



RRF NO – MUM/FIN/2023-24/245

MONITORING AGENCY AGREEMENT

DATED NOVEMBER 16, 2023

BETWEEN

FEDBANK FINANCIAL SERVICES LIMITED

AND

ICRA LIMITED



MONITORING AGENCY AGREEMENT

This Monitoring Agency Agreement (hereinafter referred to as the “**Agreement**” which term will include the recitals, annexure and schedules to this Agreement) is being entered into on the 16th day of November, 2023 at Mumbai between:

1. **FEDBANK FINANCIAL SERVICES LIMITED**, a public limited company incorporated under the Companies Act, 2013, having CIN U65910MH1995PLC364635 and its registered and corporate office at Kanakia Wall Street, A Wing, 5th Floor, Unit No. 511, Andheri Kurla Road, Andheri (East), Mumbai 400 093 Maharashtra, India (hereinafter referred to as the “**Company**”, which expression shall, unless repugnant to the context or meaning thereof be deemed to mean and include its successors and permitted assigns); of the **FIRST PART**;

AND

2. **ICRA LIMITED**, a company incorporated within the meaning of the Companies Act, 2013, having CIN L74999DL1991PLC042749, and registered office at B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001, registered with Securities Exchange Board of India as a monitoring agency under the Securities and Exchange Board of India (Credit Rating Agencies) Regulations (hereinafter referred to as “**ICRA**”, which expression, unless be repugnant to the context of meaning thereof, be deemed to mean and include its successors and permitted assigns) of the **SECOND PART**.

The Company and ICRA are hereinafter collectively referred to as the “**Parties**” and individually as a “**Party**”.

WHEREAS:

- A. The Company and the Selling Shareholders propose to undertake an initial public offering of equity shares of the face value of ₹ 10 each of the Company (the “**Equity Shares**”), comprising: (A) a fresh issue of Equity Shares aggregating up to ₹ 6,000.00 million by the Company (the “**Fresh Issue**”), and (B) an offer for sale of Equity Shares up to 5,474,670 equity shares by The Federal Bank Limited (“**Promoter Selling Shareholder**”) and up to 29,687,053 equity shares by True North Fund VI LLP (“**Investor Selling Shareholder**”) (the “**Offer for Sale**”, and together with the Fresh Issue, the “**Offer**”). The Offer shall be undertaken in accordance with the requirements of the Companies Act, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“**SEBI ICDR Regulations**”) and other Applicable Laws, through the book building process (the “**Book Building**”), as prescribed in Schedule XIII of the SEBI ICDR Regulations. The Offer will be made within India to institutional, non-institutional and retail investors in accordance with the SEBI ICDR Regulations. The Offer includes an offer (i) within India, to Indian institutional, non-institutional and retail investors, who are not U.S. persons and not persons acquiring for the account or benefit of U.S. persons, in “offshore transactions”, as defined in and in reliance on Regulation S (“**Regulation S**”) under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), (ii) outside the United States

to investors that are not U.S. persons nor persons acquiring for the account or benefit of U.S. persons, in “offshore transactions” as defined in and in reliance on Regulation S, and in each case in accordance with the Applicable Law of the jurisdictions where such offers and sales occur. No offer or issue shall be made to any investor in the United States. The Offer may also include allocation of Equity Shares on a discretionary basis to certain Anchor Investors (defined below), as decided by the Company, the Selling Shareholders, in consultation with the book running lead managers appointed in respect of the Offer (together, the “**Book Running Lead Managers**” or the “**BRLMs**”), in accordance with the Applicable Law (including the ICDR Regulations). The Offer consists of the Employee Reservation Portion (not exceeding 5% of the Company’s post-Offer paid-up equity share capital) , of such number of Equity Shares aggregating up to ₹ 100 million in compliance with Rule 19(2)(b) of the SCRR. Further, the Company and the Selling Shareholders, in consultation with BRLMs may decide to offer a discount to the Offer Price to the Eligible Employees and Federal Bank Shareholders under the Employee Reservation Portion and Federal Bank Shareholders Reservation Portion, respectively.

- B. The Offer has been authorised by a resolution of the board of directors of the Company (“**Board of Directors**” or “**Directors**”) dated June 21, 2023. The Fresh Issue has been authorised by a resolution of the Board dated July 26, 2023 and November 6, 2023, and a special resolution of our Shareholders dated July 21, 2023 in accordance with Section 62(1)(c) of the Companies Act have approved and authorized the Fresh Issue. Our Board has taken on record the affirmative consent of the Selling Shareholders for the Offer under the SHA pursuant to its resolution dated July 17, 2023. Further, the Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated November 6, 2023.
- C. The Company had filed the draft red herring prospectus dated July 26, 2023 (“**Draft Red Herring Prospectus**”) with the Securities and Exchange Board of India (the “**SEBI**”) on July 27, 2023 for review and comments, in accordance with the SEBI ICDR Regulations, in connection with the Offer. After incorporating the comments and observations of the SEBI, National Stock Exchange of India Limited (“**NSE**”) and BSE Limited (“**BSE**” and together with NSE, the “**Stock Exchanges**”), the Company proposes to file the red herring prospectus with the Registrar of Companies, Maharashtra at Mumbai (the “**RoC**”) and thereafter with SEBI and the Stock Exchanges and thereafter, upon closure of the Offer, will file the prospectus (“**Prospectus**”) with the RoC in accordance with the Companies Act and the SEBI ICDR Regulations. In addition, the Company has received in-principle approvals dated October 4, 2023 and October 3, 2023 from BSE and NSE, for listing of the Equity Shares.
- D. The Company, through the Board of Directors (the “**Board**”), and the Selling Shareholders have engaged the book running lead managers to the Offer, namely, ICICI Securities Limited, BNP Paribas, Equirus Capital Private Limited, and JM Financial Limited (collectively, the “**Book Running Lead Managers**” or the “**BRLMs**”) to manage the Offer on such terms and conditions as agreed with them. Equirus Capital Private Limited is an associate of the Company in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 (“**SEBI Merchant Bankers Regulations**”). Accordingly, in



compliance with the proviso to Regulation 21A(1) of the SEBI Merchant Bankers Regulations read with Regulation 23(3) of the SEBI ICDR Regulations, Equirus Capital Private Limited would be involved only in the marketing of the Offer.

- E. In terms of Regulation 41 of the SEBI ICDR Regulations, the Company is required to appoint a credit rating agency, registered with SEBI as the monitoring agency, which shall monitor the use of the Net Proceeds (as defined hereinafter) of the Offer in accordance with the terms of the Objects of the Offer (as defined hereinafter) in the Red Herring Prospectus and Prospectus. Accordingly, at the request of the Company, ICRA has, agreed to act as the monitoring agency (the “**Monitoring Agency**”) for monitoring the use of the Net Proceeds in accordance with this Agreement and Applicable Law. Pursuant to a resolution passed by the Board dated 16 November 2023, ICRA has been appointed as the Monitoring Agency.
- F. On receipt of the listing and trading approvals from each of the Stock Exchanges, the Net Proceeds deposited in the account(s) opened and maintained by the Company for deposit by the subscribers to Offer (“**Issue Account(s)**”), shall be transferred to the Proceeds Account (defined hereinafter), as per the terms of this Agreement.
- G. This Agreement is executed and delivered to define the obligations of the Company to deposit the amount raised through the Fresh Issue in the Proceeds Account (as defined hereinafter) and the role of the Monitoring Agency to monitor the flow and utilization of the Net Proceeds deposited in the Proceeds Account as per the schedule of utilization of the Net Proceeds of the Offer mentioned in the RHP and Prospectus (the “**Utilization Schedule**”).

