



महाराष्ट्र MAHARASHTRA

2019

AT 081938

प्रधान मुद्रांक कार्यालय, मुंबई  
प.म.नं. १००००२३  
15 OCT 2019  
सक्षम अधिकारी

श्री. सौ. टी. आंबेकर

This Stamp paper forms integral part of Share Subscription cum Shareholder's Agreement executed between Fedbank Financial Services Limited and Mr Anil Kothari

*Anil*

जोड़पत्र-१ Annexure

केवल प्रतिभाषणार्थी Only for Affidavit

मुद्रांक विकत घेणाऱ्याची सही

मुद्रांक विकत घेणाऱ्याची पत्ता

मुद्रांक विकत घेणाऱ्याची मोद घरी अनु. क्रमांक

मुद्रांक विकत घेणाऱ्याची सही

परवाना क्रमांक ८००००२३

मुद्रांक विक्रीचे नाव/पत्ता माझगांव कोर्ट वार असोशिएशन

माझगांव मध्यवर्ती न्यायालय, (सध्या स्थिती मीठी सिटी व मंगल कोर्ट वार असोशिएशन  
माझगांव, शिवडी, मुंबई - ४०००१०.

असलीय कार्यालयासमोर/न्यायालयासमोर प्रत्येक सादर करणेसाठी मुद्रांक  
वाजिदारी आवश्यकता नाही. (शासन आदेश दि. ०९/०७/२०१४) मुद्रांक

व्यवसायसाठी ज्यांनी मुद्रांक खरेदी केला त्यांनी त्याच कारणासाठी मुद्रांक  
व्यवसाय व न्यायालय प्रणाली बंधनकारक आहे.

Krishna Chandra Upadhyay  
B.A.L.L.B.  
Advocate High Court, Mumbai  
Shri Prastha Complex, Flat No. 201,  
Hallasopda West, Palghar

107388

18 OCT 2019

18 OCT 2019

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महाराष्ट्र MAHARASHTRA

2019

AT 081939

प्रधान मुद्रांक कार्यालय, मुंबई  
प.म.नि.क. १००००२३  
15 OCT 2019  
सक्षम अधिकारी

श्री. सी. टी. आंबेकर

This stamp paper forms integral part of share subscription cum shareholder's Agreement executed between Redbank financial services limited and Mr. Anil Kothuri

*Anil*

18 OCT 1960

18 OCT 2000

**जीडपत्र-५ Annexure Upadhyaya**

**B.A.L.L.E.**

**Krishna Chandra Upadhyaya**

**Advocate High Court, Mumbai**

**Shri Prastha Complex, Flat No. 201**

**Nallasopara West Palghar**

**फिलि प्रातिष्ठापन**

**Gile for Affidavit**

**मुद्रांक विकत**

**मुद्रांक विकत**

**मुद्रांक विक्रिबाबतचा नोंद यही अनु. क.**

मुद्रांक विकत घेणाऱ्याची सही  
परवाना क्रमांक ८००००२३  
मुद्रांक विक्रीचे नाव/पत्ता माझगांव कोर्ट बार असोशिएशन  
माझगांव मध्यवर्ती न्यायालय, (सध्या स्थितीत निली सिटी व सेशन कोर्ट ह्या परिसरात  
माझगांव, शिवडी, मुंबई - ४०० ०१०.  
आसकीय कार्यालयासमोर/न्यायालयासमोर या ठिकाण सादर करणे नार्थ मुद्रांक  
कागदाची आवश्यकता नाही. (रासन आदेश क्र. ०१/०७/२००४) मुद्रांक  
ज्या कारणासाठी ज्याची मुद्रांक खरेदी केल्या त्याची त्याच कारणासाठी मुद्रांक खरेदी  
केल्यावरून ही माहितीत दाखल नोंद घेण्यात येणारे नार्थ.

50th C.D. 1997

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**SHARE SUBSCRIPTION CUM SHAREHOLDERS' AGREEMENT**

**BETWEEN**

**FEDBANK FINANCIAL SERVICES LIMITED**

**AND**

**ANIL KOTHURI**

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The image shows two handwritten signatures. On the left is a circular stamp containing the name 'Anil Kothuri' with a signature over it. To the right is a large, stylized handwritten signature, likely 'Anil Kothuri', with a long horizontal stroke extending to the right.

