdings"** shall mean Nambe Investment Holdings, a company incorporated and validly existing under the laws of Mauritius with its principal place of business at is 608, St.James Court, St.Denis Street, Port Louis, Mauritius, and registered as a sub-account with the Securities and Exchange Board of India bearing registration number 20081302 (and unless repugnant to the context or meaning thereof, shall be deemed to mean and include its successors, legal representatives and permitted assigns);

**"Offered Shares"** shall have the meaning as set out in Article 161(i); **"Original Director"** shall have the meaning as set out in Article 147;

**"Person"** shall mean any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union, association, government or any agency or political

subdivision thereof or any other entity that may be treated as a person under applicable Law;

**“Persons Acting in Concert” or “PACs”** shall mean Vazhappully Padmanabhan Nandakumar, Sushama Nandakumar, Sheely Ekalavian, Geetha Ravy, Jyothy Prasannan, Geetha Vazhappully Padmanabhan, Dr. Prasannan P.D, Nandakumar V.P., Jyothi, Jyothi Prasannan, Blangat Narayanan Ravindra Babu acting in concert with the Promoters and also includes Persons who may commence acting in concert with the Promoters after November 5, 2008 within the meaning of “persons acting in concert” as defined in the Takeover Code, provided that any such Person who ceases to be acting in concert with the Promoters at any date subsequent to November 5, 2008 shall not cease to be a PAC and shall continue to be so until such PAC ceases to be a shareholder in the Company in accordance with these Articles;

**“Preference Shares”** shall mean the preference shares in the Company, and shall include the CCPS;

**“Prohibited Promoter Transfer”** shall have the meaning as set out in Article 162(vii);

**“Promoters”** shall mean Vazhappully Padmanabhan Nandakumar, Sushama Nandakumar, Sheely Ekalavian, Geetha Ravy, Jyothy Prasannan, Geetha Vazhappully Padmanabhan, Dr. Prasannan P.D, Nandakumar V.P., Nandakumar V.P., Jyothi, Jyothi Prasannan, Blangat Narayanan Ravindra Babu, Ekalavyan P.K., Rajalakshmi, Ravi K.G., Sugathan P.K. and Prasanna B.N., the Persons Acting in Concert, the Relatives and Affiliates of each such Person and also includes such other Persons Acting in Concert who may execute a Deed of Adherence. Notwithstanding the preceding sentence, in the context of Subsequent Investors under these Articles, the term **“Promoters”** shall mean Mr. V.P. Nandakumar and Ms. Sushama Nandakumar collectively, and the term **“Promoter”** shall mean either one of them.

**“Promoters’ Affiliate”** shall mean any Affiliate of any of the Promoters, or any Person in which at least 10% (ten percent) of the shareholding, voting rights, economic interest or the Control, in each case directly or indirectly, is held by any of the Promoters individually or collectively, and shall include the Promoters Group Companies;

**“Promoters Group Companies”** shall mean MIBPL, Manappuram Benefit Fund Limited, Manappuram Finance (Tamil Nadu) Limited, Manappuram Comptech and Consultants Private Limited, Manappuram Chits India Limited, Manappuram Health Care Limited and Manappuram Asset Finance Limited;

**“Promoters Offer Notice”** shall have the meaning as set out in Article 164(i);

**“Promoters Offer Price”** shall have the meaning as set out in Article 164(i);

**“Promoters Right of First Offer”** shall have the meaning as set out in Article 164(i);

**“Promoter Sale Shares”** shall have the meaning as set out in Article 160(ii); **“Promoter Transfer Notice”** shall have the meaning as set out in Article 162(i);

**“Promoter Transfer Shares”** shall have the meaning as set out in Article 162(i);

**“Promoter Transferor”** shall have the meaning as set out in Article 160(ii);

**“Rejection Notice”** shall have the meaning as set out in Article 161(iv);

**“Related Party Transactions”** shall mean any Contract, arrangement or transaction between or amongst the Company and any of the following: (i) its Subsidiaries and/or its Affiliates, (ii) any other entity forming part of Manappuram Group or any of the respective Affiliates of such entities, (iii) any Promoters’ Affiliates, (iv) any of the Promoters, (v) any Director, (vi) any Employee (other than in respect of employment contracts with the employees and arrangements and transactions contemplated thereby), (vii) any other shareholder of the Company or its Subsidiaries or Affiliates who is an Affiliate of the Promoters, or where (a) such shares are held as nominees of any of the Promoters, or the beneficial ownership of such Shares is a Promoter, or (b) a Promoter can direct the voting or exercise of other rights in respect of such Shares;

**“Related Party”** shall have the meaning ascribed to such term in Accounting Standard -18 issued by the Institute of Chartered Accountants of India;

**“Relatives”** shall have the meaning as set out in the Act, and shall also include (i) any sibling of such Relative and such sibling’s children; and (ii) such Persons as included under Accounting Standard 18 issued by the Institute of Chartered Accountants of India;

**“Right of First Sale”** shall have the meaning as set out in Article 160(iii); **“Sale Shares Notice”** shall have the meaning as set out in Article 160(ii); **“Secondary Offering”** shall have the meaning as set out in Article 170;

**“Sequoia Investors”** shall mean Nambe Investment Holdings and Beaver Investment Holdings.

**“Shares”** shall mean Equity Shares and Preference Shares;

**“Share Capital”** shall mean the total issued and paid up share capital of the Company on a Fully Diluted Basis; **“Share Sale Notice”** shall have the meaning as set out in Article 170;

**“Shareholders”** shall mean and refer collectively to the Promoters and the Investor and **“Shareholder”** shall refer to any one of them, as the context may require;

**“Stock Exchange(s)”** shall mean any recognized stock exchange in India or overseas;

**“Subsequent Investors”** shall mean the Baring Investors and the Sequoia Investors along with their respective Subsequent Investors Affiliates.

**“Subsequent Investors Affiliate(s)”** in relation to Baring Investors shall include, (a) any Affiliates of any of the Baring Investors; (b) funds and/or foreign institutional investor entities advised by any of the Baring Investors or their Affiliates; © entities which are advisors of any of the Baring Investors, excluding companies that are Direct Competitors of the Company in India; and (d) any fund or entity in which any of the Baring Investors is a general or limited partner or any Affiliate or associate of such fund or other entity. Without prejudice to the generality of the foregoing, it is clarified that Baring India Private Equity Fund II Limited, Baring India Private Equity Fund III Listed Investments Limited and BRIC II Mauritius Trading shall be considered as Subsequent Investor Affiliates in relation to Baring Investors.

**“Subsequent Investors Affiliate(s)”** in relation to Sequoia Investors shall include, (a) any Affiliates of any of the Sequoia Investors; (b) funds and/or foreign institutional investor entities advised by any of the Sequoia Investors or their Affiliates; © entities which are advisors of any of the Sequoia Investors, excluding companies that are Direct Competitors of the Company in India; and (d) any fund or entity in which any of the Sequoia Investors is a general or limited partner or any Affiliate or associate of such fund or other entity. Without prejudice to the generality of the foregoing, it is clarified that Nambe Investment Holdings and Beaver Investment Holdings shall be considered as Subsequent Investors Affiliates in relation to Sequoia Investors.

**“Subsidiaries”** shall mean the direct and indirect subsidiaries of the Company, and shall include companies that may become direct or indirect subsidiaries of the Company after November 5, 2008;

**“Tag Along Notice”** shall have the meaning as set out in Article 162(ii);

**“Tag Along Period”** shall have the meaning as set out in Article 162(ii);

**“Tag Along Rights”** shall have the meaning as set out in Article 162(ii);

**“Tag Along Shares”** shall have the meaning as set out in Article 162(ii);

**“Takeover Code”** shall mean the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997;

**“Third Party Transferee”** shall have the meaning as set out in Article 16(ii);

**“Transfer”** (including with correlative meaning, the terms **“Transferred By”** and **“Transferability”**) shall mean to transfer, sell, assign, mortgage, pledge, charge, hypothecate, create a security interest in or Lien on, place in trust (voting or otherwise), exchange, gift or transfer by operation of Law or in any other way subject to any encumbrance or dispose of, whether or not voluntarily, whether directly or indirectly (pursuant to the transfer of an economic or other interest, the creation of a derivative security or otherwise); and

**“Trigger Notice”** shall have the meaning as set out in Article 161(i).

## TERMS OF THE CCPS

130. Articles 130 to Article 174 shall be subject at all times to the relevant provisions of the Indian Companies Act, 1956 and rules there under, the Securities and Exchange Board of India (Disclosure And Investor Protection) Guidelines, 2000 and other applicable Laws and regulations.

131. Nature of Instrument

The CCPS shall be compulsorily convertible preference shares in the Share Capital of the Company.

132. Face Value

The CCPS shall have a face value of ₹ 100 (Rupees One Hundred only) each.

133. Dividend

- (i) The CCPS shall be entitled to receive a dividend per CCPS in preference to any dividend on the Equity Shares or any other class of Shares of the Company, present or future;
- (ii) The rate of dividend payable on each CCPS shall be 0.05% on the face value of the CCPS;
- (iii) The dividend payable on the CCPS shall be cumulative and any dividend which has accumulated but not paid shall be paid on or before conversion of the CCPS into equity shares.

134. Conversion for AAIA

- (i) The AAIA Subscription Shares will convert into 1,344,337 (One Million Three Hundred Forty Four Thousand Three Hundred Thirty Seven) Equity Shares on September 30, 2009 or at the option of AAIA, at any time before September 30, 2009, without any further payment being required to be made by AAIA for such conversion.
- (ii) The Hudson Subscription Shares will convert into 687,923 (Six Hundred and Eighty Seven Thousand Nine Hundred Twenty Three only) Equity Shares on September 30, 2009 or at the option of Hudson, at any time before September 30, 2009, without any further payment being required to be made by Hudson for such conversion.
- (iii) The GHIOF Subscription Shares will convert into 252,063 (Two Hundred Fifty Two Thousand Sixty Three only) Equity Shares on September 30, 2009 or at the option of GHIOF, at any time before September 30, 2009, without any further payment being required to be made by GHIOF for such conversion.
- (iv) Subject to Article 135, the issue price per Equity Share shall be ₹ 166.62 (Rupees One Hundred Sixty Six and Paise Sixty Two only).

Provided that the issue price per share shall be subject to applicable Law, including the pricing requirements under the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000.