NOW, THEREFORE, in consideration of the foregoing and the mutual promises, covenants and agreements set forth in this Agreement, other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. **DEFINITIONS**

- 1.1 In this Agreement, unless repugnant to the context thereof, the following words, wherever used, shall have the following meaning:

“**Affiliate**” with respect to any person, means (a) any other person that, directly or indirectly, through one or more intermediaries, Controls or is Controlled by or is under common Control with such person, (b) any other person which is a holding company or subsidiary or joint venture of such person, and/or (c) any other person in which such person has a “significant influence” or which has “significant influence” over such person where “significant influence” over a person is the power to participate in the management, financial or operating policy decisions of that person but is less than Control over those policies and that shareholders beneficially holding, directly or indirectly through one or more intermediaries, a 20% or more interest in the voting power of that person are presumed to have a significant influence over that person. For the purposes of this definition, (i) the terms “**holding company**” and “**subsidiary**” have the meanings set forth in Sections 2(46) and 2(87) of the



Companies Act, 2013, respectively. It is clarified that the Promoter and members of the Promoter Group and Group Companies are deemed to be Affiliates of the Company.

“**Agreement**” shall mean this monitoring agency agreement, including schedule(s) hereto, as of the date hereof, and inclusive of any amendment(s) hereto made in accordance with the provisions hereof;

“**Applicable Law**” shall mean any applicable law, statute, byelaw, rule, regulation, guideline, instructions, rules, communications, circular, notification, regulatory policy (including any requirement under, or notice of, any regulatory body), order or decree of any court or any arbitral authority, or directive, delegated or subordinate legislation, as may be in force and effect during the subsistence of this Agreement, any regulatory, statutory, judicial, administrative and/or governmental authority in any applicable jurisdiction, within or outside India, including any applicable securities law in any relevant jurisdiction, including the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Companies Act, the SEBI ICDR Regulations, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), the Foreign Exchange Management Act, 1999, and the rules and regulations thereunder and the guidelines, instructions, rules, communications, circulars and regulations issued by the Government of India (“**GoI**”);

“**Business Days**” shall mean all days other than Saturday or Sunday or public holidays;

“**Companies Act**” or “**Companies Act, 2013**” means the Companies Act, 2013, along with the relevant rules, regulations and clarifications, circulars and notifications issued thereunder.

“**Companies Act, 1956**” shall mean the Companies Act, 1956 and the rules and regulations made thereunder;

“**Control**” has the meaning attributed to such term under the SEBI ICDR Regulations, read with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; and the terms “**Controlling**” and “**Controlled**” shall be construed accordingly.

“**Equity Shares**” shall have the meaning ascribed to it in the recitals of this Agreement;

“**Issue Account**” shall have the meaning ascribed to it in the Recitals;

“**Prospectus**” shall have the meaning ascribed to it in the recitals of this Agreement;

“**Monitoring Agency**” shall mean ICRA;



“**Monitoring Agency Fee**” shall mean the fee payable by the Company to the Monitoring Agency on a quarterly basis, as consideration for the Monitoring Agency acting as such, as per the terms and conditions of this Agreement;

“**Monitoring Agency Report / Report**” shall mean the report(s) issued by the Monitoring Agency in relation to monitoring the utilization of the Net Proceeds by the Company. The Report shall be submitted to the Company in the format prescribed under Schedule XI of the SEBI ICDR Regulations;

“**Net Proceeds**” shall mean the proceeds of the Fresh Issue less the Company’s share of the Offer expenses, as set out in the Prospectus.

“**Objects of the Offer**” or “**Objects**” shall mean the objects of the Offer as set out in the Prospectus;

“**Proceeds Account**” shall have the meaning given to such term in Clause 3.1 of this Agreement.

“**Prospectus**” shall have the meaning ascribed to it in the recitals of this Agreement;

“**Red Herring Prospectus**” or “**RHP**” shall have the meaning ascribed to it in the recitals of this Agreement;

“**Utilization Schedule**” shall have the meaning given to such term in recitals of this Agreement;

“**Unpublished Price Sensitive Information (“UPSI”)**” means any information, relating to the Company or the Offer, directly or indirectly, that is not generally available and which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily include but not be restricted to, information relating to the financial results, dividends, change in capital structure, mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions, and changes in key managerial personnel and/or any other information which is accompanied by a written notice specifying that such information is an UPSI.

1.2 Capitalized terms not defined herein shall have the meaning ascribed to them in the Prospectus, unless the context specifies otherwise.

1.3 In this Agreement unless the context otherwise requires:

- (i) words denoting the singular number shall include the plural and vice versa;

- (ii) words denoting a person shall include a natural person, corporation, company, partnership, trust or other entity having any legal capacity;
- (iii) heading and bold type face are only for convenience and shall be ignored for the purposes of interpretation;
- (iv) references to the word "include" or "including" shall be construed without limitation;
- (v) references to this Agreement or to any other agreement, deed or other instrument shall be construed as a reference to such agreement, deed, or other instrument, as the same may from time to time be amended, varied, supplemented or novated;
- (vi) references to any Party to this Agreement or any other agreement or deed or other instrument shall include its successors and/or permitted assigns, as applicable;
- (vii) any reference to a statute or statutory provision shall be construed as including such statutes or statutory provisions and any orders, rules, regulations, clarifications, instruments or other subordinate legislation made under them as from time to time amended, consolidated, modified, extended, re-enacted or replaced;
- (viii) time is of the essence in the performance of the Parties' respective obligations under this Agreement. If any time period specified herein is extended in accordance with the terms of this Agreement, such extended time shall also be of the essence;
- (ix) a reference to an article, clause, section, paragraph, schedule or annexure is, unless indicated to the contrary, a reference to an article, clause, section, paragraph, schedule or annexure of this Agreement;
- (x) any reference to days is, unless clarified to refer to Business Days, a reference to calendar days; and
- (xi) any reference to the "knowledge" or "best knowledge" of any person shall mean the actual knowledge of such person and that reference shall be deemed to include a statement to the effect that has been given after due and careful enquiry and making all due diligence inquiries and investigations which would be expected or required from a person of ordinary prudence.
- (xii) Capitalized terms not defined herein shall have the meaning ascribed to them in the RHP (until the filing of Prospectus) and Prospectus.

2. USE OF NET PROCEEDS

2.1 The Company proposes to raise finance by way of the Fresh Issue for the following purposes, all as more particularly to be set out in the Prospectus:

- Augmentation of the Company's Tier – I capital base (referred to herein as the "Objects of the Offer").



- 2.2 However, provided that the above shall be superseded by the details mentioned in the RHP and Prospectus and accordingly, the provisions in this Agreement shall stand amended to that extent.
- 2.3 The Company shall ensure that Net Proceeds are utilized for the purposes as are set out in the Prospectus and Clause 2.1 above.

3. OPENING OF THE PROCEEDS ACCOUNT AND APPOINTMENT OF MONITORING AGENCY

3.1 Appointment

- (a) The Company hereby appoints ICRA Limited as the Monitoring Agency for the purposes of monitoring the use of the Net Proceeds in accordance with the Objects of the Offer and the SEBI ICDR Regulations. ICRA Limited agrees to act as the Monitoring Agency in accordance with the terms and conditions of this Agreement and in accordance with the SEBI ICDR Regulations and Applicable Law. It is hereby clarified that ICRA shall not be responsible for providing any report/monitoring agency report for the calendar quarters prior to its appointment.
- (b) The appointment of ICRA as the Monitoring Agency with respect to monitoring of the Net Proceeds shall be without any prejudice to any existing or future arrangement between the Company and ICRA, whether in the capacity of a monitoring agency or not, and all such arrangements between the Company and ICRA shall be mutually exclusive of one another and on arm's length basis, as permissible under the Applicable Law.
- (c) Notwithstanding anything contained in this Agreement, each Party understands the legal obligation cast on it under Applicable Law and agrees that all its actions pursuant to, and under this Agreement shall be towards the fulfilment of such obligations and in accordance with Applicable Law.