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**SHARE SUBSCRIPTION CUM SHAREHOLDERS' AGREEMENT**

This Share Subscription cum Shareholders' Agreement ("Agreement") dated 18<sup>th</sup> Oct, 2019 executed by and between:

**FEDBANK FINANCIAL SERVICES LIMITED**, a company duly incorporated under the Companies Act, 1956, bearing CIN U65910KL1995PLC008910 and having its registered office at Federal Towers, Alwaye, Ernakulam, Kerala-683101 (hereinafter referred to as the "**Company**", which expression shall, unless repugnant to the meaning or context thereof, be deemed to include its successors in interest and permitted assigns) of the **FIRST PART**;

AND

**MR. ANIL KOTHURI**, adult, a citizen of India, presently residing at B-703, Rustonjee Oriana, N Dharmadhikari Road, Bandra E, Mumbai 400051 (hereinafter referred to as "**Subscriber**" which expression shall, unless repugnant to the meaning or context thereof, be deemed to include his heirs, executors, administrators, and permitted assigns), of the **SECOND PART**.

The Subscriber and the Company are, wherever the context so requires, hereinafter collectively referred to as the "**Parties**" and individually as "**Party**".

**RECITALS**

**WHEREAS:**

- A. The Company is, as of the Execution Date (*as hereinafter defined*), engaged in the financial services business particularly disbursing loans in the retail, SME and wholesale sectors.
- B. The Subscriber is desirous of investing in the Company through subscription to OCRPS (*as hereinafter defined*) and pursuant to discussions between the Parties, the Company has agreed to issue and allot to the Subscriber, the OCRPS, in the manner and upon the terms and conditions set out in this Agreement.
- C. The Parties are desirous of entering into this Agreement to (i) record the terms and conditions on which the Subscriber will subscribe to, and the Company will issue and allot to the Subscriber, the OCRPS; and (ii) regulate their relationship vis-à-vis the Company consequent to the allotment of the OCRPS with effect from the Closing Date (*as hereinafter defined*), in the manner hereinafter appearing.

**NOW THEREFORE IT IS AGREED TO BETWEEN THE PARTIES AS FOLLOWS:**

**ARTICLE 1**  
**DEFINITIONS AND CONSTRUCTION**

**1.1 Definitions**

When used in this Agreement, the defined terms set forth in this ARTICLE 1.1 shall have, unless otherwise required by the context thereof, the following meanings. Words and phrases defined within the body of the Agreement shall have the meaning ascribed to them at the relevant place.

- 1.1.1 "**Act**" means the Companies Act, 2013 and the rules made, or notifications issued thereunder, as amended from time to time or the Companies Act, 1956, and the rules made, or notifications issued thereunder, if and to the extent applicable.



- 1.1.2 **"Agreement"** means this share subscription cum shareholders' agreement along with its annexures and any modifications of this Agreement mutually agreed between the Parties in writing.
- 1.1.3 **"Articles"** in relation to the Company, means the articles of association of the Company, as they exist from time to time.
- 1.1.4 **"Board"** means the board of Directors of the Company, as existing from time to time.
- 1.1.5 **"Business Day"** means a day other than a Saturday, Sunday or a public holiday on which banks in Mumbai are open for retail banking business.
- 1.1.6 **"Closing"** encompasses the events described under ARTICLE 4 below.
- 1.1.7 **"Closing Date"** has the meaning ascribed to it under ARTICLE 4.1 below.
- 1.1.8 **"Competitor"** means any Person engaged in carrying on any business which is same or similar to the business of the Company, from time to time.
- 1.1.9 **"Confidential Information"** has the meaning ascribed to it under ARTICLE 7.1 below.
- 1.1.10 **"Designated Account"** means the account of the Company maintained with Federal Bank Limited bearing A/c No. 10990200035244.
- 1.1.11 **"Encumbrance"** means any (a) mortgage, pledge, lien, charge, hypothecation, right of set-off or counterclaim, security interest or other encumbrance, security letter or arrangement of any kind, (b) purchase or option agreement or arrangement, (c) subordination agreements or arrangement, and (d) agreements to create or effect any of the foregoing.
- 1.1.12 **"Equity Share"** means equity shares of the Company having a face value of Rs 10/- (Rupees Ten only) each.
- 1.1.13 **"Execution Date"** means the date of this Agreement.
- 1.1.14 **"Exit Linked Event"** means the consummation of a transaction of a secondary sale of equity shares of value INR 500 Crs or more by any shareholder in the Company
- 1.1.15 **"OCRPS"** means 47,29,730 (Forty Seven Lakh Twenty Nine Thousand Seven Hundred and Thirty Only) optionally convertible redeemable preference shares of the Company having face value of Rs 10/- (Rupees Ten only) each and premium of Rs 32.10/- (Rupees Thirty Two and Paise ten only), to be issued to the Subscriber, and optionally convertible into Equity Shares of the Company having face value of Rs 10/- (Rupees Ten only) each and premium of Rs 32.10/- (Rupees Thirty Two and paise ten only), in the manner appearing hereinafter, on the terms and conditions set out in **Annexure 1** hereto.
- 1.1.16 **"Person"** means any individual, sole proprietorship, partnership, association, syndicate, organization, trust, unincorporated organization, company, body corporate, and a natural person in his capacity as trustee, executor, administrator, or other legal representative.
- 1.1.17 **"Securities"** mean with respect to the Company, the Company's equity or preference shares, or any options, warrants, loans, OCRPS or other instruments that are directly or indirectly convertible into, or exercisable or exchangeable as Equity Shares.
- 1.1.18 **"Subscription Amount"** means the amount of Rs 19,91,21,633/- (Rupees Nineteen Crore Ninety-One Lakh Twenty One Thousand Six Hundred and Thirty Three only) payable by the Subscriber to the Company for subscription to the OCRPS, at INR 42.1/- (Indian Rupees Forty two and paise ten only) per OCRPS, in the manner appearing hereinafter