### 135. Antidilution Rights

135.1 Adjustments for Diluting Issues: Subject to applicable Law, till the CCPS held by the Investors are converted into equity shares in full, the Investors shall be entitled to antidilution rights as set forth below:

- (i) For the purposes of this Article 135, **"Additional Equity Shares"** means all Equity Shares issued (or, pursuant to Article 135.2, deemed to be issued) by the Company, other than issuances or deemed issuances of:
  - (a) Equity Shares and convertible securities issued pursuant to the ESOP of the Company; and
  - (b) Equity Shares issued or issuable upon conversion of the CCPS;

#### 135.2 Deemed Issue of Additional Equity Shares

In the event the Company at any time shall issue any convertible securities or shall fix a record date for the determination of holders of any class of securities entitled to receive any convertible securities, then the maximum number of equity shares (as set forth in the instrument relating thereto without regard to any provisions contained therein for a subsequent adjustment of such number) issuable upon the conversion or exchange of such convertible securities or, in the case of options for convertible securities, the exercise of such options and the conversion or exchange of the underlying securities, shall be deemed to have been issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date, provided that in any such case in which shares are deemed to be issued:

- (i) no further adjustment shall be made upon the subsequent issue of convertible securities or equity shares in connection with the exercise of such options or conversion or exchange of such convertible securities;
- (ii) if the terms of such options or convertible securities provide, with the passage of time or otherwise, for any change in the consideration payable to the Company or in the number of equity shares issuable upon the exercise, conversion or exchange thereof (other than a change pursuant to the anti-dilution provisions of such options or convertible securities such as this Article 135 or pursuant to recapitalization provisions of such options or Convertible Securities), the adjustment and any subsequent adjustments based thereon shall be recomputed to reflect such change as if such change had been in effect as of the original issue thereof (or upon the occurrence of the record date with respect thereto);
- (iii) upon the expiration of any such options or any rights of conversion or exchange under such convertible securities which shall not have been exercised, the adjustment computed upon the original issue thereof (or upon the occurrence of a record date with respect thereto) and any subsequent adjustments based thereon shall, upon such expiration, be recomputed as if:

- (a) in the case of convertible securities or options for equity shares, the only Additional Equity Shares issued were the equity shares, if any, actually issued upon the exercise of such options or the conversion or exchange of such Convertible Securities and the consideration received therefor was the consideration actually received by the Company for the issue of such exercised options plus the consideration actually received by the Company upon such exercise or for the issue of all such convertible securities which were actually converted or exchanged, plus the additional consideration, if any, actually received by the Company upon such conversion or exchange, and
- (b) in the case of options for convertible securities, only the convertible securities, if any, actually issued upon the exercise thereof were issued at the time of issue of such options, and the consideration received by the Company for the Additional Equity Shares deemed to have been then issued was the consideration actually received by the Company for the issue of such exercised options, plus the consideration deemed to have been received by the Company (determined pursuant to this Clause 4 upon the issue of the convertible securities with respect to which such options were actually exercised); and
- (c) if such record date shall have been fixed and such options or convertible securities are not issued on the date fixed therefor, the adjustment previously made which became effective on such record date shall be cancelled as of the close of business on such record date, and thereafter shall be adjusted pursuant to this Article 135 as of the actual date of their issuance.

#### 135.3 Adjustment Upon Issuance of Additional Equity Shares

If the Company shall issue, on and after the date hereof, any Additional Equity Shares without consideration or for a consideration per share less than the issue price per share in Article 134(iv), shall forthwith (except as otherwise provided in this sub Article 135.3 be adjusted to a price which shall be the lowest price per share for any of the Additional Equity Shares, subject to applicable Law.

- (i) Determination of Consideration. For purposes of this Article 135.4, the consideration received by the Company for the issue (or deemed issue) of any Additional Equity Shares shall be computed as follows:
  - (ii) Cash and Property. Such consideration shall:
    - (a) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Company before deducting any reasonable discounts, commissions or other expenses allowed, paid or incurred by the Company for any underwriting or otherwise in connection with such issuance;



- (b) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board; and
- (c) in the event Additional Equity Shares are issued together with other shares or securities or other Assets of the Company for consideration which covers both, be the proportion of such consideration so received, computed as provided in Article 135, as reasonably determined in good faith by the Board.
- (d) Convertible Securities. The consideration per share received by the Company for Additional Equity Shares deemed to have been issued shall be determined by dividing

(A)A the total amount, if any, received or receivable by the Company as consideration for the issue of such options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Company upon the exercise of such options or the conversion or exchange of such convertible securities, or in the case of options for convertible securities, the exercise of such options for convertible securities and the conversion or exchange of such convertible securities by

(A)B the maximum number of equity shares (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such options or the conversion or exchange of such convertible securities.

#### 135.4 Adjustments for Reclassification, Exchange and Substitution

- (i) If the equity shares shall be changed into the same or a different number of shares of any other class or classes of shares, whether by capital reorganization, reclassification or otherwise, or if there is a bonus issue, split, or consolidation of shares, then, in any such event, the Investors shall be entitled to such number and class of shares that would place the Investor in the same position relative to all other shareholders as the Investors were immediately before such reorganization or reclassification.
- (ii) The Company shall not, through any amendment of its Articles or Memorandum or any reorganization, transfer of Assets, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company but will at all times in good faith assist in the carrying out of all the provisions of this Article 135, and in the taking of all

such action as may be necessary or appropriate in order to protect the rights of the Investors against impairment.

- (iii) Upon the occurrence of each adjustment or readjustment pursuant to this Article 135.4, the Company at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to the Investors a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based along with stock certificates evidencing such adjustment. The Company shall, upon the written request at any time of the Investors, furnish or cause to be furnished to such Investors a like certificate setting forth such adjustments and readjustments and the number of equity shares and the amount, if any, of other property which at the time would be received upon the adjustment.
- (iv) The Company and all shareholders shall take all reasonable actions to at all times reserve and keep available out of its authorized but unissued equity shares solely for the purpose of effecting an adjustment pursuant to this Article 135.4, such number of its equity shares as shall from time to time be sufficient to effect an adjustment; and if at any time the number of authorized but unissued Equity Shares shall not be sufficient to effect an adjustment, the Company and all shareholders shall take such corporate action as may be necessary to increase its authorized but unissued equity shares to such number of equity shares as shall be sufficient for such purpose.

#### 136. Preference on the occurrence of a Liquidation Event prior to conversion of CCPS

- (i) Subject to applicable Law, upon the occurrence of a Liquidation Event, the Company shall distribute the proceeds of such Liquidation Event to its Shareholders, provided that the Investors shall be entitled to receive, together with and at the same time as the other holders of the CCPS, a preferential payment in accordance with this Article 136 from the Assets of the Company or cash or other property, for the CCPS held by it.
- (ii) In the event of a Liquidation Event occurring at any time after the Closing Date, to the extent of funds legally available therefore and subject to applicable Law, the Investors shall receive an amount in accordance with this Section, which is the **higher** of:
  - (a) The amount which would be distributed to the Investors, as if the CCPS held by the Investors have been converted into Equity Shares in accordance with these Articles, if all amounts available to the Company were distributed among all the Shareholders of the Company (including, the Investor) in proportion to their shareholding in the Company on a fully diluted basis.

Or

- (b) The Investor Subscription Consideration paid by each of the Investors, together with any accrued but unpaid dividend.
- (iii) The Promoter Group hereby covenants that each of them shall hold all amounts received by them (pursuant to a Liquidation Event) in their capacity as Shareholders, in trust for and on behalf of each of the Investors and shall immediately, but in any case not later than 15 (fifteen) days from the receipt of such amount, transfer all proceeds received by them (such that each of the Investors receives the amount equivalent to the amount provided in Article 136(ii) from the Company in the event of a Liquidation Event to each of the Investors so as to give effect to the provisions of this Clause.

#### 137. Voting Rights

Subject to provisions of these Articles, the holders of the CCPS shall be entitled to such voting rights as holders of preference shares under the Companies Act.

#### 138. Other Rights

**THE HOLDERS OF THE CCPS AND THE SUBSEQUENT INVESTORS SHALL HAVE OTHER RIGHTS THAT ARE SET OUT IN THESE ARTICLES AND UNDER LAW.**

#### MANAGEMENT

##### 139. Board Composition of the Company

- (i) The property, business and affairs of the Company shall be managed under the direction of the Board. The Board may exercise all such powers of the Company and do all such lawful acts and things as are permitted under applicable Law and the Memorandum of Association and Articles of Association.
- (ii) Till such time that either of the Subsequent Investors, collectively with their respective Subsequent Investors Affiliates, hold at least 1% (One percent) Shares, the following matters shall specifically require the prior approval of the Board:
  - a. transactions, agreements or arrangements between the Company and any of its Related Parties (which for the sake of clarity shall include the Promoters and their respective Affiliates and directors), singly or cumulatively in a financial year exceeding a value of ₹ 1,00,00,000/- (Rupees One Crore only);
  - b. change in statutory auditor or internal auditors of the Company;
  - c. change in compliance officer or a designated officer of the Company, designated as the "officer who is in default" for the purpose of the applicable Laws;
  - d. termination, or modification of the terms, of existing employment / services of the key personnel of the Company, including Mr. I Unnikrishnan and Mr. B. N. Raveendra Babu;
- (iii) With effect from the Closing Date, the Board of Directors of the Company will consist of not more than 12 (twelve) Directors or such other number as may be mutually agreed to in writing between the Parties, including the Investor Director.
- (iv) From and with effect from the Closing Date, as long as each of AAIA and Hudson hold at least 1% (one per cent) (six percent) of the Share Capital, each of AAIA and Hudson shall have the right to appoint 1 (one) non executive Director (the "AAIA Director" and "Hudson Director" respectively) on the Board of the Company.
- (v) From and with effect from the Closing Date, as long as GHIOF holds any Shares, GHIOF shall have the right to appoint 1 (one) non executive Director ("GHIOF Director") on the Board of the Company.
- (vi) Each of the Subsequent Investors shall, till such time as they collectively with their respective Subsequent Investors Affiliates, hold at least 1 % (One percent) of the Share Capital, have the right to nominate their one representative on the Board ("Subsequent Investors Nominee Director"). Upon exercise of their respective right to nominate the Subsequent Investors Nominee Director on the Board, the Company shall cause the appointment of the respective Subsequent Investors Nominee Director on the Board. The Subsequent Investors Nominee Director shall not be a person who is also a director or observer on the board of directors of Muthoot Finance Limited or any other Direct Competitor.
- (vii) The Investor Director, Subsequent Investors Nominee Directors shall be non-executive Directors, and shall not be responsible for the day to day affairs of the Company, or in control of the management. In the event of the resignation, retirement or vacation of office of any of the Investor Director or the Subsequent Investors Nominee Directors, each of the Investors and the Subsequent Investors Nominee Directors (as the case may be) shall be entitled to appoint another Director in such place.
- (viii) The Investor Director shall in no event be categorized as an 'officer in default' under any Law, and subject to applicable Law, shall not be liable for acts of the Company committed without his knowledge, or in respect of which he exercised due diligence. The Subsequent Investors Nominee Directors shall not be liable for any failure by the Company to comply with applicable Laws, and shall not be named as an "officer in default" (under any Law), or an "occupier" (of the Company's premises) or "a person in charge of and responsible to the Company for the conduct of business of the Company" under applicable Law.
- (ix) The Company shall, at all times (a) nominate a director(s) or any Person (other than the Subsequent Investors Nominee Directors) as a person in charge who shall be responsible for ensuring compliance with Law; and

- (b) appoint a compliance officer(s) or a designated officer(s) of the Company who shall be the "officer in default" or "occupier" or "person in charge" for the purposes of applicable Laws.
- (x) In the event that any notice or proceedings have been filed against the Subsequent Investors Nominee Directors in their capacity as a director or officer of the Company, the Company shall, and the Promoters shall procure that the Company shall, take all necessary steps to, (a) ensure that the name of the Subsequent Investors Nominee Directors, are excluded; and the charges / proceedings against such Subsequent Investors Nominee Directors are withdrawn; (b) defend the Subsequent Investors Nominee Directors, against such proceedings; and © pay all reasonable costs, damages, fines that may be incurred/levied against the Subsequent Investors Nominee Directors.
- (xi) The Chairman of the Board shall not have a casting vote.
- (xii) The Company shall indemnify its Directors to the maximum extent permitted by applicable Law and shall obtain Directors and Officers liability insurance to the satisfaction of each of the Investors and the Subsequent

#### Investors.

- (xiii) In the event the Company incorporates any Subsidiary in the future, each of the Investors would have the right to appoint a Director on each such subsidiary and the provisions of Part II of the Articles in relation to management of the Company, would apply to the board of directors of each such Subsidiary.