3.2 Opening of the Proceeds Account

The Company shall open the First Account with the Federal Bank Limited wherein the Net Proceeds shall be deposited (the "**Proceeds Account**"). In this regard, the Company shall share with ICRA bank account statements of Issue Accounts in relation to the following: (i) debit of amounts towards Fresh Issue expenses; and (ii) debit of amounts towards Net Proceeds transferred in the Proceeds Accounts.

4. MONITORING THE USE OF NET PROCEEDS

4.1 Deposits into and withdrawals from Proceeds Accounts

- (i) The Company shall deposit the Net Proceeds in the Proceeds Account.

Pending utilization of the Net Proceeds for the *Objects of the Offer* in the Prospectus, the Company shall deposit and retain the Net Proceeds in the Proceeds Account only. However, the Company, shall have the flexibility to deploy the Net Proceeds in accordance with the SEBI ICDR Regulations, the Companies Act, the RHP and the Prospectus until 100 % of the Net Proceeds are deployed towards the *Objects of the Offer* in the Prospectus.

- (ii) Within 15 (fifteen) days of opening of the Proceeds Account as set out in Clause 3.2 above, the Company will submit to the Monitoring Agency an 'Expected Disbursement Schedule' detailing the proposed utilisation of funds and also certifying that the same is for purposes as mentioned in the chapter titled "*Objects of the Offer*" of the Prospectus.
- (iii) The Monitoring Agency reserves the right to disclose the information pertaining to the Proceeds Account or the transactions therein, on receipt of instructions from any statutory/regulatory authorities or any court order, and in such case, the Monitoring Agency undertakes to promptly notify the Company in writing, of its receipt of any such instruction/restriction, unless such notification is prohibited by Applicable Law or order of the court.

4.2 Information and documents to be shared by the Company

- (i) The Company recognizes that compliance by the Monitoring Agency with the terms of the SEBI ICDR Regulations is dependent upon its furnishing to the Monitoring Agency, the requisite information/documents as and when required by the Monitoring Agency. The Company shall provide all the required information, as per agreed timelines between the Company and the Monitoring Agency. The Company undertakes to provide all information/documents requisitioned by the Monitoring Agency for preparation of the Monitoring Report not later than 7 (seven) Business Days from the date of seeking such information/documents by the Monitoring Agency, unless a different date or time for such provision is expressly provided in this Agreement.
- (ii) Within seven (7) Business Days of the last day of each financial quarter during the term of this Agreement, the Company shall (i) notify and inform the Monitoring Agency in writing as to the use of the Net Proceeds during such preceding quarterly period, and (ii) furnish to the Monitoring Agency such documents, papers and information as may be required for enabling the Monitoring Agency to effectively monitor the utilisation of the Net Proceeds during such quarterly period, including bank statements for the Proceeds Account, as mentioned in Clause 3.2, statement of usage of the Net Proceeds and a certificate from the statutory auditor of the Company in a format acceptable to the Monitoring Agency. Further, if required by the Monitoring Agency, the Company will arrange for the certificate from an independent

chartered accountant or a lawyer or auditor or such other expert as the case may be tentatively within ten (10) Business Days of the request by the Monitoring Agency, as required by the Monitoring Agency and as per the format acceptable to the Monitoring Agency.

- (iii) The Company shall promptly inform the Monitoring Agency if there is any deviation in the utilisation of Net Proceeds at any point in time during the term of this Agreement. The Company shall also promptly provide the Monitoring Agency with copies of any shareholders resolution, board resolution, and/or any other documents that evidence requisite corporate or other approval of such deviation, as may be required by the Monitoring Agency, and such deviation shall be reported by the Monitoring Agency in its report. In accordance with Regulation 32 and any other applicable provisions of the SEBI Listing Regulations, the Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement on deviations, if any, in the utilization of the Net Proceeds of the Offer.

4.3 Rights and Responsibilities of the Monitoring Agency

- (i) The Monitoring Agency shall have the right to inspect any and all relevant and necessary records, registers and accounts of the Company, as may be necessary for the purposes of carrying out its duties in accordance with the provisions hereof, provided that the Monitoring Agency has given at least five (5) Business Days prior notice in writing to the Company for such inspection.
- (ii) In addition to the requirement stated under Clause 4.2 below, the Monitoring Agency also reserves the right to consult an independent auditor, a lawyer/legal expert, a chartered engineer or any other expert (post consultations with the Company) for the purpose of carrying out its responsibilities, and such experts shall be allowed by the Company to inspect all records, registers, accounts in connection therewith, with the cost of any such consultation and/or inspection to be borne by the Company.
- (iii) The Monitoring Agency shall rely on the information provided by the Company or obtained by the Monitoring Agency from third parties on behalf of the Company. The Monitoring Agency will not be obligated to independently verify, audit or validate any such information.
- (iv) The Monitoring Agency shall be at liberty to accept a certificate, statement or any other document as it deems appropriate, signed by any of the authorized signatories of the Company duly authorized and notified to the Monitoring Agency, as to any fact or matter prima facie within the knowledge of the Company, as sufficient evidence thereof, and the Monitoring Agency shall not be in any way bound in any case to call for further evidence or be responsible for any loss that may be occasioned by their failing to do so. The Monitoring Agency

undertakes to perform such duties and only such duties as specified in the SEBI ICDR Regulations and as set forth specifically in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Monitoring Agency.

- (v) The Monitoring Agency shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or power.
- (vi) The Monitoring Agency may rely on a resolution or certificate of the Company, certificate of auditors / independent chartered accountants appointed by the Company, any statement, certificate, document or paper of any bank in which the Company has account(s), or any other statement, instrument, opinion, report, notice, request, direction, consent, order, appraisal or other paper or document believed by it to be genuine and to have been signed or presented to it pursuant to this Agreement by the Company or any of the persons authorized by the Company in this behalf or any other persons as may be authorized by the Company in writing from time to time.
- (vii) The Monitoring Agency is hereby authorized to comply with and obey all statutory notices, notices issued by regulatory authority, orders, judgments, decrees or writs entered or issued by any court (unless stayed by a court of competent jurisdiction), and in the event the Monitoring Agency obeys or complies with any such statutory notices, notices issued by regulatory authority, order, judgment, decree or writ of any court (unless stayed by a court of competent jurisdiction), it shall not be liable to the Company nor to any other person or entity by reason of such compliance, notwithstanding that it shall subsequently (after such compliance) be determined that any such statutory notices, notices issued by regulatory authority, order, judgment, decree or writ is issued without jurisdiction or is invalid for any reason or is subsequently (after such compliance) reversed, modified, annulled or vacated.
- (viii) The Monitoring Agency may in relation to these presents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert appointed by the Company, and the Monitoring Agency shall not be responsible for any loss or damages occasioned by so acting.
- (ix) The Monitoring Agency shall have no responsibility to verify the authenticity of any order of a competent body, court or tribunal or any ruling of any arbitrator in proceedings between or concerning the Company or other parties and may rely in good faith and without any liability upon the contents thereof.