## 1.2 Construction

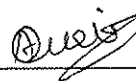
- 1.2.1 Any reference in this Agreement to any provision of law shall be construed as including a reference to that provision as from time to time amended, modified, extended or re-enacted whether before or after the date of this Agreement. Any reference to a statute or statutory provision shall be construed as including reference to all statutory instruments, orders, and regulations made pursuant to it or deriving validity from it.
- 1.2.2 The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The words "include", "including" and "among other things" shall be deemed to be followed by "without limitation" or "but not limited to" whether or not they are followed by such phrases or words of like import.
- 1.2.3 Unless the context otherwise requires, words denoting the singular shall include the plural and vice versa and words denoting any gender shall include all genders and the words denoting persons shall include all Persons.
- 1.2.4 Unless otherwise stated, references to ARTICLES, annexures relate to articles or annexures of this Agreement.
- 1.2.5 Words or phrases used in this Agreement which are not defined in ARTICLE 1.1 above may be defined in the context in which they are used, and shall have the respective meaning there designated, unless the context otherwise requires.
- 1.2.6 Recitals and Annexures form an integral part of this Agreement.

## ARTICLE 2 SUBSCRIPTION TO OCRPS

- 2.1 Subject to the terms and conditions of this Agreement, the Subscriber hereby subscribes to the OCRPS for the Subscription Amount and the Company shall issue and allot to the Subscriber, on the Closing Date, the OCRPS, free and clear from all Encumbrances, for the Subscription Amount.
- 2.2 The Subscription Amount shall be payable in the following manner:

On Closing Date and 24 months from Closing Date	Rs 6 per OCRPS aggregating to Rs 28,378,380 payable as follows: <ul style="list-style-type: none"> <li>Rs 2 per OCRPS aggregating to Rs 9,459,460 payable on or before Closing Date</li> <li>Rs 2 per OCRPS aggregating to Rs 9,459,460 payable within 12 months of Closing Date</li> <li>Rs 2 per OCRPS aggregating to Rs 9,459,460 payable within 24 months of Closing Date</li> </ul>
On exercise of the option to convert the OCRPS as set out in Annexure 1 hereto or on redemption, whichever is earlier	Rs 36.10 per OCRPS aggregating to Rs 170,743,253

- 2.3 Accordingly, the OCRPS to be issued and allotted to the Subscriber on the Closing Date shall be partly paid up to the extent of the Subscription Amount received and shall be fully paid up only when the entire Subscription Amount is received by the Company.