#### 140. Committees

- (i) Subject to applicable Law and as long as each of AAIA and Hudson holds at least 1% (one percent) of the Share Capital, each of AAIA and Hudson has the right to appoint a member on all the committees established by the Board of Directors of the Company.
- (ii) As long as each of the Subsequent Investors along with their respective Subsequent Investors Affiliates hold at least 1% (One percent) Shares, each of the Subsequent Investors Nominee Directors shall be appointed as a member of the audit committee, the corporate governance committee, the Interim Management Supervisory and Review Committee, and the remuneration committee of the Board (collectively referred to as the "**Committees**").
- (iii) Each of the Committees shall act under the supervision of, and in accordance with the powers and authority delegated to it by the Board, and in accordance with applicable Law.
- (iv) As long as each of the Subsequent Investors along with their respective Subsequent Investors Affiliate hold at least 1% (One percent) Shares, the Company shall, constitute and maintain such committees at all times, by whatever name called.

141. All provisions of Part II of the Articles in relation to Board of Directors shall apply mutatis mutandis to committees of the Board of Directors.

#### 142. ESOP

- (i) The Promoters and the Company hereby undertake that the ESOP shall be amended appropriately, so as to enlarge its size and enhance its scope in order to use the same as an incentive to reward and retain key personnel within the Company subject however to compliance with applicable Law.
- (ii) The details of the proposed changes to the ESOP shall be determined by the Board of Directors after Closing.

#### 143. Exercise of Rights

The Promoters and the Investors undertake to take such actions as may be necessary (including exercising their votes at General Meetings, meeting of the Board of Directors or any committees thereof), to give effect to the provisions of, and to comply with their obligations under these Articles.

#### 144. Removal/Resignation of Directors

The Promoters, the Investors and the Subsequent Investors may require the removal of any Director nominated by them to the Company and nominate another individual as a Director in his/her place, and the other Shareholders shall exercise their rights to ensure the appointment of the individual nominated as aforesaid, provided, that the Investors, the Subsequent Investors and the Promoters have each nominated Directors qualified under the requirements of applicable Law, and each such Director has submitted to the Board any certificate or consent required under the Act to be submitted by him/her in connection with his/her appointment as a member of the relevant Board of Directors. In the event of the resignation, retirement or vacation of office of any Director, the Shareholder who has appointed such Director shall be entitled to appoint another Director in such place and the other Shareholders shall exercise their rights to ensure the appointment of the individual nominated as aforesaid.

#### 145. Meetings of the Board

- (i) The Board of Directors of the Company shall meet at least once every 3 (three) months, with each such meeting to be held in Valapad, Kerala (unless otherwise agreed to by the Company, Promoters and each Investor).
- (ii) Any meeting of the Board of Directors shall be called, held and convened only upon giving a prior written notice of not less than 14 (fourteen) Business Days to all the Directors. Each notice of a meeting of the Board of Directors shall contain, inter alia, an agenda specifying, in reasonable detail, the matters to be discussed at the relevant meeting and shall be accompanied by all necessary written information.

GHIOF or the GHIOF Director shall intimate the Company at least 2 (two) days prior to the scheduled date of the

Board meeting whether or not the GHIOF Director shall be attending the meeting of the Board.

- (iii) Subject to the provisions of these Article including Article 149, a decision shall be said to have been made and/or a resolution shall be said to have been passed at a meeting of the Board of Directors only if at a validly constituted meeting, such decisions are approved by and/or the resolution is approved by a majority of the Directors, which unless otherwise mandated by Law in India, shall mean approval by a majority of the Directors present and voting at such Board meeting.
- (iv) Subject to applicable Law, the Directors or members of any committee of the Board of Directors may participate in meetings of the Board of Directors or committee of the Board of Directors through video-conference or telephonic conference.

#### 146. Quorum of the Board

- (i) The quorum for a meeting of the Board of Directors of the Company shall be as required under the Act, subject to the presence of each of the AAIA Director and the Hudson Director being required to constitute such quorum at a meeting where any business relating to the matters referred to in Article 149 is proposed to be transacted, it being agreed and understood that AAIA and Hudson do not acquire Control of the Company and there is no change in Control of the Company.

Provided that if such a quorum is not present within 1 (one) hour from the time appointed for the meeting, the meeting shall adjourn to the same place and time 10 (ten) days later, at which meeting the Directors present shall, subject to their constituting a valid quorum under the Act, constitute a valid quorum even though the Investor Director is not present, provided that notice of such adjourned meeting shall have been delivered to all Directors at least 5 (five) days prior to the date of such adjourned meeting.

- (ii) If either of the AAIA Director or Hudson Director notifies the Company that he/she shall be unable to attend such adjourned meeting, then any matter referred to in Article 149 shall not be taken up at such adjourned meeting, without obtaining the prior written consent of each of the AAIA Director or the Hudson Director but shall instead be passed as a resolution by circulation in accordance with Article 148. Provided that if any matter referred to in Article 149 cannot be passed as a resolution by circulation, and either of AAIA or Hudson has not consented to such resolution, then such matter shall not be taken up at the adjourned meeting.

Provided further that AAIA or Hudson may, in writing, waive the requirements of quorum specified in this Article for any meeting.

#### 147. Alternate Director

Each of the Investors shall be entitled to nominate an alternate Director (an **"Alternate Director"**) in place of their respective Investor Director originally nominated by it (an **"Original Director"**) from time to time and the Board shall appoint such Alternate Director. Upon the appointment of the Alternate Director, the Company shall ensure compliance with the provisions of the Act, including by filing necessary forms with the jurisdictional Registrar of Companies. The Alternate Director shall be entitled to receive notice of all meetings and to attend and vote at such meetings in place of the Original Director and generally to perform all functions of the Original Director in his or her absence.

#### 148. Resolution by Circulation

A written resolution circulated to all the Directors or members of committees of the Board of Directors, whether in India or overseas and signed by a majority of them as approved, shall (subject to compliance with the relevant requirements of the Act) be as valid and effective as a resolution duly passed at a meeting of the Board of Directors or committee of the Board of Directors, called and held in accordance with these Articles (provided that it has been circulated in draft form, together with the relevant papers, if any, to all the Directors); provided however that if the resolution proposed to be passed by circulation pertains to a matter referred to in Article 149, such circular resolution shall be valid and effective only if it has received the written consent of each of the AAIA Director and Hudson Director.

#### 149. Affirmative Rights in the Company

- (i) Notwithstanding anything to the contrary contained in these Articles, so long as each of AAIA and Hudson holds at least 1% (one percent) of the total Share Capital, decisions on the following matters shall not be taken and/or implemented, and no action in connection with those matters shall be taken by the Company, whether at meetings of its shareholders and/or its Board of Directors and/or committees of its Boards of Directors or otherwise, in each case without the affirmative votes or prior written consent of, each of AAIA and Hudson or each of the AAIA Director and the Hudson Director nominated by AAIA and Hudson respectively, as the case may be:
  - (a) Acquisition of shares, assets, business, business organization or division of any other Person, creation of legal entities, joint ventures or partnerships, mergers, de-mergers, spin-offs and consolidations, creation of any new Subsidiaries (other than acquisition of shares in the normal course of business and acquisition of assets in the normal course of business up to an amount of ₹ 30,000,000 (Rupees Thirty Million only), except the proposed merger of MAFIT with and into the Company.
  - (b) Any changes in class rights for Shares (directly or indirectly).

- (c) Entry into or amendments to any exclusive marketing agreements or arrangements (other than short marketing agreements or arrangements having a validity period not exceeding 1 year).
- (d) Commencement of any new line of business, which is unrelated to the business carried on by the Company as an NBFC including the business of lending against gold pledged, hire purchase, personal loans, and money transfer services to consumers.
- (e) Any change in the capital structure of the Company including issued, subscribed or paid up equity or preference share capital of the Company, or re-organization of the Share Capital, including new issuance of shares or other securities or any other convertible instrument of the Company or redemption, retirement or repurchase of any shares or other securities, issuance of convertible debentures or warrants, or grant of any options over its shares by the Company, and the granting of any rights to the holder of such shares or other securities, convertible debentures or warrants, or options, at terms more favourable than those given to AAIA or Hudson, or which in any way affect the rights and remedies of AAIA or Hudson. Provided that an Investor will not be entitled to exercise this veto right in the event (a) the Company proposes to issue any equity, preference, equity-related or convertible securities to any Person(s) other than AAIA or Hudson at a pre-money valuation of the Company which is higher than the post money valuation on the basis of which AAIA or Hudson had subscribed for the AAIA Subscription Shares and Hudson Subscription Shares respectively, at no better terms than the terms on which AAIA or Hudson were issued the AAIA Subscription Shares and Hudson Subscription Shares respectively, and which do not affect the rights of AAIA or Hudson (b) the Company issues non convertible debentures up to the limits set out in the annual budget/business plan.
- (f) Creation of Subsidiaries.
- (g) Sale, transfer or other disposition of the Company, any of its Subsidiaries, its joint ventures and its subsidiaries.
- (h) De-listing of Shares of the Company or any of its Subsidiaries on any stock-exchanges.
- (i) Taking of steps towards or appointment of any advisers, including but not limited to, investment bankers, merchant bankers, underwriters to the issue, in connection with a potential sale or floatation of Shares of the Company or any of its Subsidiaries including through a Public Offering.
- (j) Declaration or payment of dividends or other distributions on any class of Shares of the Company.
- (k) Approval and adoption of the annual budget/ business plan of the Company or any of its Subsidiaries.
- (l) Any amendment or modification or the taking of any action that would be inconsistent with the budget/ business plan as approved by the Board and then in effect by more than 5% (five percent). Provided that such permissible limit of 5% (five percent) would however not apply if, in the opinion of any of AAIA or Hudson, the proposed action is not likely to have an adverse impact on the profitability and need to raise additional debt or equity capital.
- (m) The appointment or removal and determination of the terms of employment including compensation of Key Management Personnel and any significant changes in the terms of their employment agreements.
- (n) Creation or adoption of any new or additional ESOP, or any change or modification or amendment to any ESOPs of the Company or its Subsidiaries.
- (o) The prosecution or settlement of legal actions or claims by or against the Company and/or its Subsidiaries where the aggregate amount of all claims so prosecuted or settled would exceed ₹ 10,000,000 (Rupees Ten Million only) within any Financial Year.
- (p) Dissolution, winding-up or liquidation of the Company or any of its Subsidiaries, whether or not voluntary, or any restructuring or reorganization that has a similar effect;
- (q) Entering into or any amendments to the terms of any Related Party Transactions other than as disclosed to AAIA and Hudson.
- (r) Any amendment, supplement, modification or restatement of the Memorandum or Articles of Association of the Company or any of its Subsidiaries.
- (s) Any changes to accounting or tax policies, procedures or practices or reappointment or change of internal or statutory auditors of the Company or any of its Subsidiaries.
- (t) Change of registered office of the Company or any of its Subsidiaries;
- (u) Taking any decision or action, entering into or amending any Contract with any Person in relation to MIBPL;
- (v) Delegation of authority or any of the powers relating to any matter contained in this Article 149 by the Board of the Company and/or its Subsidiaries to any individual or committee and any commitment or agreement to do any of the foregoing.
- (w) Any proposal by the Company to take any decisions or action on matters listed in this Article 149 with respect to its Subsidiaries.
- (x) Any decision to convene a General Meeting to consider any of the foregoing matters.

It is clarified that all financial limits in this Article 149 are indicated on an aggregate basis.