(x) The Monitoring Agency shall fulfil such rights, duties and obligations as may be required to be fulfilled by it in such capacity under the SEBI ICDR Regulations and Applicable Law, including the following:

(a) Delivering the quarterly monitoring agency report(s) ("**Monitoring Agency Report(s)**") to the Company, containing details of utilization in accordance with the '*Objects of the Offer*' set out under the Prospectus, to the Company in the format prescribed in **Schedule A** of this Agreement (which has and shall be aligned with the format prescribed in Schedule XI of the SEBI ICDR Regulations) on a quarterly basis till 100% (hundred percent) of the Net Proceeds, have been utilized and such other documents which are to be prepared, executed and/or delivered by a monitoring agency to the Company in terms of the SEBI ICDR Regulations post receipt of all necessary information and documents from the Company. For the preparation of final Monitoring Agency Report for the relevant quarter, the Monitoring Agency shall within ten (10) Business Days from the date of sharing of all requisitioned information/ documents by the Company, share the draft report with the Company to provide additional information if required; In case no additional information is received from the Company, the Monitoring Agency may finalise the report; and

(b) Taking such action and doing such other acts, deeds or things as may be required under the provisions of the SEBI ICDR Regulations and as required by the BSE, NSE and the SEBI and/or in accordance with this Agreement to discharge its responsibilities as the Monitoring Agency. This includes seeking clarifications on the information/ documents/ statements shared by the Company, seeking additional documents/ certifications/ bank statements/ independent legal opinions, etc. to help it effectively discharge its responsibilities as a monitoring agency.

(c) Reviewing the information/ documents/ statements received from the Company with regard to the use of the Net Proceeds, including the status of implementation of the activities proposed to be funded out of the Net Proceeds, as stated in the Prospectus;

(d) The Monitoring Agency shall take due care to produce monitoring reports that are free of errors to the best of its abilities and shall disclose to the extent possible the source of information in the Report;

(e) The Monitoring Agency shall be entitled to refrain from taking any action in accordance with any intimation given under this Agreement to the extent (and during the time that) such intimation is, in the reasonable determination of the Monitoring Agency, uncertain, ambiguous, incorrect, or inconsistent with the requirements and provisions under this Agreement, provided that the Monitoring Agency shall not later than three (3) Business Days after the receipt of any such intimation, notify the Company of such uncertainty, ambiguity, incorrectness or

inconsistency, and until such time as the aforesaid uncertainty, ambiguity, incorrectness or inconsistency is resolved, the Monitoring Agency shall not be required to take action in accordance with such intimation as aforesaid, and shall be protected by the Company from any liability in connection therewith if such uncertainty, ambiguity, incorrectness or inconsistency has not been rectified by the Company within three (15) Business Days of the intimation received from the Monitoring Agency, save and except in case of any default, bad faith, fraud or negligence on the part of the Monitoring Agency;

4.4 Obligations of the Company vis-à-vis Monitoring Agency Reports

- (i) The Company shall ensure that each quarterly Monitoring Agency Report is placed before its audit committee and Board of Directors for their comments on the findings of the Monitoring Agency as per Regulation 41(3) of SEBI ICDR Regulations.
- (ii) The Company, upon receipt of comments from its audit committee and Board of Directors should incorporate the same in the format as indicated in Schedule XI to the SEBI ICDR Regulations.
- (iii) The Company shall disclose the utilization of the Net Proceeds under a separate head in Company's balance sheet along with details, for all such amounts that have not been utilized or utilized in any other manner as may be required under the SEBI Listing Regulations, the SEBI ICDR Regulations and Applicable Law.
- (iv) The Company shall further ensure that within 45 (forty-five) days from the end of each quarter, the final Monitoring Agency Report for such quarter is publicly disseminated by uploading it on its website as well as submitting the same to the Stock Exchanges.
- (v) The Company shall ensure continued compliance with the SEBI ICDR Regulations and Regulation 32 of the SEBI Listing Regulations.
- (vi) In addition to the above, the Company shall, at its sole cost (including but not limited to cost of travel, boarding and lodging of the officials of the Monitoring Agency), provide any and all necessary assistance and infrastructure that may be required by the Monitoring Agency in connection with the performance of its duties pursuant to the SEBI ICDR Regulations and this Agreement.
- (vii) The Company shall share all such information and documents as may be necessary and required by the Monitoring Agency. In case the Monitoring Agency is not satisfied with the responses or the representations provided by

the Company, it reserves the right to issue a Monitoring Agency Report qualified by such disclaimers and limitations as the Monitoring Agency may deem fit and shall highlight its concerns along with reasons, in accordance with the Applicable Law. The Company acknowledges that the Monitoring Agency also reserves the right to highlight any such concerns to SEBI, subject to Applicable Law.

5. REPRESENTATIONS, WARRANTIES AND COVENANTS

As of the date of this Agreement, the Company represents and warrants to the Monitoring Agency that (which representations shall continue to be true and correct on each day during the currency of this Agreement):

- 5.1 this Agreement constitutes valid, legal and binding obligations on the Company and is enforceable against the Company in accordance with the terms hereof;
- 5.2 the execution, delivery and performance of this Agreement and any other document related hereto by it has been duly authorised and do not and will not contravene any provisions of or constitute a default under (a) any law, regulation, judgement, decree or order of any governmental authority, (b) its organizational documents, or (c) any other agreement or instrument or undertaking to which it is a party or which is binding on it or any of its assets;
- 5.3 the Company shall carry out its duties/ responsibilities under this Agreement and complete all the formalities required to be completed by it under this Agreement, within the specified time limits specified in this Agreement and as required under Applicable Law;
- 5.4 the Company shall ensure that the Net Proceeds are utilized for the purposes as set out in the Prospectus and Clause 2.1 of this Agreement and acknowledges that the Monitoring Agency shall not be liable for the use or application or viability of utilization by the Company of the Net Proceeds;
- 5.5 the Company warrants that it has undertaken all reasonable due diligence in respect of the information disclosed/ to be disclosed with the Monitoring Agency, in terms of this Agreement and all such information is in all respects true, correct and complete. The Company warrants that it has the necessary legal rights and has obtained all consents necessary to disclose such information to the Monitoring Agency and that such information is not subject to any restrictions that would prevent Monitoring Agency's use of such information in connection with its processes and services as a Monitoring Agency.
- 5.6 As of the date of this Agreement, the Monitoring Agency represents and warrants to the Company that (which representations shall continue to be true and correct on each day

during the currency of this Agreement):

- (i) this Agreement constitutes a valid, legal and binding obligations on it and is enforceable against it in accordance with the terms hereof;
- (ii) the execution, delivery and performance of this Agreement and any other document related hereto by it has been duly authorized and do not and will not contravene any provisions of, or constitute a default under (a) any law, regulation, judgement, decree or order of any governmental authority, (b) its organisational documents, or (c) any other agreement or instrument or undertaking to which it is a party or which is binding on it or its assets;
- (iii) it shall act and carry out its duties and responsibilities in relation to monitoring of the Net Proceeds within the specified time limits specified in this Agreement and as required under Applicable Law; and
- (iv) it has due corporate authority and valid registration as required under Applicable Law to act as the monitoring agency for monitoring the use of Net Proceeds and it is not prohibited from acting as a monitoring agency by any judicial, regulatory or administrative body.

6. TERMINATION AND CONSEQUENCES OF TERMINATION

- 6.1 Except as specified under this Agreement, this Agreement shall not be terminated by either of the Parties.
- 6.2 In the event of termination as may be required by Applicable Law or any other statutory or regulatory authority including but not limited to SEBI, or government body, or pursuant to an order issued by any government, statutory, judiciary, regulatory or any other authority, or pursuant to any permission granted to either Party by SEBI, the following shall take place;
 - (i) The Party initiating the termination will need to inform the other Party in writing through a notice intimating the reason for termination. Unless otherwise required by Applicable Law requiring such termination, the termination shall be effective after 30 days from the day the notice is served or the due date of publication of the next Monitoring Agency Report, whichever is later.
 - (ii) A copy of the termination notice shall also be sent to the SEBI and the Stock Exchanges, by the Company.
 - (iii) The Monitoring Agency shall promptly display on its website receipt/ issuance of notice of termination of its formal agreement with the Company.