**ARTICLE 3**  
**CONDITIONS PRECEDENT**

- 3.1 The issue and allotment of the OCRPS to the Subscriber shall be conditional upon fulfillment of the conditions set forth in this ARTICLE 3 ("**Conditions Precedent**"), which shall be completed within thirty (30) Business Days from the Execution Date (unless extended by the Parties in writing):
- 3.1.1 The Company shall have convened and held a meeting of the Board at which meeting the Company shall have:
- (a) approved the execution, delivery and performance by the Company of this Agreement;
  - (b) subject to the approval of its shareholders and in the manner prescribed under the Companies Act and the Articles, approved the issuance of OCRPS to the Subscriber and approval of all applicable forms, if any; and
  - (c) passed the necessary resolutions for the convening of an extra-ordinary general meeting of its shareholders, to approve the matters listed in sub-ARTICLE 3.1.1 (b) above.
- 3.1.2 The Company shall have held an extra-ordinary general meeting of its shareholders and shall have, at such meeting, passed such resolutions and prepared and circulated the relevant forms for approving the issuance of OCRPS to the Subscriber in the manner contemplated under this Agreement including certified true copy of the shareholders' resolution authorizing the issuance of Form PAS 4 (Private Placement Offer Letter) and application form to the Subscriber in the form and manner as prescribed under Sections 42, 62 and other applicable provisions of the Act read with Rule 14 of the Companies (Prospectus and Allotment) Rules, 2014.
- 3.1.3 The Company shall have provided a valuation report under the Companies (Prospectus and Allotment of Securities) Rules, 2014 setting out the valuation for the OCRPS.
- 3.1.4 The form of the Amended Articles (as hereinafter defined) to incorporate the provisions of this Agreement, in a form mutually agreed between the Parties shall have been finalised.
- 3.2 Upon fulfillment of the Conditions Precedent, the Company shall deliver a certificate in the format set out in **Annexure 2** hereto, signed by one of its directors, to the effect that all the Conditions Precedent which are required to be complied with by the Company have been satisfied, attaching copies of the documents evidencing such satisfaction.
- 3.3 If any of the Conditions Precedent are not fulfilled within thirty (30) Business Days from the Execution Date or such other period as may be mutually agreed to between the Parties, this Agreement shall be terminated by the Parties, unless otherwise agreed between the Parties in writing. In the event of such termination, other than as provided herein none of the Parties hereto shall have any rights, obligations or claims against the other Parties, except those provisions which by their nature survive termination of this Agreement.

**ARTICLE 4**  
**CLOSING**

- 4.1 Subject to fulfillment of the Conditions Precedent, the Closing shall take place, at a mutually agreeable location, and on a mutually agreeable date, which date shall be no later than five (5) days from the date on which the certificate referred to in ARTICLE 3.2 above is delivered by the Company to the Subscriber ("**Closing Date**").



- 4.2 At the Closing, the following shall be transacted in the order indicated below and would be deemed to have been performed simultaneously:
- 4.2.1 The Subscriber shall remit to the Company, the Subscription Amount as mentioned in ARTICLE 2.2 without any deductions, through an electronic wire transfer to the Designated Account.
- 4.2.2 Upon receipt of the aforesaid Subscription Amount in accordance with ARTICLE 4.2.1 above:
- (a) The Board shall pass necessary resolutions, authorizing and approving the following:
- (i) Issue and allotment of OCRPS to the Subscriber.
  - (ii) Amendments to the Articles of the Company to incorporate the provisions of this Agreement, in a form mutually agreed between the Parties ("**Amended Articles**"), subject to approval from the shareholders of the Company.
  - (iii) Authorizing officers of the Company to make requisite filings with the authorities pursuant to applicable law.
  - (iv) Recording necessary entries in the Company's register of OCRPS holders.
  - (v) Convening an extra-ordinary general meeting of the shareholders of the Company at a short notice on the Closing Date, to seek their approval for the matter set out at (ii) above.
- (b) The shareholders of the Company shall, in their extra-ordinary general meeting, pass necessary resolutions, approving, ratifying, adopting, and/or authorizing the adoption of the Amended Articles.

All proceedings to be taken and all documents to be executed and delivered by the Parties at the Closing Date shall be deemed to have been taken and executed simultaneously at Closing and no proceedings shall be deemed to be taken nor any documents executed or delivered at Closing until all have been so taken, executed and delivered. In such case, each Party shall have the rights and remedies as it may have at law or in equity or otherwise, none of which rights or remedies shall be affected or diminished thereby.

- 4.3 Within a period of seven (7) Business Days from the Closing Date, the Company shall issue and hand over to the Subscriber, share certificates in respect of the OCRPS, stamped and executed issued in the name of the Subscriber.
- 4.4 The Company shall, make all necessary filings with the concerned government authority, as required by law, in relation to all actions undertaken at the Closing pursuant to this Agreement, including the following filings with the relevant Registrar of Companies within the time prescribed under applicable laws:
- 4.4.1 Form No. PAS 3 in connection with the issuance and allotment of OCRPS to the Subscriber;
- 4.4.2 Form No. MGT 14 in connection with the adoption of the Amended Articles.



**ARTICLE 5**  
**TRANSFER RESTRICTIONS**

**5.1 Transfer by the Subscriber**

The Subscriber shall not, directly or indirectly, sell or transfer or pledge or create any Encumbrance on any Securities held by him in the Company without the prior written consent of the Company ("Lock-in").