- (ii) In the event that the Company proposes to convene a General Meeting to consider any of the matters listed in Article 149, and if the AAIA Director or the Hudson Director vote against the inclusion of such resolution in the General Meeting, then such matter or resolution shall not be considered in the General Meeting, and if considered or put to vote, such matter forming part of the resolution shall be null and void, and deemed to have not been passed and shall not be given effect to. The Company and the Promoters shall do all acts necessary or required under Law to give effect to this Article 149.

#### 150. Statutory Auditor

Any change in the auditor appointed by the Company shall be made only with the prior written consent of each of AAIA and Hudson.

### INFORMATION AND ACCESS RIGHTS

151. The Company shall furnish to the Investors, all such information as is provided to all other Directors and to any other shareholders of the Company.
152. Subject to applicable Law, including but not limited to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, the Company shall, upon reasonable notice, provide full access to each of the Investors and their authorized representatives (including lawyers, accountants, auditors and other professional advisors) to visit and inspect all properties, assets, corporate, financial and other records, reports, books, Contracts and commitments of the Company, its Affiliates and joint ventures, and to discuss and consult its business, actions plans, budgets and finances with the Directors and executive officers of the Company, its Affiliates and joint ventures.

### GENERAL MEETINGS

153. An AGM shall be held each calendar year within 6 (six) months following the end of the previous Financial Year.
154. Prior written notice of a minimum of 21 (twenty one) Business Days for a General Meeting shall be given to all shareholders of the Company; provided however that any General Meeting may be held upon shorter notice in accordance with the provisions of the Act. All notices shall be accompanied by an agenda setting out the particular business proposed to be transacted at such meeting.
155. The Board of Directors shall provide the Company's previous Financial Year's audited financial statements to all Shareholders at least 1 (one) month before the AGM is held to approve and adopt the audited financial statements. All other General Meetings, other than the AGM, shall be EGMs.
156. The quorum for General Meetings shall be a minimum of 5 (five) members being present, subject to at least 1 (one) authorized representative representing the Promoters and

each of AAIA and Hudson being present at such meeting; provided, however, that no decision or determination will be made and no action will be taken by or with respect to the Company in respect of any of the reserved matters referred to in Article 149 unless approved in accordance with Article 149.

#### 157. Related Party Transactions

All related party transactions of the company or its affiliates or subsidiaries shall be duly approved by the board and shareholders of the company or the subsidiaries, as the case may be and shall be made on an arm's length, market terms basis.

#### 158. Right to Invest

- (i) The Investors and/or any of its Affiliates shall be entitled to invest in any entity engaged in the same or allied field as that of the Company, its Subsidiaries/ Affiliates, and the Promoters confirm that that they will have no objection to any of the Investors and/or any of the Investor Affiliate making such investments. The Company shall provide each of the Investors with a No Objection Certificate to this effect at or before the Closing Date in the form as required by the Investors.
- (ii) If any of the Investors invest in Muthoot Finance Private Limited, Muthoot Fincorp Limited and Muthoot Capital Services Limited, such Investors shall not nominate a common director on the board of directors of such investee company and any such company of the Muthoot group.

#### 159. Transfer of Shares by the Promoters

- (i) Subject to Article (ii), none of the Promoters shall Transfer any or all of its Shares in the Company and/ or its Subsidiaries/ Affiliates, and the Company shall not Transfer any of its Shares in any of its Subsidiaries/ Affiliates, except with the prior written consent of each of AAIA and Hudson.
- (ii) Notwithstanding anything contained in Article (i), but subject to this Article, the Promoters shall, upon expiry of 12 (twelve) months from March 14, 2012, have the right to sell up to 3% (three percent) (collectively) of the total shareholding of the Promoters in the Company in a Financial Year, without the prior written consent of each of AAIA and Hudson, provided that the shareholding of the Promoters post such Transfer shall not be less than 26% (twenty six percent) of the total Share Capital, provided however that subject to Article 161(iii), a Transfer of Shares by the Promoters under this Article (ii) shall be subject to the Right of First Offer of AAIA and Hudson under Article 161. It is hereby clarified that the Tag Along Rights of each of AAIA and Hudson shall not apply to a Transfer of up to 3% (three percent) (collectively) of the shareholding of the Promoters in the Company in a Financial Year by the Promoters in compliance with this Article (ii).
- (iii) Transfer of Shares by the Promoters within 12 months of the Execution Date

- (a) Save and except as provided in this Article 159(iii), the Promoters shall not Transfer any or all of their Shares in the Company within the first 12 months from the Execution Date, except with the prior written consent of the Subsequent Investors.
- (b) The aggregate Shares transferred or proposed to be transferred by the Promoters during the financial year ending March 31, 2012, after reckoning the sale of Shares on the Execution Date or within 15 days of the Execution Date, shall not exceed 4.75% of the Share Capital. Any such transfer of Shares held by the Promoters in the Company in excess of 4.75% of the Share Capital shall be subject to prior approval of the Subsequent Investors.
- (iv) Transfer of Shares by the Promoters after 12 months of the Execution Date
- (a) After 12 months from the Execution Date, the Promoters can Transfer any or all of their Shares in the Company, without the prior written consent of the Subsequent Investors, subject to the restrictions as set out in Articles 159(iii), 159(iv) and 159(v) and provided that the collective shareholding of the Promoters after such Transfer shall not be less than 26% of the total Share Capital.
- (b) After 12 months from the Execution Date, the Promoters shall have the right to sell up to 3% (collectively) of the total shareholding of the Promoters on an aggregate basis in a Financial Year ("**Yearly Divestment Limit**"), without the prior written consent of the Subsequent Investors, provided that the shareholding of the Promoters post such Transfer shall not be less than 26% of the Share Capital, provided however that a Transfer of Shares by the Promoters under this Article 159(iv)(b) shall be subject to the Right of First Offer of the Subsequent Investors under Article 161A.
- (v) The restrictions set out in Article 159(iii) and Article 159(iv) shall not apply in respect of any Transfer of Shares by the Promoters to its Affiliates. Any Affiliate of the Promoters to which Shares have been Transferred, shall execute a deed of adherence in an agreed form; provided that if the Affiliate of any of the Promoters ceases to be an Affiliate of such Promoter, the Promoters shall ensure that the Shares held by such Person are transferred to the Promoters, who shall be bound by the terms of these Articles.
160. Right of First Sale of AAIA and Hudson
- (i) After 3 (three) years from the Closing Date, the Promoters shall have the right to sell more than 3% (three percent) of the shareholding of the Promoters in the Company in a Financial Year, subject to the Right of First Sale as described in Article 196(ii).
- (ii) In the event any Promoter (the "**Promoter Transferor**") proposes to Transfer any of its Shares in the Company in excess of the limit of 3% (three percent) of the Shares held by the Promoters ("**Promoter Sale Shares**") to any Person (the "Third Party Transferee") on terms that satisfy the conditions set out in Article(i), the Promoter Transferor shall, within 3 (three) Business Days of receipt of such offer, provide each of AAIA and Hudson a written notice ("Sale Shares Notice") of its intention to sell the Promoter Sale Shares, setting out the identity of the Third Party Transferee, the price and payment terms of such offer received from the Third Party Transferee.
- (iii) Upon receipt of the Sale Shares Notice, each of AAIA and Hudson shall have the right to sell to the Third Party Transferee up to such number of Shares held by each of them which equals the number of Promoter Sale Shares (the "**Sale Shares**") at the price and payment terms offered by the Third Party Transferee to the Promoter Transferor (the "**Right of First Sale**"), by providing, within 15 (fifteen) Business Days of the receipt of the Sale Shares Notice by each of AAIA and Hudson, a written notice to the Promoter Transferor of its intention to sell the First Sale Shares to the Third Party Transferee (the "**Sale Shares Notice**").
- (iv) Upon receipt of the Sale Shares Notice, the Promoter Transferor shall ensure that within 7 (seven) Business Days of receipt of the Sale Shares Notice, the Third Party Transferee informs each of AAIA and Hudson and the Promoter Transferor in writing ("**Sale Shares Acceptance Notice**") of its intention to purchase all the Sale Shares at the price and payment terms stated in the Sale Shares Notice. In such an event, the Third Party Transferee shall purchase the Sale Shares within 30 (thirty) Business Days from the issue of the Sale Shares Acceptance Notice, after obtaining any consents/ approvals or making any regulatory filings as may be required under applicable Laws, which shall be the responsibility of the Promoters. The Promoter Transferor shall be entitled to sell any of the Promoter Sale Shares to the Third Party only after the Third Party Transferee has purchased all the Sale Shares in accordance with these Articles.
- (v) In the event that the Third Party Transferee does not agree to purchase the Sale Shares at the price and payment terms stated in the Sale Shares Notice, the Promoter Transferor shall not be entitled to sell the Promoter Sale Shares to the Third Party Transferee, unless otherwise agreed to in writing by each of AAIA and Hudson.
- (vi) In the event either of AAIA or Hudson does not exercise the Right of First Sale under this Article 160 or having received the Sale Shares Acceptance Notice, fails to consummate the Transfer of the Sale Shares within the period of 30 (thirty) Business Days as stated in Article (iv) other than for reasons not attributable to each of AAIA and Hudson, the Promoter Transferor shall be entitled to Transfer the Promoter Sale Shares to the Third Party Transferee at the price and on the payment terms mentioned in the Sale Shares Notice.

- (vii) The exercise of the Right of First Sale under Article 160 shall be without prejudice to the Right of First Offer of AAIA and Hudson under Article 161. Any failure to exercise the Right of First Sale under this Article 160 with respect to the Transfer of Shares by the Promoters in one instance shall be without prejudice to the right of each of AAIA and Hudson to exercise the Right of First Sale with respect to any subsequent offers for purchase of Shares of the Promoters as contained in Article (i).
- (viii) In case any of the other shareholders of the Company having a similar right of first sale under the Articles, decide to exercise such right of first sale, then the Promoter shall forthwith inform AAIA and Hudson of such decision taken by the relevant shareholder, along with the details thereof.
- (ix) Any transferee of the Shares of the Promoters under this Article 159 (other than AAIA and Hudson and subject to compliance with Article 159(ii), Persons to whom the Promoters sell up to 3% (three percent) of the total shareholding of the Promoters in the Company in a Financial Year) shall execute a Deed of Adherence agreeing to be subject to all the obligations of the Promoters, provided that each of AAIA and Hudson may, on a request made in this regard by the Promoters, waive the requirement of the transferee of the Shares of the Promoters under this Article 159 executing a Deed of Adherence.

#### 160A. Right of First Sale of the Subsequent Investors

- 160A.1 Save and except as provided in Articles 159(iii) and 159(iv), in the event any of the Promoters (the **"Transferring Promoter"**) propose to Transfer any of its Shares in the Company in excess of 3% (collectively) of the total shareholding of the Promoters on an aggregate basis in a Financial Year (**"Yearly Divestment Limit"**) (**"Promoter Transfer Shares"**) to any Person (the **"Third Person Transferee"**) on terms that satisfy the conditions set out in Articles 159(iii) and Article 159(iv), the Transferring Promoter shall, within 3 Business Days of receipt of such offer, provide each of the Subsequent Investors a written notice (**"Transfer Shares Notice"**) of its intention to sell the Promoter Transfer Shares, setting out the identity of the Third Person Transferee, the price and the payment terms of such offer received from the Third Person Transferee.
- 160A.2 Upon receipt of the Transfer Shares Notice, each of the Subsequent Investors shall have the right (along with the other exiting Investors in accordance with their respective shareholding in the Company at the relevant time) to sell to the Third Person Transferee up to such number of Shares held by them which equals the number of Promoter Transfer Shares (the **"Subsequent Investor Sale Shares"**) at the price and payment terms offered by the Third Person Transferee to the Transferring Promoter (the **"Subsequent Investors' Right of First Sale"**), by providing, within 15 Business Days of the receipt of the

Transfer Shares Notice by the respective Subsequent Investors, a written notice to the Transferring Promoter of its intention to sell the Subsequent Investor Sale Shares to the Third Person Transferee (the **"Subsequent Investor Sale Shares Notice"**).