- (iv) The Monitoring Agency shall issue a report on status of co-operation by the Company from the date of commencement of arrangement between the Company and the Monitoring Agency till the date of termination of such arrangement and share it with the Company.
 - (v) The Company shall promptly inform its Board of Directors and the Stock Exchanges where securities of the Company are listed, on issue/ receipt of the termination letter.
- 6.3 This Agreement shall automatically terminate upon the issuance of last of the Monitoring Agency Report by the Monitoring Agency upon utilization of 100% of the Net Proceeds by the Company in accordance with the provisions of the Prospectus and/or as per the terms of the Companies Act and/or Applicable Law hereof, and the Parties shall take such action as may be required under the SEBI ICDR Regulation.
- 6.4 Upon termination of the Agreement prior to utilization of 100% of the Net Proceeds, the Company shall appoint such other credit rating agency as the new monitoring agency for the purposes of monitoring the use of the Net Proceeds and on such terms and conditions as may be agreed to between the Company and the new monitoring agency. The Company shall ensure that the appointment of the new monitoring agency takes place immediately upon termination of the Monitoring Agency being effective. The Monitoring Agency agrees that the Monitoring Agency shall continue to discharge its functions until this Agreement is terminated. On the appointment of a new monitoring agency, the Monitoring Agency shall extend all such support as may be required in terms of the SEBI ICDR Regulations and other Applicable Law towards taking over duties and responsibilities by the newly appointed monitoring agency as the monitoring agency, as required in terms of the SEBI ICDR Regulations and other Applicable Law. It is clarified that, in case of a change in the monitoring agency, the new monitoring agency shall not be responsible for providing any monitoring agency report for the quarters prior to its effective appointment.

Notwithstanding anything contained herein, the provisions of clauses 6 (*Termination and Consequences of Termination*), 7 (*Limitation of Liabilities*), 8 (*Monitoring Agency Fee and Expenses*), 10 (*Indemnity*), 12 (*Confidentiality*), 13 (*Disclaimer*), 15 (*Dispute Resolution*) and 16.7 (*Governing Law and Jurisdiction*) shall survive any termination of this Agreement.

7. LIMITATION OF LIABILITIES

Notwithstanding anything to the contrary contained in this Agreement (inclusive of any Schedule(s) hereto), to the extent permitted by the Applicable Law,

- 7.1 The Monitoring Agency shall be at liberty to accept a certificate signed by any of the authorized signatories of the Company as to any fact or matter prima facie within the knowledge of the Company as sufficient evidence thereof and other than as required by applicable laws, the Monitoring Agency shall not be in any way bound in any case to call for further evidence or be responsible for any loss that may be occasioned by their failing to do so.

- 7.2 The Monitoring Agency undertakes to perform only such duties (and the ancillary duties in connection therewith) as are specifically set forth in this Agreement and as required under Applicable Laws.
- 7.3 Notwithstanding anything to the contrary contained in this Agreement (inclusive of any Schedules hereto), to the extent permitted by Applicable Law, neither the Monitoring Agency nor its Affiliates, or any of their respective directors, officers, shareholders, employees or agents, will be liable in contract, tort (including negligence), statutory duty or otherwise to anyone (including the Company, its Affiliates and their respective directors, officers, shareholders, employees or agents, and any user of any Monitoring Agency Report issued under this Agreement) for any loss, liability, claim, injury or cost, whether direct or indirect and however caused, arising from, in connection with, or in any way related to (i) the inability to issue any Monitoring Agency Report or monitor any Net Proceeds due to legislative, judicial or administrative decisions issued by competent regulatory and statutory authorities or by any court of law; (ii) the use or application or the veracity or viability of utilization by the Company of the Net Proceeds, as applicable; (iii) any compliance by the Monitoring Agency with any statutory notices, notices, directions, instructions or communications issued by regulatory authority, orders, judgments, decrees or writs entered or issued by any court; (iv) the reliance by the Monitoring Agency on the due diligence conducted by statutory auditors and/or other experts retained by the Company and/or by the Monitoring Agency (post consultation with the Company), as the case may be; or (v) any information/documents/statements of the Company, its statutory auditors, banks and/or other reliable third party sources, whether received from the issuer or such third party, and without any independent verification by the Monitoring Agency as to the authenticity, accuracy, completeness and/or truthfulness of any such information/documents/statements.
- 7.4 In any event, the aggregate liability of the Monitoring Agency, its affiliates, third-party providers, or any of their respective directors, officers, shareholders, employees or agents, for any reason whatsoever related to this Agreement and/or the Monitoring Agency's services hereunder (inclusive of any Monitoring Agency Report issued hereunder) will not be more than the Monitoring Agency fee paid by the Company to the Monitoring Agency during the 12 (twelve) months prior to breach; provided that nothing in this Agreement attempts to limit or exclude the Monitoring Agency's liability for fraud, wilful misconduct or any other type of liability that under the Applicable Law cannot be limited or excluded. Notwithstanding anything to the contrary contained herein, the Parties agree that, to the extent permitted by Applicable Laws, in no event shall either Party be liable for any indirect, incidental or consequential damages, or for any amounts claimed for lost business, opportunities or profits of the other Party, except in case of fraud, misrepresentation or gross negligence by such Party.

8. MONITORING AGENCY FEES AND EXPENSES

- 8.1. Simultaneously with the execution hereof, the Company shall pay to the Monitoring Agency remuneration in accordance with the invoice bearing details as set out under Schedule B and issued by the Monitoring Agency for its services as Monitoring Agency, in addition to reimbursement for all documented legal, traveling and other costs, charges and/or expenses which the Monitoring Agency or its officers, employees or agents may incur in relation to execution of this Agreement and/or the performance or discharge of the obligations of the Monitoring Agency under this Agreement. All payments by the Company to the Monitoring Agency under this Agreement shall be made on receipt of suitable invoices for accounting and statutory purposes. Such invoices shall also be considered valid under this Agreement and shall be in compliance with all the statutory rules or guidelines in relation to tax laws and / or other regulatory requirements for the time being in force.
- 8.2. Tax deducted at source (“TDS”) as per the provisions of the Income-tax Act, 1961 shall be deducted on all payments made to the Monitoring Agency and the Company will promptly submit the TDS certificate to the Monitoring Agency for such deduction.
- 8.3. The Company shall reimburse the Monitoring Agency for all costs, charges and expenses incurred by it in relation to the services provided by it under this Agreement, which will be billed separately as incurred.
- 8.4. All amounts required to be paid herein shall not include Goods and Services Tax, if any, payable by the Monitoring Agency and shall be payable separately by the Company.
- 8.5. The Company shall, in case of default in payment of stipulated remuneration as detailed in Clause 8.1 hereinabove, pay to the Monitoring Agency default/ delayed interest at the rate of 18% from the due date until the payment is actually made.
- 8.6. In the event, this Agreement is terminated prior to issuance of the final Monitoring Agency Report upon utilization of 100% of the Net Proceeds the Company shall pay the fee for the services performed by the Monitoring Agency up to the date of such termination. The Company shall be liable to make payment to the Monitoring Agency of all expenses incurred till the date of effective termination of this Agreement and the accrued fee on a pro-rata basis, calculated on a monthly basis.

9. UNDERTAKING

The Company hereby undertakes:

- 9.1 to arrange for meetings of the Monitoring Agency’s representatives, whenever required by them, with the Company’s management, bankers, and statutory auditors and any other



officials or third parties as may be required by the Monitoring Agency from time to time to perform its services under this Agreement;

- 9.2 to inform the Monitoring Agency immediately of any developments or material events the occurrence of which would require the Monitoring Agency to take into account for the purpose of its monitoring activity hereunder.
- 9.3 to share all information, documents, previous monitoring agency reports, if any, reasons for termination of arrangement with the previous monitoring agency (if applicable) and all other information and documents (whether or not related to any previous monitoring agency report/ activity conducted for the Company) with the Monitoring Agency.