**5.2 Death or disability of Subscriber**

In the event of death or disability of the Subscriber during the Lock in period the legal heir or nominee of the Subscriber entitled to the Securities of the Subscriber, as the case may be, shall be bound by the restrictions and conditions contained herein till the time that such legal heir or nominee holds any Securities in the Company. For the purposes of this ARTICLE, disability shall mean Subscriber's physical or mental condition that limits his movements, senses or activities.

**5.3** The restrictions contained in ARTICLE 5 above shall become effective from the Closing Date and shall continue with respect to the Subscriber till such time that the Subscriber or his legal heir holds any Security in the Company.

**5.4** Any transfer or issuance of Securities in breach of this ARTICLE 5 shall be treated as null and void and the Company shall not record such transfer or issuance in its books.

**ARTICLE 6**  
**REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS**

**6.1** Each of the Parties make the following representations and warranties to the other Parties.

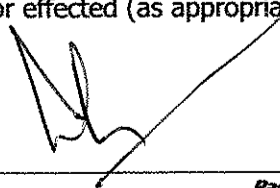
**6.1.1** It has the power to enter into and perform and have taken all necessary actions to authorize the entry into, performance and delivery of, this Agreement and the transactions contemplated thereby.

**6.1.2** This Agreement will constitute a legal, valid and binding obligation of the respective Party enforceable in accordance with its terms.

**6.1.3** The execution, delivery and the performance by the said Party of this Agreement and its obligations in relation to the transaction contemplated hereunder, do not and will not:

- (a) result in a breach of, or constitute a default under, any agreement to which it is a party or by which it is bound or give any third party, a right to terminate or modify, or result in the creation of any lien under, any agreement, license or other instrument; or
- (b) result in a violation or breach of or default under any law or of any order, judgment or decree of any court, governmental authority, regulatory body to which the said Party or any of its assets are bound.

**6.1.4** Save and except as required to be obtained as a condition precedent above, all authorizations and approvals from any government authorities or from any other third parties required or desirable under applicable laws or under any arrangement that the said Party is, directly party to, in connection with the entry into, performance, validity and enforceability of the transactions contemplated by this Agreement have been obtained or effected (as appropriate) and are in full force.



- 6.2 Each of the warranties above shall come into force on and shall be deemed to be true and accurate as on the Execution Date and shall be deemed to have been repeated each day and pertain to the period until and shall be deemed to be true and accurate as on, the Closing Date.

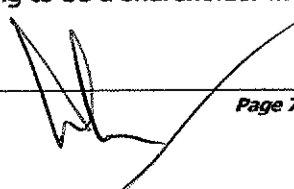
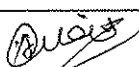
## **ARTICLE 7 CONFIDENTIALITY**

- 7.1 The Subscriber recognizes that he will be given and have access to confidential information, whether or not the information is marked or designated as "confidential" or "proprietary", relating to the Company and its respective business(es) including legal, financial, technical, commercial, marketing and business related records, data, documents, reports, etc., client information, intellectual property rights (including trade secrets), the terms of this Agreement and details of negotiations between the Parties ("**Confidential Information**"). The Subscriber undertakes not to use any of such Confidential Information for purposes other than for the purposes of the transaction set out herein without the prior written consent of the other Party disclosing such information and shall use reasonable efforts to keep confidential and not to disclose to any third party, the other Parties' confidential and proprietary information.
- 7.2 The obligations of confidentiality shall not apply to any information that:
- 7.2.1 was developed independently by the Subscriber; or
- 7.2.2 was known to the Subscriber prior to its disclosure by the disclosing Party; or
- 7.2.3 has become generally available to the public (other than by virtue of its disclosure by the Subscriber); or
- 7.2.4 may be required in response to any summons or subpoena or in connection with any litigation; or
- 7.2.5 may be required to comply with any law, order, regulation or ruling applicable to the Subscriber.
- 7.3 Provided that prior to any disclosure in respect of a request to disclose Confidential Information under ARTICLES 7.2.4 or 7.2.5, to the extent practicable, Subscriber shall immediately notify the Party disclosing such Confidential Information, who shall then have the opportunity to respond to such request.
- 7.4 Subject to compliance with applicable orders, regulation, or Law, Subscriber shall not make or send a public announcement, press release or communication concerning the Company or any aspect of this Agreement including its existence, unless it has first obtained the other relevant Party's written consent.

## **ARTICLE 8 TERMINATION**

This Agreement may be terminated as follows:

- 8.1 Upon the mutual written agreement of the Parties; or
- 8.2 In accordance with the provisions of ARTICLE 3.3 above; or
- 8.3 At the election of the Company, in the event that the Subscriber is unable to or fails to remit the Subscription Amount in accordance with the terms hereof; or
- 8.4 The Subscriber (in the manner as permitted herein) ceasing to be a shareholder in the Company.