160A.3 Upon receipt of the Subsequent Investor Sale Shares Notice, the Transferring Promoter shall ensure that within 7 Business Days of receipt of the Subsequent Investor Sale Shares Notice, the Third Person Transferee informs each of the Subsequent Investors and the Transferring Promoter in writing (**"Transfer Shares Acceptance Notice"**) of its intention to purchase all the Subsequent Investor Sale Shares at the price and payment terms stated in the Transfer Shares Notice. In such an event, the Third Person Transferee shall purchase the Subsequent Investor Sale Shares within 30 Business Days from the issue of the Transfer Shares Acceptance Notice, after obtaining any consents/ approvals or making any regulatory filings as may be required under applicable Laws, which shall be the responsibility of the Promoters. The Transferring Promoter shall be entitled to sell any of the Promoter Transfer Shares to the Third Person Transferee only after the Third Person Transferee has purchased all the Subsequent Investor Sale Shares in accordance with these Articles.

160A.4 In the event that the Third Party Transferee does not agree to purchase the Subsequent Investor Sale Shares at the price and payment terms stated in the Transfer Shares Notice, the Transferring Promoter shall not be entitled to sell the Promoter Transfer Shares to the Third Person Transferee, unless otherwise agreed to in writing by the relevant Subsequent Investors.

160A.5 In the event the Subsequent Investors do not exercise their Subsequent Investors Right of First Sale under this Article 160A or having received the Transfer Shares Acceptance Notice, fails to consummate the Transfer of the Subsequent Investor Sale Shares within the period of 30 Business Days as stated in Article 160A.3 above, for reasons attributable to such Subsequent Investors, as the case may be, the Transferring Promoter shall be entitled to Transfer the Promoter Transfer Shares to the Third Person Transferee at the price and on the payment terms mentioned in the Transfer Shares Notice.

160A.6 The exercise of the Subsequent Investors' Right of First Sale under Article 160A.3 shall be without prejudice to the Subsequent Investors' Right of First Offer of the Subsequent Investors under Article 161A. Any failure to exercise the Subsequent Investors' Right of First Sale under this Article 160A with respect to the Transfer of Shares by the Promoters in one instance shall be without prejudice to the right of such Subsequent Investors, to exercise their Subsequent Investors' Right of First Sale with respect to any subsequent offers for purchase of Shares of the Promoters as contained in Article 160A.1.



160A.7 Notwithstanding anything contained in these Articles, the Subsequent Investors' Right of First Sale of the Subsequent Investors shall at all times be pari passu inter se each other as well with the Investors and not in any manner secondary to the right of first sale of the Investors, as provided under Article 160. In case any of the Investors or the Subsequent Investors decides to exercise their right of first sale under Articles 160 or 160A (as the case may be), then the Promoters shall forthwith inform the other Subsequent Investors of such decision taken by the relevant Investor or the Subsequent Investor, along with the details thereof.

160A.8 Each Subsequent Investor shall cease to have its respective Subsequent Investors' Right of First Sale under this Article 160A as soon as such Subsequent Investor collectively with its Subsequent Investor Affiliates ceases to hold at least 1.5% of the Share Capital.

#### 161. Right of First Offer of AAIA and Hudson

- (i) If any Promoter Transferor proposes to Transfer any or all of its Shares (the **"Offered Shares"**) to any Person, each of AAIA and Hudson shall have the right of first offer to purchase such proportion of the Offered Shares (the **"Right of First Offer"**) as its shareholding in the Company bears to the shareholding of other Persons who have a similar right to purchase the Offered Shares. The Promoter Transferor shall provide each of AAIA and Hudson, a written notice of its intention to sell the Offered Shares (the **"Trigger Notice"**). The Trigger Notice shall set out the number of the Offered Shares, identity of the transferee, the price at which the Promoter Transferor is willing to Transfer such Offered Shares (**"ROFO Price"**) on a cash, non contingent basis. Each of AAIA and Hudson shall have the option to, within 15 (fifteen) Business Days of receipt of the respective Trigger Notice from the Promoter Transferor, inform the Promoter Transferor in writing (the **"Offer Notice"**) of its intention to purchase the Offered Shares and state the price for such purchase (the **"Offer Price"**) along with the payment terms. Upon receipt of the respective Offer Notice by the Promoter Transferor, if the Offer Price by each of AAIA and Hudson is equal to or greater than their respective ROFO Price and payment terms stated in the respective Offer Notice are acceptable to the Promoter Transferor, it shall, by written notice (the **"Acceptance Notice"**), intimate its acceptance of the Offer Price and payment terms to each of AAIA and Hudson within a period of 5 (five) Business Days from the date of receipt of each of the Offer Notice.
- (ii) Upon the Promoter Transferor sending an Acceptance Notice, the Promoter Transferor and each of AAIA and Hudson shall consummate the Transfer of the Offered Shares within a period of 30 (thirty) Business Days from the date of receipt of the Acceptance Notice. Each of AAIA and Hudson shall also pay a deposit of 5% (five percent) of the respective Offer Price to the Promoter Transferor upon receipt of the respective Acceptance Notice after obtaining any consents/ approvals or making any regulatory filings

as may be required under applicable Laws which shall be the responsibility of the Promoters.

- (iii) In the event that the Promoter Transferor does not receive the Acceptance Notice within 15 (fifteen) Business Days from receipt of the Trigger Notice or after having exercised the Right of First Offer within 15 (fifteen) Business Days from receipt of the Trigger Notice, each of AAIA and Hudson fails to purchase the Offered Shares offered by the Promoter Transferor within a period of 30 (thirty) Business Days from the date of their respective Acceptance Notice other than for reasons not attributable to it, the Right of First Offer of each of AAIA and Hudson shall be deemed to have lapsed and the Promoter Transferor shall be entitled to sell the Offered Shares offered to each of AAIA and Hudson to any Third Party Transferee at a price higher than the respective ROFO Price, within 90 (ninety) days from the expiry of the 15 (fifteen) day or 30 (thirty) day period referred to in this Article (iii), as the case may be.
- (iv) In the event that the Right of First Offer under this Article is exercised and each of AAIA and Hudson under Article 161 issues their respective Offer Notice in accordance with Article (i) to the Promoter Transferor, the Promoter Transferor shall have the right to reject the offer made by each of AAIA and Hudson in their respective Offer Notice only in the event that their respective Offer Price is less than their respective ROFO Price, and the Promoter Transferor shall intimate each of AAIA and Hudson, within 7 (seven) Business Days from receipt of the respective Offer Notice, by written notice (the **"Rejection Notice"**), that the terms of each of the Offer Notice are not acceptable to it. The Promoter Transferor shall be entitled to sell the Offered Shares in respect of which the Right of First Offer has not been exercised to any Third Party Transferee at any price higher than the ROFO Price and on payment terms which are no more favourable to the Third Party Transferee than the payment terms specified in the Offer Notice, and the Promoter Transferor and the Third Party Transferee shall consummate the Transfer of the Offered Shares within a period of 90 (ninety) days from the date of the Rejection Notice.
- (v) In the event that the Transfer of Offered Shares by the Promoter Transferor to a Third Party Transferee is not consummated within a period of 90 (ninety) days from the date of the Rejection Notice as provided in Article (iv), any subsequent proposal to Transfer any Shares including the Offered Shares shall again be subject to the Right of First Offer under this Article 161.
- (vi) Each of AAIA and Hudson shall cease to have the Right of First Offer under this Article 161 as soon as it ceases to hold 1.5 (one point five per cent) of the Share Capital.
- (vii) The Right of First Offer under this Article 161 shall not apply in respect of any Transfer of Shares by the Promoter Transferor to its Affiliate. Any Affiliate of the Promoters to which Shares have been Transferred in accordance with

these Articles shall execute a Deed of Adherence, provided that if the Affiliate of any of the Promoters ceases to be an Affiliate of such Promoter, the Promoters shall ensure that the Shares held by such Person are transferred to the Promoters, who shall be bound by the terms of these Articles.

- (viii) The Right of First Offer under this Article 161 shall apply to all such Shares (such shares the **"Additional Offered Shares"**) in respect of which other Persons who have a right of first offer have not exercised such right. Each of AAIA and Hudson shall have the right of first offer to purchase such proportion of the Additional Offered Shares as its shareholding in the Company bears to the shareholding of other Persons who have a similar right to purchase the Additional Offered Shares, and the provisions of this Article 161 shall apply mutatis mutandis to the Additional Offered Shares.
- (ix) In case any of the other shareholders of the Company having a similar right of first offer under this Article, decide to exercise such right of first offer, then the Promoter shall forthwith inform the AAIA and Hudson of such decision taken by the relevant shareholder, along with the details thereof.

#### 161A. Right of First Offer of the Subsequent Investors

161A.1 Save and except as provided in Articles 159(iii) and 159(iv), if any Transferring Promoter proposes to Transfer any or all of its Shares (the **"Promoter Offered Shares"**) to any Person, the Subsequent Investors shall have the right of first offer to purchase by itself or through its Subsequent Investor Affiliates or through a person designated by the Subsequent Investors, provided that such transferee Subsequent Investors Affiliate or the person designated by the Subsequent Investors shall be subject to all the terms and conditions of these Articles by executing a deed of adherence in the agreed format, such proportion of the Promoter Offered Shares (the **"Subsequent Investors' Right of First Offer"**) as its shareholding in the Company bears to the shareholding of the Investors, who have a similar right under these Articles to purchase the Promoter Offered Shares. The Transferring Promoter shall provide the Subsequent Investors, a written notice of its intention to sell the Offered Shares (the **"Subsequent Investor Trigger Notice"**). The Subsequent Investor Trigger Notice shall set out the number of the Promoter Offered Shares, identity of the transferee, the price at which the Transferring Promoter is willing to Transfer such Promoter Offered Shares (**"Subsequent Investor ROFO Price"**) on a cash, non contingent basis. Each of the Subsequent Investors shall have the option to, within 15 Business Days of receipt of the Subsequent Investor Trigger Notice from the Transferring Promoter, inform the Transferring Promoter in writing (the **"Subsequent Investor Offer Notice"**) of its intention to purchase the Promoter Offered Shares and state the price for such purchase (the **"Subsequent Investor Offer Price"**) along with the payment terms. Upon receipt of the Subsequent

Investor Offer Notice by the Transferring Promoter, if the Subsequent Investor Offer Price by such Subsequent Investors, is equal to or greater than the Subsequent Investor ROFO Price, and payment terms stated in the Subsequent Investor Offer Notice are acceptable to the Transferring Promoter, it shall, by written notice (the **"Promoter Acceptance Notice"**), intimate its acceptance of the Subsequent Investor Offer Price and payment terms to such Subsequent Investor within a period of 5 Business Days from the date of receipt of each of the Subsequent Investor Offer Notice.