10. INDEMNITY

- 10.1 In case of breach of Applicable Law related to the monitoring services or of any of its obligations under this Agreement by the Monitoring Agency and/or its representatives, officers, directors, or other persons acting on behalf of the Monitoring Agency, the Monitoring Agency shall, at its own cost and expense, indemnify, defend and hold the Company, its Affiliates, directors, management or employees free and harmless from and against any and all losses, liabilities, claims, damages, actions, costs and expenses, including court costs arising out of such breach, provided further that the Monitoring Agency shall not be liable for any losses suffered by the Company arising out of fraud, gross negligence, or wilful misconduct on the part of the Company as may be finally determined by a court of competent jurisdiction.
- 10.2 The Company shall indemnify and hold harmless the Monitoring Agency its officers, directors, employees, shareholders and agents (each an “**Indemnified Person**” and collectively, the “**Indemnified Persons**”) against all costs, losses, expenses, damages (including without limitation, legal fees and any third party claims and/or any claims for any taxes payable by the Monitoring Agency) (“**Losses**”) and which any Indemnified Person shall suffer or incur as a consequence of, or arising from: (i) any inaccurate, untrue, or misleading information/document/certificate/statement shared by the Company, its statutory auditors, bankers, advisors or other third parties on which Monitoring Agency may have relied for the purpose of the issuance of any Monitoring Agency Report; (ii) the issuance and delivery by the Monitoring Agency of any Monitoring Agency Report(s) and/or publication of any Monitoring Agency Report by the Company; (iii) reliance on any Monitoring Agency Report(s) by anyone (inclusive of the Company, its affiliates or any third party investor or other user of any Monitoring Agency Report); (v) reliance on or disclosure of Monitoring Agency’s Confidential Information by the Company, its affiliates or by any third party that has directly or indirectly obtained Monitoring Agency’s Confidential Information from the Company or its affiliates; any breach of this Agreement (inclusive of any Schedule hereto) by the Company(vii) any unauthorized use or publication or misuse of any Monitoring Agency Report(s); provided however that, this indemnity shall not apply to any Losses suffered by an Indemnified Person to the extent such Losses are

attributable to the wilful misconduct or fraud of the Monitoring Agency as may be finally determined by a court of competent jurisdiction.

This clause shall survive for three (3) years from the termination of this Agreement.

11. WARRANTY

The Company hereby warrants that neither the Company nor any other 'party concerned' (as defined hereunder) is subject to individual or country sanctions imposed by the United Nations, United States, European Union, or United Kingdom ("**Sanctions**") by virtue of (i) being on a published sanctions list or (ii) located in a sanctioned country (any person or entity described in (i) or (ii) being a "**Sanctions Target**"), or (iii) owned (50% or more) or controlled by one or more Sanctions Target(s). The term '**party concerned**' includes the Company, its parent entity, or related party of the Company. If any activity undertaken by the Monitoring Agency to be provided hereunder is for specific project finance activity, the Company warrants that (i) no asset that forms any part of the collateral underlying the rated asset-backed securities or (ii) no such specific project finance activity, as applicable, is subject to any prohibition or restriction under Sanctions, including but not limited to being located in, benefitting or involving commerce with a sanctioned country. Further, the Company is not predominantly engaged in commercial activity involving one or more sanctioned countries or regions (presently Iran, Syria, Cuba, N. Korea and the Crimea, Donetsk, and Luhansk regions of Ukraine). The Company agrees to notify the Monitoring Agency forthwith if any of these warranties cease to be accurate, and that if the Monitoring Agency determines it is prohibited by any Applicable Law from providing any of the services hereunder it may terminate such services to the extent permitted under Applicable Law.

12. CONFIDENTIALITY

12.1 The Monitoring Agency's Confidentiality Obligation:

- (a) "**Confidential Information**" means any information regarding the Company, the Offer and/or related information being monitored by the Monitoring Agency in terms of this Agreement that the Monitoring Agency receives from the Company, or the Company's respective group companies or authorized agents or authorized representatives in connection with the Monitoring Agency's services hereunder, accompanied by a written notice specifying the confidential nature of such information. The term "Confidential Information" does not, however, include: (i) information that is or becomes publicly known other than by an act of the Monitoring Agency in contravention of this Agreement; (ii) information in possession of the Monitoring Agency prior to the execution of this Agreement; (iii) information that becomes available to the Monitoring Agency from a third party; (iv) information developed independently by the Monitoring Agency; (v) information that has been aggregated or transformed in such a way that it is no longer identifiable as relating to

the Company and/or the Offer; or (vi) information that is approved in writing by the Company for public disclosure.

- (b) The Monitoring Agency shall retain any Confidential Information and not disclose the same to third parties outside of the Monitoring Agency, but such retained Confidential Information will remain subject to the confidentiality obligations contained in this Agreement.
- (c) The Monitoring Agency may, however: (i) disclose Confidential Information as required by law, regulation, judicial or governmental order, subpoena or other legal process or as required by any governmental or regulatory authority including any self-regulatory organization, securities market regulatory or stock exchange; (ii) if required by Applicable Law, publish or otherwise make publicly available any Monitoring Agency Report(s) regarding utilization of Net Proceeds of any Offer that incorporates Confidential Information; and (iii) disseminate aggregated or transformed information as permitted under Clause 12.1 (e) below. The Company confirms that, to the best of its knowledge, there are no third parties whose rights would be adversely affected by any such publication or dissemination ICRA reserves the right to use, publish, disseminate, or license others to use, publish or disseminate any information provided by the Company or its agents or advisors not deemed Confidential Information.
- (d) Any UPSI of the Company shared by the Company or Company's respective group companies or authorized agents in connection with the Monitoring Agency's services hereunder, shall be accompanied by a written notice specifying that such information is an UPSI and the Monitoring Agency shall treat such UPSI in compliance with Applicable Laws including but not limited to SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended. In case any information shared by the Company is not accompanied with such written notice stating that the shared information is an UPSI, the Monitoring Agency shall not be obliged under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, to treat the same as an UPSI; provided, however, that in accordance with the SEBI (Credit Rating Agencies) Regulations, 1999 and relevant guidelines and circulars issued by the Reserve Bank of India ("RBI") and SEBI or any other regulatory authority from time to time, the Monitoring Agency shall treat all non-public information of the Company shared with the Monitoring Agency in connection with the Monitoring Agency's services hereunder on a strictly confidential basis.
- (e) The Monitoring Agency may aggregate and/or transform any information provided so that it cannot be associated with the Company, any issuer and publish, distribute or use such aggregated or transformed information as part of the Monitoring Agency's general business activities or any other materials, to the extent the same is in compliance with the Applicable Laws.

12.2 Company's Confidentiality Obligations: The Company agrees to keep any non-public information with respect to the related monitoring activity(ies) disclosed by the

Monitoring Agency to the Company, confidential and not to disclose such information to any person or entity except: (i) to officers, directors, employees and agents of the Company, subject to Applicable Law; and (ii) as required by the Applicable Law, or at the request of any governmental authority having jurisdiction. The Company will be responsible for any failure by any of the Company's officers, directors, employees, or agents to comply with these confidentiality restrictions.