**ARTICLE 9**  
**GENERAL PROVISIONS**

**9.1 Notices**

- 9.1.1 Any notice or other communication required to be sent under this Agreement shall be sent or delivered to the receiving Party at the address set forth herein, or at such other address as the Parties may from time to time designate in writing:

**For the Company:**

Attention: Fedbank Financial Services Limited

Address: Kanakia Wall Street, A-Wing, 5th Floor, Unit No.511&512, Andheri – Kurla Road, Chakala, Andheri East, Mumbai – 400093

Telephone: 022- 68520668

E-mail: ankit.kawa@fedfina.com

**For the Subscriber:**

Name: Anil Kothuri

Address: B-703, Rustomjee Oriana, N Dharmadhikari Road, Bandra E, Mumbai 400051

Telephone: 9769973542

E-mail: kothuri.anil@gmail.com

- 9.1.2 Any notice or other communication shall be sent by registered mail with acknowledgement due or by hand delivery.
- 9.1.3 All notices referred in this Agreement or other communications shall be deemed to have been duly given or made:
- (a) if hand delivered, on delivery;
  - (b) if sent by registered post with acknowledgement due, ten days after the date of posting.

**9.2 Entire Agreement**

This Agreement constitute the entire agreement between the Parties with respect to the subject matter hereof and supersede all or any prior negotiations, representations, or agreements, either written or oral.

**9.3 Governing Law**

This Agreement and the rights and obligations of the Parties hereunder shall be construed in accordance with and be governed by the Laws of India.

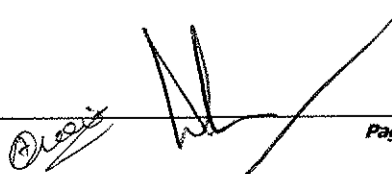
**9.4 Jurisdiction**

Subject to the provisions of ARTICLE 9.5 below, the courts of Mumbai alone and no other courts shall have the jurisdiction to entertain and try any disputes arising from and out of the provisions of this Agreement.

**9.5 Arbitration**

- 9.5.1 Any dispute arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement or the consequences of its nullity) shall be sought to be resolved and settled amicably within thirty (30) Business Days of such dispute arising, failing which it shall be referred to and finally resolved by arbitration under the Arbitration and Conciliation Act, 1996, as amended from time to time ("**Arbitration Act**").

- 9.5.2 The arbitration shall be conducted as follows:



- (a) The Parties shall appoint a sole arbitrator to resolve the aforesaid disputes or differences within ten (10) Business Days from expiry of aforesaid thirty (30) Business Days period as set out in ARTICLE 9.5.1 above. In the event that the Parties fail to mutually appoint a sole arbitrator within the aforesaid ten (10) Business Days, the Parties shall appoint a sole arbitrator in accordance with the Arbitration Act.
- (b) All proceedings in any such arbitration shall be conducted in English.
- (c) The seat of the arbitration proceedings shall be Mumbai.
- (d) The arbitrator shall be free to award costs as he thinks appropriate.

9.5.3 The arbitration award shall be a reasoned award and shall be final and binding on the Parties, and the Parties agree to be bound thereby and to act accordingly.

**9.6 Waiver**

No breach, failure or delay on the part of any of the Parties to this Agreement relating to the exercise of any right, power, privilege or remedy provided under this Agreement shall operate as a waiver of such right, power, privilege or remedy or as a waiver of any preceding or succeeding breach by the other Party to this Agreement nor shall any single or partial exercise of any right, power, privilege or remedy preclude any other or further exercise of such or any other right, power, privilege or remedy provided in this Agreement all of which are several and cumulative and are not exclusive of each other or of any other rights or remedies otherwise available to a Party at law or in equity.

**9.7 Amendment**

No change or modification of this Agreement shall be valid unless the same shall be in writing and signed by all the Parties.