161A.2 Upon the Transferring Promoter sending a Promoter Acceptance Notice, the Transferring Promoter and the Subsequent Investors or the respective Subsequent Investor Affiliates or their designees, as the case may be, shall consummate the Transfer of the Promoter Offered Shares within a period of 30 Business Days from the date of receipt of the Promoter Acceptance Notice. In such a case, the Subsequent Investors shall also pay a deposit of 5% (five percent) of the Subsequent Investor Offer Price to the Transferring Promoter upon receipt of the Promoter Acceptance Notice after obtaining any consents/ approvals or making any regulatory filings as may be required under applicable Law, which shall be the responsibility of Promoters.

161A.3 In the event that the Transferring Promoter does not receive the Subsequent Investor Offer Notice within 15 Business Days from receipt of the Subsequent Investor Trigger Notice or after having exercised the Subsequent Investor Right of First Offer within 15 Business Days from receipt of the Subsequent Investor Trigger Notice, the Subsequent Investors fail to purchase the Promoter Offered Shares offered by the Transferring Promoter within a period of 30 Business Days from the date of the Acceptance Notice for reasons attributable to such Subsequent Investor, the Right of First Offer of such Subsequent Investor shall be deemed to have lapsed and the Transferring Promoter shall be entitled to sell the Offered Shares offered to the such Subsequent Investor to any Third Party Transferee at a price higher than the ROFO Price, within 90 days from the expiry of the 15 day or 30 day period referred to in this Article 161A.3.

161A.4 In the event that the Right of First Offer under this Article 161A is exercised and the Subsequent Investors issue the Offer Notice in accordance with Article 161A.1 to the Transferring Promoter, the Transferring Promoter shall have the right to reject the offer made by the Subsequent Investors in the Subsequent Investor Offer Notice only in the event that the Subsequent Investor Offer Price is less than the Subsequent Investor ROFO Price, and the Transferring Promoter shall intimate such Subsequent Investor, within 7 Business Days from receipt of the Subsequent Investor Offer Notice, by written notice (the **"Promoter Rejection Notice"**), that the terms of the Subsequent Investor Offer Notice are not acceptable

to it. The Transferring Promoter shall be entitled to sell the Promoter Offered Shares in respect of which the Subsequent Investors' Right of First Offer has not been exercised, to any Third Person Transferee at any price higher than the Subsequent Investor ROFO Price and on payment terms which are no more favourable to the Third Person Transferee than the payment terms specified in the Subsequent Investor Offer Notice, and the Transferring Promoter and the Third Person Transferee shall consummate the Transfer of the Promoter Offered Shares within a period of 90 days from the date of the Promoter Rejection Notice.

161A.5 In the event that the Transfer of Promoter Offered Shares by the Transferring Promoter to a Third Person Transferee is not consummated within a period of 90 days from the date of the Promoter Rejection Notice as provided in Article 161A.4, any subsequent proposal to Transfer any Shares including the Promoter Offered Shares shall again be subject to the Subsequent Investors' Right of First Offer under this Article 161A.

161A.6 Each Subsequent Investor shall cease to have its respective Subsequent Investors' Right of First Offer under this Article 161A as soon as such Subsequent Investor collectively with its Subsequent Investor Affiliates ceases to hold at least 1.5% of the Share Capital.

161A.7 The Subsequent Investors' Right of First Offer under this Article 161A shall apply to all such Shares (such shares the "**Further Offered Shares**") in respect of which other Persons who have a right of first offer have not exercised such right. The Subsequent Investors shall have the Subsequent Investors' Right of First Offer to purchase such proportion of the Further Offered Shares as its shareholding in the Company bears to the shareholding of other Persons who have a similar right to purchase the Further Offered Shares under these Articles, and the provisions of this Article 161A shall apply mutatis mutandis to the Further Offered Shares.

161A.8 Notwithstanding anything contained in these Articles, the Parties agree that the Subsequent Investors' Right of First Offer of the Subsequent Investors shall at all times be *pari passu* inter se each other as well with the Investors and not in any manner secondary to the right of first offer of the other existing Investors in the Company, as provided under Article 161 of these Articles. In case any of the Investors or the Subsequent Investor decides to exercise their right of first offer under Articles 161 or 161A (as the case may be), then the Promoters shall forthwith inform the other Subsequent Investors of such decision taken by the relevant Investor or the Subsequent Investor, along with the details thereof.

162. Tag Along Rights of AAIA and Hudson

(i) In the event that a Promoter Transferor proposes to Transfer any of its Shares in excess of the limit of 3% (three percent) of the Shares held by the Promoters to any Third Party

Transferee (which transfer shall be subject to Article 159(ii) in respect of which the Right of First Sale or the Right of First Offer has not been exercised, then the Promoter Transferor shall give a notice in writing (the "**Promoter Transfer Notice**") to each of AAIA and Hudson specifying the number of Shares proposed to be Transferred (the "**Promoter Transfer Shares**"), the price at which the Promoter Transferor intends to Transfer such Promoter Transfer Shares, the identity of the Third Party Transferee and any other material or relevant terms and conditions of the proposed Transfer.

(ii) Upon each of AAIA and Hudson, receiving the Promoter Transfer Notice, each of AAIA and Hudson may, within 15 (fifteen) Business Days of receipt of the Promoter Transfer Notice (the "**Tag Along Period**"), send a written notice to the Promoter Transferor (the "**Tag Along Notice**") requiring the Promoter Transferor to ensure that the Third Party Transferee also purchases such number of Shares then held by each of AAIA and Hudson in the Company which shall not exceed the pro rata number of Shares of each of AAIA and Hudson in the issued Share Capital at the relevant time (the "**Tag Along Shares**") at the same price and on the same terms as mentioned in the Promoter Transfer Notice (the "**Tag Along Right**"). The Tag Along Right under this Article 162 shall be available in respect of the proportionate shareholding of each of AAIA and Hudson at the relevant time.

(iii) In the event that each of AAIA and Hudson delivers a Tag Along Notice to the Promoter Transferor, the Promoter Transferor shall ensure that along with the Promoter Transfer Shares mentioned in the Promoter Transfer Notice, the Third Party Transferee also acquires the respective Tag Along Shares of each of AAIA and Hudson as specified in the respective Tag Along Notice for the same consideration and upon the same terms and conditions as mentioned in the respective Promoter Transfer Notice, provided that each of AAIA and Hudson shall, at its option, be entitled to, and the Promoter Transferor shall procure that each of AAIA and Hudson will, receive the cash equivalent of any non-cash component of the consideration to be paid by the Third Party Transferee. The value of such non cash component of the consideration shall be determined by an independent valuation to be caused by each of AAIA and Hudson by an internationally renowned accounting firm if each of AAIA and Hudson and Promoter Transferor fail to mutually agree on such value.

(iv) In the event that the Third Party Transferee is unwilling or unable to acquire all of the Promoter Transfer Shares mentioned in the Promoter Transferor Notice and all the Tag Along Shares upon such terms, then the Promoter Transferor may elect either to cancel the proposed Transfer to the Third Party Transferee or, to allocate the maximum number of Shares of the Company which the Third Party Transferee is willing to purchase among the Promoter Transfer Shares and the Tag Along Shares pro-rata as calculated above and to complete such Transfer in accordance with the revised

terms. In the event the Promoter Transferor elects to cancel the proposed Transfer to the Third Party Transferee, each of AAIA and Hudson may, at its option, also cancel the proposed Transfer of its respective Tag Along Shares.

- (v) Notwithstanding anything to the contrary in this Article 162, the Promoter Transferor shall not be entitled to Transfer any Shares to any Third Party Transferee unless the Third Party Transferee simultaneously purchases and pays for all the Tag Along Shares or a proportionate number of the Tag Along Shares determined in accordance with Article (iv).
- (vi) If either of AAIA or Hudson do not deliver their respective Tag Along Notice to the Promoter Transferor prior to the expiry of their respective Tag Along Period, the Promoter Transferor shall be entitled to Transfer the respective Promoter Transfer Shares to the Third Party Transferee.
- (vii) In the event of the Promoter Transferor Transferring any Shares held by it in violation of the provisions of this Article 162 (the **"Prohibited Promoter Transfer"**), then each of AAIA and Hudson upon exercise of its respective Tag Along Right, shall have the right to sell to the Promoter Transferor and the Promoter Transferor shall purchase from each of AAIA and Hudson, their respective Tag Along Shares at a price higher by at least 33% (thirty three percent) to the price at which the Promoter Transferor Transferred the Promoter Transfer Shares to the Third Party Transferee, without prejudice to any other rights and remedies that the Promoter Transferor may have in order to restrict the Prohibited Promoter Transfer or take any other action or exercise any other rights that it may be entitled to under Law. The Promoter Transferor shall also reimburse each of AAIA and Hudson for any and all fees and expenses, including legal fees and expenses, incurred pursuant to the exercise of each of AAIA and Hudson's rights under this Article 162. The Promoter Transferor shall purchase the Tag Along Shares within 90 (ninety) days from the date of notice provided by each of AAIA and Hudson, exercising its right under this Article (vii).
- (viii) In case any of the other shareholders of the Company having a similar tag along right under the Articles, decide to exercise such tag along right, then the Promoter shall forthwith inform AAIA and Hudson of such decision taken by the relevant shareholder, along with the details thereof.

#### 162A. Tag Along Rights of the Subsequent Investors

162A.1 Save and except as provided in Articles 159(iii) and 159(iv), in the event that a Transferring Promoter proposes to Transfer any of its Shares in excess of the Yearly Divestment Limit to any Third Person Transferee in respect of which the Subsequent Investors' Right of First Sale or the Subsequent Investors' Right of First Offer has not been exercised, then the Transferring Promoter shall give a notice in writing (the **"Selling Promoter Transfer Notice"**) to the Subsequent Investors, specifying the number of Shares proposed to be Transferred (the

**"Selling Promoter Transfer Shares"**), the price at which the Transferring Promoter intends to Transfer such Selling Promoter Transfer Shares, the identity of the Third Person Transferee and any other material or relevant terms and conditions of the proposed Transfer.

162A.2 Upon the Subsequent Investors receiving the Selling Promoter Transfer Notice, the Subsequent Investors, within 15 Business Days of receipt of the Selling Promoter Transfer Notice (the **"Subsequent Investor Tag Along Period"**), send a written notice to the Transferring Promoter (the **"Subsequent Investor Tag Along Notice"**) requiring the Transferring Promoter to ensure that the Third Person Transferee also purchases such number of Shares then held by the Subsequent Investors in the Share Capital at the relevant time, which shall not exceed the pro rata number of Shares of each of the Investors and the Subsequent Investors in the Share Capital at that time (the **"Subsequent Investor Tag Along Shares"**) at the same price and on the same terms as mentioned in the Selling Promoter Transfer Notice (the **"Subsequent Investors' Tag Along Right"**). The Subsequent Investors' Tag Along Right under this Article 162A shall be available in respect of the proportionate shareholding of the Subsequent Investors at the relevant time.

162A.3 In the event that the Subsequent Investors deliver their respective Subsequent Investor Tag Along Notice to the Transferring Promoter, the Transferring Promoter shall ensure that along with the Selling Promoter Transfer Shares mentioned in the Selling Promoter Transfer Notice, the Third Person Transferee also acquires the Subsequent Investor Tag Along Shares of the Subsequent Investors, as specified in the Subsequent Investor Tag Along Notice for the same consideration and upon the same terms and conditions as mentioned in the Selling Promoter Transfer Notice, provided that the Subsequent Investors shall, at their option, be entitled to, and the Transferring Promoter shall procure that the Subsequent Investors shall, receive the cash equivalent of any non-cash component of the consideration to be paid by the Third Person Transferee. The value of such non cash component of the consideration shall be determined by an independent valuation to be caused by the Subsequent Investors by an internationally renowned accounting firm if the Subsequent Investors and the Transferring Promoter fail to mutually agree on such value.