13. **DISCLAIMER**

- 13.1 Disclaimer of advice: The Monitoring Agency is not: (a) providing an audit opinion or any financial, legal, tax, advisory, consultative or business services; or (b) advising on structuring, drafting or negotiating transaction documentation. The Company should take independent legal, tax, financial and other advice when structuring, negotiating and documenting transactions. The Company hereby agrees that neither the services provided by Monitoring Agency in terms of this Agreement nor any discussions with ICRA's employees constitutes advice on business operations.
- 13.2 Disclaimer of warranties: All information, including the monitoring services agreed to be provided hereunder and other communications provided by ICRA relating to the Company, this Agreement, the Offer, any issue, is provided "as is" and without representation or warranty of any kind; in particular, neither ICRA nor its agents make any representation or warranty, express or implied, as to the accuracy, timeliness, completeness, merchantability or fitness for any particular purpose of any such information or communication.
- 13.3 Not an 'Expert': A Monitoring Agency is neither construed to be nor acting under the capacity or nature of an 'expert' as defined under Section 2(38) of the Companies Act. The Monitoring Agency shall issue each Monitoring Agency Report in terms of this Agreement and SEBI ICDR Regulations solely in the capacity of a Monitoring Agency and the same shall not be construed to be an opinion of an expert, as in issuing such Monitoring Agency Report, the Monitoring Agency will rely on certificates, confirmations and representations of reliable stakeholders such as auditors, banks and other representatives of the Company.
- 13.4 Freedom of contract- The Monitoring Agency and/or its Affiliates shall be free to enter into other commercial transactions with the Company, including credit rating agency arrangement or other intermediary arrangement, provided the same is permitted under Applicable Laws. It is further clarified that each such arrangement will be considered mutually exclusive including the fee agreed for such services and other terms and conditions of such service/ arrangement, except as otherwise expressly set forth herein.
- 13.5 ICRA is an independent Monitoring Agency and may determine, apply and amend its approach, processes and procedures in its sole discretion from time to time provided the same are in line with the SEBI ICDR Regulations.

- 13.6 The Monitoring Report is intended for the jurisdiction of India only. The Report does not constitute an offer for services. Without limiting the generality of the foregoing, nothing in the Report is to be construed as the Monitoring Agency providing or intending to provide any services in jurisdictions outside India, where it does not have the necessary licenses and/or registration to carry out its business activities referred to above.
- 13.7 Access or use of the Report does not create a client relationship between the Monitoring Agency and the user.

14. STAMP DUTY

The Monitoring Agency will pay the stamp duty in relation to this Agreement, and prior to execution by the Monitoring Agency, this Agreement will be annexed to a stamp paper of appropriate value procured for this Agreement.

15. Dispute Resolution

- 15.1 Any dispute arising between the Parties under this Agreement shall be resolved amicably by harnessing the institutional mediation, conciliation and/or online arbitration services offered by an independent arbitration institution in India which shall be mutually decided between the Parties.
- 15.2 The mediation/conciliation/arbitration proceedings shall be conducted under the Arbitration and Conciliation Act, 1996 (“**Arbitration Act**”) through an independent arbitration institution, as the case maybe, in English language and the seat and venue of the proceedings shall be Mumbai, India, or such other place as may be mutually decided between the Parties. Whereas the courts situated at Mumbai shall have the exclusive jurisdiction.
- 15.3 The Parties shall bear costs incurred in the mediation / conciliation / arbitration as may be provided under the rules framed by the independent arbitration institution in this regard.
- 15.4 The disputing Party shall co-operate in good faith to expedite, to the maximum extent practicable, the conduct of any proceedings commenced pursuant to this Agreement.

16. MISCELLANEOUS

16.1 Amendments

No modification or amendment to this Agreement and no waiver of any of the terms or conditions hereof shall be valid or binding unless made in writing and duly executed by

or on behalf of an authorized representative of both Parties. Notwithstanding the above, the Parties shall amend the terms of this Agreement in case of any changes as mandated by SEBI and/or RBI or any other applicable statutory or regulatory authority, from time to time, and such amendment will be binding on both Parties.

16.2 Entire Understanding

These terms and conditions supersede and replace any and all prior contracts, understandings or arrangements, whether oral or written, heretofore made between any of the Parties and relating to the subject matter hereof, and as of the date hereof constitute the entire understanding of the Parties with respect to the subject matter hereof.

16.3 Benefit of Agreement

This Agreement shall be binding upon and inure to the benefit of each Party hereto and its successors and assigns. Nothing in this Agreement will give any Person, except a successor, any legal or equitable right, remedy or claim.

16.4 Severability

The provisions of this Agreement are severable. If any provision or part of any provision of this Agreement shall be determined to be void or unenforceable, then the validity and enforceability of the remainder of the Agreement will not be affected. Furthermore, any void or unenforceable provision will be replaced with a valid and enforceable provision that preserves, to the fullest extent possible, the same economic, business and other purposes as such void or unenforceable provision.

16.5 Waiver

Notwithstanding anything contained in this Agreement, the Parties to this Agreement may, from time to time, or at any time by mutual consent (in writing), waive such terms and conditions of this Agreement so long as the same is not in contravention of the terms of the provisions of the SEBI ICDR Regulations or Applicable Law.

16.6 Notices

Any notice under this Agreement shall only be effective if it is in writing. Notices under this Agreement shall be sent to a Party at its address set out below:

In case of the Company:

Name: Fedbank Financial Services Limited

Address: Kanakia Wall Street, A Wing, 5th Floor, Unit No. 511, Andheri Kurla Road, Andheri (East), Mumbai 400093, Maharashtra, India



Phone No.: +91 22 6852 0601
Email: cs@fedfina.com
Attention: Mr. Rajaraman Sundaresan

In case of the Monitoring Agency:

Name: ICRA Limited
Address: Electric Mansion, 3rd floor, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025
Phone No.: +91 22 6169 3300
Email: nikleshkumar.shahu@icraindia.com
Attention: Mr. Niklesh Shahu

Provided that a Party may change its notice details upon giving a 5 days' notice to the other Party of the change. Any notice given under this Agreement shall be in writing and (i) delivered personally, or (ii) sent by registered mail, postage prepaid, to the address of the Party specified above, or to such facsimile numbers/emal IDs as may be designated in writing by such Party. All notices and other communications required or permitted under this Agreement that are addressed as provided in this clause shall:

- if delivered personally or by overnight courier, be deemed given, upon delivery; and
- if sent by registered mail, be deemed given when received.

Any notice given under this Agreement outside of the business hours in the place to which it is addressed shall be deemed not to have been given until the start of the next period of business hours in such place.

16.7 Governing Law and Jurisdiction

This Agreement and any contractual or non-contractual obligations arising from or connected to it are governed by and construed in accordance with the laws of India and subject to the exclusive jurisdiction of the courts of Mumbai.