**9.8 Severability**

- 9.8.1 If any of the provisions of this Agreement may be constructed in more than one way, one of which would render the provision illegal or otherwise voidable or unenforceable, such provision shall have the meaning that renders it valid and enforceable. The language of each provision of this Agreement shall be construed according to its fair meaning and not strictly against any Party.
- 9.8.2 In the event any authority shall determine that any provision in this Agreement is not enforceable as written, the Parties agree that such provision shall be amended so that it is enforceable to the fullest extent permissible under the laws and public policies of the jurisdiction in which enforcement is sought, and affords the Parties the same basic rights and obligations and has the same economic effect as prior to amendment.
- 9.8.3 In the event that any of the provisions of this Agreement shall be found to be void, but would be valid if some part thereof was deleted or the scope, period or area of application were reduced, then such provision shall apply with the deletion of such words or such reduction of scope, period or area of application as may be required to make such provisions valid and effective; provided however, that on the revocation, removal or diminution of the law or provisions, as the case may be, by virtue of which such provisions contained in this Agreement were limited as provided hereinabove, the original provisions would stand renewed and be effective to their original extent, as if they had not been limited by the law or provisions revoked. Notwithstanding the limitation of this provision by any law for the time being in force, the Parties undertake to, at all times observe and be bound by the spirit of this Agreement.

**9.9 Assignment**

No Party shall assign its rights or obligations under this Agreement to any other Person without the prior written consent of the other Parties.

**9.10 Counterparts**

This Agreement may be signed in any number of counterparts (and initially delivered by means of email transmission), each of which is an original and all of which, taken together, constitutes one and the same instrument.

**9.11 Relationship**

Save as provided in this Agreement, none of the Parties shall have any right, power or authority, whether express or implied, to enter into, assume any duty or obligation on behalf of or bind any of the others and nothing in this Agreement shall constitute a partnership, joint venture, relationship of principal or agent between any of the Parties.

**9.12 Survival**

ARTICLE 6 (Representations, Warranties and Undertakings) as of the Execution Date and up to the Closing Date, and ARTICLE 7 (Confidentiality), ARTICLE 9.1 (Notices), ARTICLE 9.3 (Governing Law), ARTICLE 9.4 (Jurisdiction), ARTICLE 9.5 (Arbitration) and ARTICLE 9.14 (Costs) shall remain in effect together with such provisions which expressly or by implication will survive termination.

**9.13 Construction**

Each Party represents, warrants and acknowledges that it has read and understood the terms and conditions of this Agreement and has sought necessary advice in relation to this Agreement and that the Agreement or any other documentation will not be construed in favour of or against either Party due to that Party's drafting of such documents.

**9.14 Costs**

Subject to the terms of this Agreement, each Party shall bear their owns costs and expenses relating to the negotiation and preparation of this Agreement and the matters referred to herein including all out of pocket expenses and disbursements, irrespective of whether a Closing has occurred or not.

**9.15 Stamp duty**

Any stamp duty related costs payable in relation to this Agreement and on the issue of the OCRPS shall be borne by the Company.

***(SIGNATURE PAGES TO FOLLOW)***

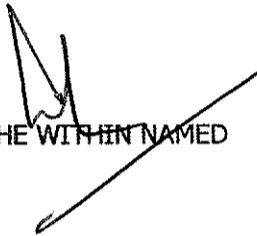
The block contains two handwritten signatures. The first signature on the left is written in cursive and appears to be 'Dennis'. The second signature on the right is more stylized, consisting of a large 'D' followed by a horizontal line. Below the second signature is a long, straight diagonal line extending from the bottom left towards the middle right of the block.

**[THIS SIGNATURE PAGE FORMS PART OF THE SHARE SUBSCRIPTION CUM SHAREHOLDERS' AGREEMENT]**

**IN WITNESS WHEREOF** the Parties hereto have set and subscribed their respective hands on the day and the year first hereinbefore written.



SIGNED AND DELIVERED BY THE WITHIN NAMED  
**FEDBANK FINANCIAL SERVICES LIMITED**  
BY THE HAND OF MR. \_\_\_\_\_  
(AUTHORIZED SIGNATORY)



SIGNED AND DELIVERED BY THE WITHIN NAMED  
**ANIL KOTHURI**

**ANNEXURE – 1**  
**TERMS AND CONDITIONS GOVERNING THE ISSUE OF OCRPS**

**1. FORM AND DENOMINATION**

The OCRPS shall have a face value of Rs. 10/- (Rupees Ten only) each and premium of Rs. 32.10 (Rupees Thirty Two and paise 10 only).

**2. DIVIDEND**

The OCRPS shall bear a coupon rate of 0.01% per annum (calculated on the face value and the premium) payable only when OCRPS become fully paid up.

In the event that the Board proposes any dividend on the Equity Shares, then prior to payment of dividend on the Equity Shares, dividend shall be paid on the OCRPS in that year subject to prevailing applicable law.

**3. CONVERSION AND REDEMPTION**

Out of the total OCRPS of 47,29,730 shares, certain OCRPS will be eligible for conversion into equity shares on the lapsation of time (40,20,270 OCRPS) and certain OCRPS will be eligible to convert into equity shares on the occurrence of an Exit Linked Event (7,09,460 OCRPS).