162A.4 In the event that the Third Person Transferee is unwilling or unable to acquire all of the Selling Promoter Transfer Shares mentioned in the Promoter Transfer Notice and all the Subsequent Investor Tag Along Shares upon such terms, then the Transferring Promoter may elect either to cancel the proposed Transfer to the Third Person Transferee or, to allocate the maximum number of Shares of the Company which the Third Person Transferee is willing to purchase among the Selling Promoter Transfer

Shares and the Subsequent Investor Tag Along Shares pro-rata as calculated above and to complete such Transfer in accordance with the revised terms. In the event the Transferring Promoter elects to cancel the proposed Transfer to the Third Person Transferee, each of the Subsequent Investors may, at their respective option, also cancel the proposed Transfer of its respective Subsequent Investor Tag Along Shares.

162A.5 Notwithstanding anything to the contrary in this Article 162A, the Transferring Promoter shall not be entitled to Transfer any Shares to any Third Person Transferee unless the Third Person Transferee simultaneously purchases and pays for all the Subsequent Investor Tag Along Shares or a proportionate number of the Subsequent Investor Tag Along Shares determined in accordance with Article 162A.4.

162A.6 If the Subsequent Investors do not deliver the Subsequent Investor Tag Along Notice to the Transferring Promoter prior to the expiry of the Subsequent Investor Tag Along Period, the Transferring Promoter shall be entitled to Transfer the respective Selling Promoter Transfer Shares to the Third Person Transferee.

162A.7 In the event of the Transferring Promoter Transferring any Shares in violation of the provisions of this Article 162A (the "**Prohibited Selling Promoter Transfer**"), then the Subsequent Investors, upon exercise of their Subsequent Investors' Tag Along Right, shall have the right to sell to the Transferring Promoter and the Transferring Promoter shall purchase from the Subsequent Investors, subject to Law, the Subsequent Investor Tag Along Shares at a price higher by at least 33% to the price at which the Transferring Promoter Transferred the Selling Promoter Transfer Shares to the Third Person Transferee, without prejudice to any other rights and remedies that the Transferring Promoter may have in order to restrict the Prohibited Selling Promoter Transfer or take any other action or exercise any other rights that it may be entitled to under Law. The Transferring Promoter shall also reimburse the Subsequent Investors for any and all fees and expenses, including legal fees and expenses, incurred pursuant to the exercise of the Subsequent Investors' rights under this Article 162A. The Transferring Promoter shall purchase the Subsequent Investor Tag Along Shares within 90 days from the date of notice provided by the Subsequent Investors exercising its right under this Article 162A.7.

162A.8 Notwithstanding anything contained in these Articles, the Subsequent Investors' Tag Along Right of the Subsequent Investors shall at all times be pari pasu inter se each other and also with the Investors and not in any manner secondary to the tag along right of the other Investors, as provided under Article 162, as amended from time to time. In case any of the Investors or the Subsequent Investor decides to exercise their tag along right under Articles 162 or 162A (as the case may be), then the Promoters

shall forthwith inform the other Subsequent Investors of such decision taken by the relevant Investor or the Subsequent Investor, along with the details thereof.

162A.9 Each Subsequent Investor shall cease to have its respective Tag Along Right under this Article 162 A as soon as such Subsequent Investor collectively with its Subsequent Investor Affiliates ceases to hold at least 1.5% of the Share Capital.

#### 163. Transfer of Shares by the Investors

- (i) The Investors shall be entitled to Transfer all or part of its Shares, along with the right attached to such Shares, at any time to a Third Party Transferee, without the prior consent of the Promoters or any other shareholder of the Company.
- (ii) Notwithstanding the provisions of Article 164, the Investors shall be entitled to Transfer all or any part of its Shares in the Company, along with the right attached to such Shares, at any time to their respective Investor Affiliate without the prior consent of the Promoters or any other shareholder of the Company.

#### 163A. Collective Action

##### (i) Collective Action by Baring Investors

Notwithstanding anything in these Articles, each of the Baring Investors hereby irrevocably authorize Baring India Private Equity Fund III Listed Investments Limited to take any and all decisions on their behalf with regard to any matter relating to or contemplated by these Articles, including the exercise of any right or remedy or performance of any obligations or grant of any waiver or consent hereunder. Exercise of any right or performance of any obligations or grant of any waiver or consent by Baring India Private Equity Fund III Listed Investments Limited as aforesaid shall be construed to be a joint exercise, performance or grant by all the Baring Investors, and any such consent, waiver or exercise of rights or obligations by Baring India Private Equity Fund III Listed Investments Limited can be relied upon by the Company and the Promoters. The Baring Investors shall collectively exercise all rights and perform all obligations under these Articles. It is clarified that any limits applicable to the Baring Investors under these Articles shall apply to them as if Baring Investors were one single entity, and not separately.

##### (ii) Collective Action by Sequoia Investors

Notwithstanding anything in these Articles, each of the Sequoia Investors hereby irrevocably authorize Beaver Holdings Limited to take any and all decisions on their behalf with regard to any matter relating to or contemplated by these Articles, including the exercise of any right or remedy or performance of any obligations or grant of any waiver or consent hereunder. Exercise of any right or performance of any obligations or grant of any waiver or consent by Beaver Holdings Limited as aforesaid shall be construed to be a joint exercise, performance or grant by all the Sequoia Investors, and any such consent, waiver or exercise of rights

or obligations by Beaver Holdings Limited can be relied upon by the Company and the Promoters. The Sequoia Investors shall collectively exercise all rights and perform all obligations under these Articles. It is clarified that any limits applicable to the Sequoia Investors under these Articles shall apply to them as if Sequoia Investors were one single entity, and not separately.

- (iii) It is clarified that wherever any limits are made applicable on Subsequent Investors under these Articles, such limits shall apply separately to the Sequoia Investors and the Baring Investors, and not collectively.

## ADDITIONAL CAPITAL

164. In the event the Company decides to issue any additional Shares (in excess of the Share Capital as on the Effective Date) or other securities (the **"Additional Shares"**), to any Third Party, then within 2 (two) Business Days of such matter being approved by the Board, the Company shall first offer to issue such number of the Additional Shares to AAIA such that the shareholding of AAIA after issue of the Additional Shares does not fall below 6% (six percent) of the Share Capital (the **"AAIA Offer Shares"**) upon the terms and conditions set out in the offer notice with respect to such further issue (the terms of such offer to AAIA shall be referred to as the **"AAIA Additional Shares Offer Terms"**).

In the event the Company decides to issue any additional Shares (in excess of the Share Capital as on the Effective Date) or other securities (the **"Additional Shares"**), to any Third Party, then within 2 (two) Business Days of such matter being approved by the Board, the Company shall first offer to issue such proportion of the Additional Shares equivalent to Hudson's then shareholding in the Share Capital to Hudson (the **"Hudson Offer Shares"**) upon the terms and conditions set out in the offer notice with respect to such further issue (the terms of such offer to Hudson shall be referred to as the **"Hudson Additional Shares Offer Terms"**).

In the event the Company decides to issue any additional Shares (in excess of the Share Capital as on the Effective Date) or other securities (the **"Additional Shares"**), to any Third Party, then within 2 (two) Business Days of such matter being approved by the Board, the Company shall first offer to issue such proportion of the Additional Shares equivalent to Sequoia's then shareholding in the Share Capital to Sequoia (the **"Sequoia Offer Shares"**) upon the terms and conditions set out in the offer notice with respect to such further issue (the terms of such offer to Sequoia shall be referred to as the **"Sequoia Additional Shares Offer Terms"**).

165. Upon such offer being made, each of AAIA and Hudson shall have the first right to agree to subscribe for all or part of the AAIA Offer Shares, Hudson Offer Shares respectively, in accordance with the AAIA Additional Shares Offer Terms,

Hudson Additional Shares Offer Terms Additional Shares Offer Terms respectively, within a period of 21 (twenty one) Business Days (the **"Additional Shares Offer Period"**). If each of AAIA and Hudson agrees to subscribe for the AAIA Offer Shares, Hudson Offer Shares Offer Shares respectively, in whole or in part within the Additional Shares Offer Period the Company shall, after receipt of such intimation to subscribe for the AAIA Offer Shares, Hudson Offer Shares Offer Shares, in whole or in part, by each of AAIA and Hudson respectively, convene a General Meeting to approve the preferential allotment of the AAIA Offer Shares, Hudson Offer Shares Offer Shares and thereafter complete the issue and allotment of the AAIA Offer Shares, Hudson Offer Shares, within the time period prescribed under Law. In the event that either of AAIA or Hudson does not respond to the notice from the Company within the prescribed time period or declines to subscribe for the AAIA Offer Shares, Hudson Offer Shares respectively, then the Company shall be entitled to issue the remainder of the Additional Shares to any Person and the shareholding of each of AAIA and Hudson, shall be treated as diluted to such extent from the date of issuance of the Additional Shares.

166. In the event that any future round of financing of the Company involves a secondary purchase of Shares from the Promoters, each of AAIA and Hudson shall have their respective Right of First Offer and respective Tag Along Rights set out in Article 161 and Article 162 respectively in respect of the shares of the Promoters that are proposed to be Transferred in such round of financing. To enable each of AAIA and Hudson to effectively exercise its right under this Article, the Company and/or the Promoters shall notify each of AAIA and Hudson in writing of such an opportunity. Such written notice shall be provided to each of AAIA and Hudson within 2 (two) Business Days of the Company, or any of the Promoters executing a term sheet, letter of intent, memorandum of understanding, or entering into any arrangement, whether written or otherwise, and whether binding or non-binding. The written notice shall set out in reasonable detail all facts necessary for each of AAIA and Hudson to effectively exercise their right under Article 164 to Article 169.

167. If any future or present investor (other than Hudson under paragraphs 2 and 3 of Article 164 respectively) is granted more favourable rights than the rights granted to each of AAIA and Hudson under any agreement, each of AAIA and Hudson shall be entitled to be issued a single share in such round of additional funding upon which each of AAIA and Hudson shall be entitled to all such additional favourable rights granted in such placement and shall also be entitled to such additional favourable rights in respect of its then existing Shares in the Company. Each of AAIA and Hudson shall cease to have the right to be issued a single share in future rounds of funding as set out in this Article as soon as it ceases to hold 1% (one per cent) of the Share Capital.

168. In addition, each of AAIA and Hudson shall have the rights agreed to in writing under Article 135, relating to the further issue of Shares.

169. Nothing in Article 164 to Article 169 shall apply to any Shares that may be issued pursuant to any ESOP or a rights issue by the Company or bonus issue of Shares to all the shareholders of the Company on a pro-rata basis.

#### EXIT BY AAIA AND HUDSON

170. At any time after March 31, 2010, each of AAIA and Hudson shall have the right, subject to providing a notice of 30 (thirty) days (the **"Share Sale Notice"**), to cause the Company and the Promoters to procure the sale of part or all of the Shares held by each of AAIA and Hudson in one or more private placements of Shares, or by way of a secondary offering of Shares held by each of AAIA and Hudson to the public (subject to applicable Law) (the **"Secondary Offering"**), or a combination thereof and may require the Company and the Promoters to, within a period of 30 (thirty) days from the date of such request, initiate the process to facilitate such sale of part or all of each of AAIA, Hudson's Shares, with the primary purpose of enabling each of AAIA and Hudson to sell its Shares through such private placement or Secondary Offering on any Stock Exchange, subject to compliance with applicable Law.