16.8 Force Majeure

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT: NO PARTY SHALL IN ANY EVENT BE LIABLE FOR ANY FAILURE OR DELAY IN THE PERFORMANCE OF ITS OBLIGATIONS HEREUNDER IF IT IS PREVENTED FROM SO PERFORMING ITS OBLIGATIONS DUE TO ANY ACT OF GOD, FLOOD, DROUGHT, EARTHQUAKE, LANDSLIDE, HURRICANE, CYCLONE, TYPHOON, PANDEMIC/EPIDEMIC, FAMINE, FIRE, EXPLOSION, RIOTS OR CIVIL DISTURBANCE, WAR (WHETHER DECLARAED OR UNDECLARED), ACT

OF PUBLIC ENMITY, TERRORIST ACT, MILITARY ACTION, LOCKDOWN DECLARED BY GOVERNMENT OR REGULATORY ORDER/ NOTIFICATION, OTHER ACTION OF GOVERNMENT/ OTHER AUTHORITIES, COURT ORDER, OR INDUSTRY-WIDE/REGION-WIDE/ NATION-WIDE STRIKE, LOCKOUT, WORK-TO-RULE ACTION, GO SLOW OR SIMILAR LABOUR ACTION, GENERAL FAILURE OF ELECTRICITY OR OTHER SUPPLY, TECHNICAL FAILURE, ACCIDENTAL OR MECHANICAL OR ELECTRICAL BREAKDOWN, COMPUTER/NETWORK FAILURE OR ANY REASON WHICH IS BEYOND THE CONTROL OF SUCH PARTY (“FORCE MAJEURE EVENT”); IN SUCH CASE, THE MONITORING AGENCY MAY IN ITS SOLE DISCRETION CONTINUE WITH THE SERVICES OR SUSPEND OR TERMINATE THE SERVICES AND/OR THIS AGREEMENT WITH NO ADDITIONAL COST OR LIABILITY TO SUCH PARTY; AND IN THE EVENT OF SUSPENSION OR TERMINATION OF SERVICES AND/ OR THIS AGREEMENT BY SUCH PARTY ON ACCOUNT OF A FORCE MAJEURE EVENT, MONITORING AGENCY SHALL BE ENTITLED TO RECEIVE THE FEES ACCRUED FOR THE SERVICES PROVIDED IN ACCORDANCE WITH THIS AGREEMENT TILL THE DATE OF SUCH SUSPENSION OR TERMINATION.

16.9 Assignment

Neither Party shall assign its respective rights and/or obligations under this Agreement to any person without the prior written consent of the other Party.

16.10 Relationship

This Agreement shall not be deemed to constitute a partnership or joint venture or agent-principal relationship between the Parties. This Agreement will not be deemed to create any fiduciary relationship between the Parties. It is agreed that the Parties are independent entities engaged in the conduct of their own businesses and that this Agreement is being entered into on a principal-to-principal basis.

16.11 English Language

This Agreement and all documents to be furnished or communications to be given or made under this Agreement shall be in the English language.

16.12 Effectiveness of Agreement

This Agreement shall be effective on and from the date first hereinabove written as the date of execution and shall be in force till 100% of the Net Proceeds are utilized in accordance with this Agreement and the Prospectus or till the termination hereof as per



the provisions of this Agreement.

THIS SIGNATURE PAGE FORMS AN INTEGRAL PART OF THE MONITORING AGENCY AGREEMENT ENTERED INTO BETWEEN THE COMPANY AND THE MONITORING AGENCY

IN WITNESS WHEREOF, this Agreement has been executed by the parties or their duly authorised representatives on the day and date first hereinabove mentioned:

SIGNED ON BEHALF OF ICRA

Name: Sujit Agrawal
Title: Associate Director

THIS SIGNATURE PAGE FORMS AN INTEGRAL PART OF THE MONITORING AGENCY AGREEMENT ENTERED INTO BETWEEN THE COMPANY AND THE MONITORING AGENCY

IN WITNESS WHEREOF, this Agreement has been executed by the parties or their duly authorised representatives on the day and date first hereinabove mentioned:

SIGNED ON BEHALF OF THE COMPANY

Name:
Title:



SCHEDULE A

Month Year

MONITORING AGENCY REPORT FORMAT

Report of the Monitoring Agency

Name of the Issuer:

Name of the Monitoring Agency:

(a) Deviation from the objects of the issue:

(b) Range of deviation¹:

Indicate the range of percentage deviation in the utilization of issue proceeds from the amount of issue proceeds earmarked for the objects. For example, up to 10%, 10- 25%, 25-50%, 50-75%, 75-100%, not ascertainable etc.

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013. The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain creditrelated analyses. We confirm that we do not perceive any conflict of interest in such relationship/ interest while monitoring and reporting the utilization of the issue proceeds by the issuer. We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

Signature:

Name of the Authorized Signatory:

Designation of Authorized person/ Signing Authority:

1. Issuer Details

¹ The range of deviation may be computed by taking weighted average of financial deviation of each object in the ratio of issue proceeds allocated for it. Non-financial deviation may be indicated separately by way of notes.



Name of the Issuer:

Name(s) of the promoter:

Industry/ sector to which it belongs: [as per SEBI industry classification]

2. Issue Details

Issue Period:

Type of Issue:

Type of specified securities:

IPO Grading, if any:

Issue Size (Rs. Crore):

3. Details of the arrangement made to ensure the monitoring of issue proceeds

[Give item-by-item description of all the objects and the sub-heads (if any) under the objects, as stated in the offer document; If there are no deviations, then a single table, as below, would be sufficient]

Particulars	Reply	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors
OBJECT 1/ SUB-HEAD 1				
Whether all utilization is as per the disclosures in the Offer Document?	<i>Yes/ No</i>			
Whether shareholder approval has been obtained in case of material deviations [#] from expenditures disclosed in the Offer Document?	<i>Yes/ No/ Not Applicable</i>			
Whether the means of finance for the disclosed objects of the issue has changed?	<i>Yes/ No</i>			
Is there any major deviation observed over the earlier monitoring agency reports?	<i>Yes/ No</i>			
Whether all Government/ statutory approvals related to the object(s) have been obtained?	<i>Yes/ No/ Not Applicable</i>			
Whether all arrangements pertaining to technical assistance/ collaboration are in operation?	<i>Yes/ No/ Not Applicable</i>			

Particulars	Reply	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors
Are there any favorable events improving the viability of these object(s)?	<i>Yes/ No</i>			
Are there any unfavorable events affecting the viability of the object(s)?	<i>Yes/ No</i>			
Is there any other relevant information that may materially affect the decision making of the investors?	<i>Yes/ No</i>			

Where material deviation is defined to mean:

(a) Deviation in the objects or purposes for which the funds had been raised

(b) Deviation in the amount of funds actually utilized by more than 10% of the amount specified in the offer document

4. Details of the object(s) to be monitored

(i) Cost of object(s)

[Give item-by-item description of all the objects and the sub-heads (if any) under the objects, as stated in the offer document]

S.N.	Item Head	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Original cost (as per the offer document) [Rs. Crore]	Revised cost [Rs. Crore]	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of firm arrangements made

(ii) Progress in the object(s)

[Give item-by-item description of all the objects and the sub-heads (if any) under the objects, as stated in the offer document]

S.N.	Item Head*	Source of information, certifications considered by the Monitoring	Amount as proposed in the offer document [Rs. Crore]	Amount utilized [Rs. Crore]			Total unutilized amount [Rs. Crore]	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors	
				As at the beginning	During the quarter	At the end of			Reasons for idle funds	Proposed course of action

	Agency for the preparation of report	of the quarter	the quarter						

*Provide following details under Item Head:

- (a) Name of the object(s)
 (b) Brief description of the object(s)
 (c) Location of the object(s) (if applicable)

(iii) Deployment of unutilized proceeds

S.N.	Type of instrument and name of the entity invested in	Amount invested [Rs. Crore]	Maturity date	Earning [Rs. Crore]	Return on Investment [%]	Market Value as at the end of quarter@ [Rs. Crore]

@ Where the market value is not feasible, provide the NAV/NRV/Book Value of the same while disclosing so

(iv) Delay in the implementation of the object(s)

Object(s)	Completion date		Delay [Number of days or months]	Comments of the Issuer's Board of Directors	
	As per the offer document	Actual^		Reason for delay	Proposed course of action

^In case of continuing object(s), please specify the latest/ revised estimate of the completion date.

5. Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document

S.N.	Item Head	Amount [Rs. Crore]	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors



SCHEDULE B

Monitoring Agency Fee

Fee Amount	INR 300,000/- (plus applicable taxes)
Frequency	Quarterly
Renewal due on	-
To be paid within	7 Calendar days from the invoice date
Interest over unpaid fee	18%