Each time based OCRPS shall be convertible into 1(one) Equity Share, at the option of the Subscriber, in the following manner:

Conversion date	Number of OCRPS eligible for conversion	Number of Equity Shares to be issued upon conversion of the OCRPS
November 1, 2019	6,70,045	6,70,045
September 1, 2020	6,70,045	6,70,045
September 1, 2021	6,70,045	6,70,045
September 1, 2022	6,70,045	6,70,045
September 1, 2023	6,70,045	6,70,045
September 1, 2024	6,70,045	6,70,045

Each of the balance 7,09,460 OCRPS will be eligible for conversion into 1 (one) Equity Share at the option of the Subscriber on the occurrence of an Exit Linked Event as below.

- If Investor's (pre-tax) IRR is <15%, then NIL Exit Linked OCRPS will be eligible to convert to equity shares
- If Investor's (pre-tax) IRR is >15%, but <25%, then 50% Exit Linked OCRPS will be eligible to convert to equity shares
- If Investor's (pre-tax) IRR is >25%, then 100% Exit Linked OCRPS will be eligible to convert to equity shares

In the event that the Subscriber does not exercise his right to convert (ie by issue of a Conversion Notice as per the provisions below) any of the aforesaid OCRPS before December 31, 2025, then the same shall be redeemed by the Company on December 31, 2025 at the Subscription Price.

In the event that the Subscriber resigns from the Company or his/her Employment contract is terminated (herein after referred as "the event")

- With respect to the time based OCRPS, before any of the OCRPS are due for conversion (as specified in the table above), all OCRPS due for conversion after the event shall not be due for conversion and be redeemed by the Company at Subscription price

- With respect to the Exit Linked OCRPS, before the occurrence of an Exit Linked Event, all such OCRPS will be redeemed at the Subscription price

Prior to conversion or redemption of any of the OCRPS as aforesaid, the Subscriber shall have to make payments of the outstanding Subscription Amount, if any, so as to make the OCRPS fully paid up.

#### **4. MECHANICS OF CONVERSION**

- (a) In order to exercise the option to convert the OCRPS into Equity Shares, the Subscriber shall give written notice to the Company ("**Conversion Notice**") at its registered office, of the election to convert and the number of OCRPS to be converted.
- (b) The Subscriber shall surrender the share certificates representing the OCRPS proposed to be converted at the registered office of the Company at the time the Conversion Notice is given to the Company.
- (c) As soon as practicable after the receipt of the Conversion Notice, and in any event within 14 (fourteen) Business Days thereafter, the Company shall deliver to the Subscriber, share certificates issued in his favour for the number of Equity Shares to which the Subscriber is entitled upon such exercise.

#### **5. TRANSFER PROVISIONS**

The OCRPS and the underlying Equity Shares and when these are issued upon conversion shall be subject to transfer restrictions, as per the terms and conditions of this Agreement.

#### **6. TENURE OF THE PREFERENCE SHARES**

Notwithstanding anything contained herein, all OCRPS which remain outstanding as on the expiry of 20 (twenty) years from the respective date of their issue and allotment, shall be redeemed on the date of expiry of 20 (twenty) years from the respective date of their issue.

#### **7. TAXATION**

All payments to be made by the Company in connection with the OCRPS shall be made subject to deduction of all applicable taxes pursuant to applicable law.

The block contains two handwritten signatures. On the left, there is a signature that appears to be 'Arun'. To its right, there is a larger, more stylized signature that appears to be 'N'. Below these signatures, there is a long, diagonal line drawn across the page.

**ANNEXURE – 2**  
**CP COMPLETION CERTIFICATE**

To,  
Anil Kothuri

**Attn:**

Date:

Dear \_\_\_\_\_,

Re: **Certificate of Fulfilment of CP under ARTICLE 3.2 of the Share Subscription cum Shareholders' Agreement dated \_\_\_\_\_, 2019**

1. We refer to the Share Subscription cum Shareholders' Agreement dated \_\_\_\_\_ entered into among the Company and the Subscriber ("**Agreement**").
2. All capitalised terms used but not defined herein shall have the respective meanings assigned to them under the Agreement.
3. We hereby certify, confirm and acknowledge that the following Conditions Precedent have been satisfied and the necessary documentary evidence in support thereof have been attached to this letter as indicated below:

Sr. No	Condition Precedent	Documentary Evidence
1	Valuation of Shares to be undertaken	

Sincerely,  
For and on behalf of **Fedbank Financial Services Limited**

\_\_\_\_\_  
Director

Name:

Enclosed: [Annexures]