171. In the event that each of AAIA and Hudson serves the Share Sale Notice, the Promoters shall exercise their voting rights (at the Board and shareholder levels), and cause the Board of Directors of the Company to take all steps necessary for the Company to undertake such private placement or Secondary Offering, to enable each of AAIA and Hudson to Transfer its Shares (or any part thereof) through such offering or sale, including but not limited to, preparing and signing the relevant offer documents, conducting road shows, entering into such documents, providing all necessary information and documents necessary for preparing the offer document, obtaining such regulatory or other approvals and doing such further reasonable acts or deeds as may be necessary to effect such a sale by each of AAIA and Hudson. The Company shall comply with all the procedures and execute documents in each case as are customary in transactions of such nature, or do all acts necessary to facilitate the private placement or Secondary Offering as aforesaid. The Promoters and the Company shall assist each of AAIA and Hudson to the fullest extent possible to enable the sale of the Shares (or any part thereof) held by each of AAIA and Hudson through the private placement or Secondary Offering as aforesaid.

172. Rights of AAIA and Hudson in relation to Secondary Sales/Private Placement of Shares of the Company

(i) Each of AAIA and Hudson shall be entitled to make one or more requests for sale of its Shares as detailed in Article 170, either in whole or in part, and the Company and the Promoters shall comply with the requirements of this

Article 172 in respect of each such request. Each of AAIA and Hudson shall be entitled to determine the price and number of Shares held by it to be offered in the Secondary Offering and each of AAIA and Hudson will have the right to sell up to 100% (one hundred percent) of its Shares as a part of the Secondary Offering. Each of AAIA and Hudson will consider the recommendations, if any, of the appointed investment banking firm in this regard in accordance with Article (ii) and Article (iii).

(ii) The Stock Exchange(s) on which the Shares offered by each of AAIA and Hudson shall be listed and the appointment of an investment bank as book runner for the offering shall be mutually agreed to between each of AAIA and Hudson, the Promoters and the Company. Such offering shall be managed and underwritten by a reputable investment banking firm of recognized high standing in the market in which the Shares of each of AAIA and Hudson are to be offered, who is acceptable to each of AAIA and Hudson.

(iii) In the event that the Company, the Promoters and each of AAIA and Hudson do not reach an agreement with regard to the choice of Stock Exchange(s) on which the Shares are to be listed and/or the choice of investment banker to be appointed as book runner for the offering, each of AAIA and Hudson shall have the option, at its sole discretion, to (A) require the listing of the Shares on any Stock Exchanges as it determines fit, and (B) appoint any one or more investment banks as book runner(s) for the offering.

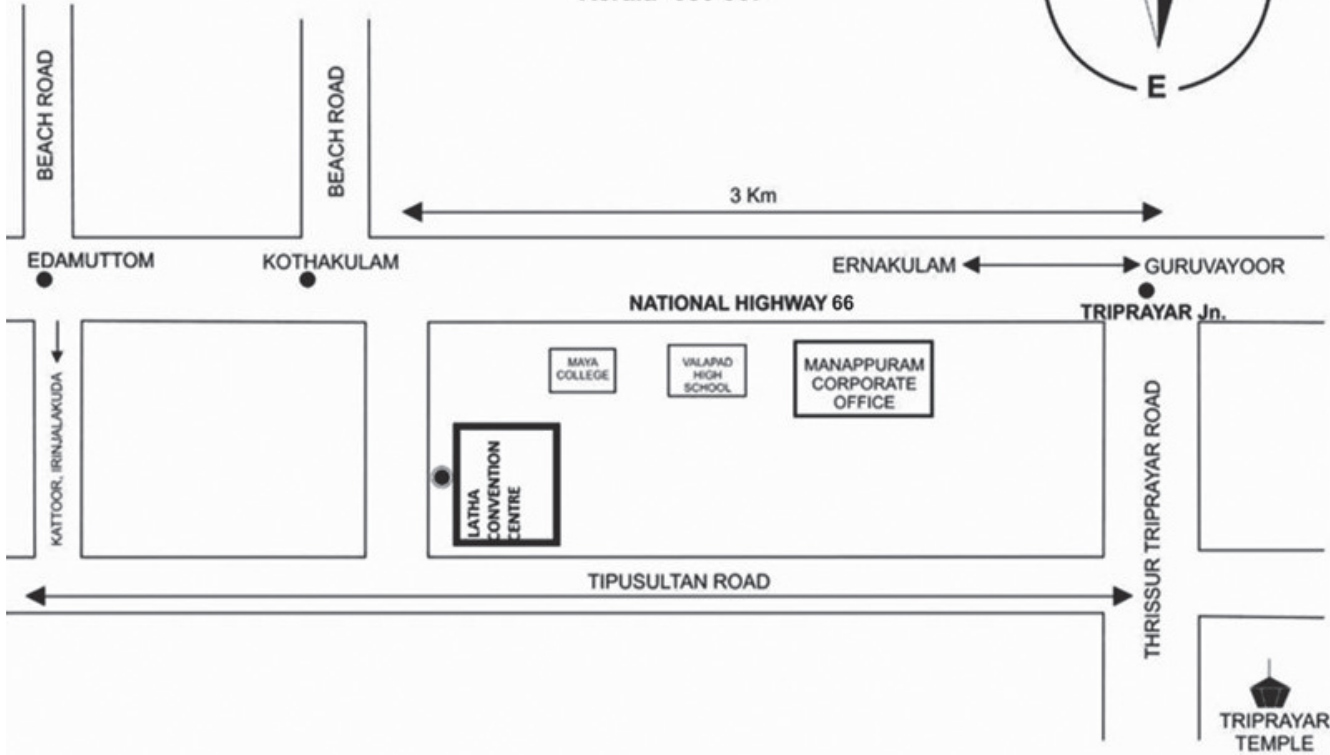
(iv) In the event that the Company issues American Depository Receipts, Global Depository Receipts or such other similar instruments (the "Further Securities") that are listed or are to be listed on any Stock Exchange, then subject to applicable Law, upon written request by each of AAIA and Hudson the Company shall re-classify, as may be required, and list the Shares (or other securities arising from such reclassification) held by each of AAIA and Hudson on the same date (or at a future date, if requested in writing by each of AAIA and Hudson ) and on the same Stock Exchange(s) on which listing of the Further Securities occurs. The Company's obligations to list the Shares held by each of AAIA and Hudson shall exist irrespective of whether each of AAIA and Hudson sell their Shares pursuant to such listing or not.

173. The right of each of AAIA and Hudson under this Article 170 to Article 174 cause the Company and the Promoters to procure the sale of part or all of the Shares held by each of AAIA and Hudson in one or more Secondary Offering of the Shares, and any Transfer of Shares held by each of AAIA and Hudson in any Secondary Offering of the Shares shall not be subject to the Promoters Right of First Offer set out in Article 164.

174. Upon the occurrence of an Event of Default, each Investor, the Company and the Promoters, except the Defaulting Party, shall have the option to continue to exercise its rights under Part II of the Articles, but without being liable to comply with any of its obligations hereunder.

# ROUTE MAP TO THE VENUE OF THE AGM

Latha Convention Centre, Valapad, Thrissur,  
Kerala- 680 567





**MANAPPURAM FINANCE LIMITED**

Regd. Office: W - 4/638 A

Manappuram House, Valapad P.O., Thrissur - 680 567, Kerala, India

Ph: (0487) 3050413, 3050417, CIN: L65910KL1992PLC006623

Email: [cosecretary@manappuram.com](mailto:cosecretary@manappuram.com), Website: [www.manappuram.com](http://www.manappuram.com)

**ATTENDANCE SLIP**

**31<sup>st</sup> ANNUAL GENERAL MEETING - THURSDAY, AUGUST 17, 2023**

DP ID		CLIENT ID	
FOLIO NO.		No. of shares	

I certify that I am a member/ proxy/ authorized representative for the member of the Company. I hereby record my presence at the 31<sup>st</sup> Annual General Meeting of the Company at Latha Convention Centre (formerly known as Anugraha Auditorium), Valapad, Thrissur - 680 567, Kerala held on Thursday, August 17, 2023 at 11.00 A.M. (IST)

-----  
Signature of the Shareholder/Proxy

-----  
Name of the Shareholder/Proxy

Note: Please fill up this Attendance Slip and hand it over at the entrance of the Meeting Hall.

**ELECTRONIC VOTING PARTICULARS**

<b>EVSN</b>	<b>User ID</b>	<b>Sequence No.</b>

Note: Please read instructions given at Note No.22 of the Notice of the 31<sup>st</sup> Annual General Meeting carefully before voting electronically .

**MANAPPURAM FINANCE LIMITED**

Regd. Office: W - 4/ 638A, Manappuram House, Valapad P.O., Thrissur - 680 567, Kerala, India  
Ph: (0487) 3050413, 3050417, CIN: L65910KL1992PLC006623  
Email: [cosecretary@manappuram.com](mailto:cosecretary@manappuram.com), Website: [www.manappuram.com](http://www.manappuram.com)

**PROXY FORM**

31<sup>ST</sup> ANNUAL GENERAL MEETING - THURSDAY, AUGUST 17, 2023  
(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies  
(Management and Administration) Rules, 2014)

Name of the Member(s) :					
Registered Address :					
Email ID :					
DP ID:		CLIENT ID:		FOLIO NO.	

I / We, being the member(s) of ..... shares of Manappuram Finance Limited, hereby appoint:

(1) Name : .....

Address : .....

E-mail ID : .....

Signature : ..... or failing him/her; .....

(2) Name : .....

Address : .....

E-mail ID : .....

Signature : ..... or failing him/her; .....

(3) Name : .....

Address : .....

E-mail ID : .....

Signature : ..... or failing him/her; .....

And whose signatures are appended below as my / our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 31<sup>st</sup> Annual General Meeting of the Company, to be held on Thursday, August 17, 2023 at 11.00 A.M. at Latha Convention Centre (formerly known as Anugraha Auditorium), Valapad, Thrissur - 680 567, Kerala, India and at any adjournment thereof in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

I wish my above proxy to vote in the manner as indicated in the box below

Sl No	Resolutions	*Vote	
		For	Against
	<b>Ordinary Business</b>		
1.	To receive, consider and adopt the audited Standalone as well as Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, together with Reports of the Board of Directors and Auditors thereon.		
2.	To appoint a director in place of Mr. S R Balasubramanian (DIN: 03200547), Non-Executive Non-Independent Director of the Company who retires by rotation, and being eligible, offers himself for a re-appointment.		
	<b>Special Business</b>		
3.	Re-appointment of Mr. V P Nandakumar (DIN: 00044512) as Managing Director and Chief Executive Officer of the Company for a period of five years with effect from 1 <sup>st</sup> April 2024.		
4.	Revision in remuneration payable to Mr. V P Nandakumar, Managing Director & Chief Executive Officer of the Company.		
5.	Revision in remuneration payable to Dr. Sumitha Nandan (DIN: 03625120), Whole-time Director of the Company.		
6.	Alteration of the Articles of Association of the Company.		
7.	Material Related Party Transaction(s) between the Company and Asirvad Micro Finance Limited, a subsidiary.		

Signed this ..... day of ..... 2023

Signature of Shareholder: .....

Signature of Proxy Holder(s): .....

Affix Revenue Stamp
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**Notes:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.*
- For the Resolutions, and Notes, please refer to the Notice of 31<sup>st</sup> AGM.*
- \*Please put a tick mark (✓) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.*
- A Proxy need not be a member of the Company.*
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.*
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.*
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.*

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