



**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

Central Registration Centre

Certificate of Incorporation

[Pursuant to sub-section (2) of section 7 of the Companies Act, 2013 and rule 8 the Companies (Incorporation) Rules, 2014]

I hereby certify that UTKARSH SMALL FINANCE BANK LIMITED is incorporated on this Thirtieth day of April Two thousand sixteen under the Companies Act, 2013 and that the company is limited by shares.

The CIN of the company is U65992UP2016PLC082804.

Given under my hand at Manesar this Thirtieth day of April Two thousand sixteen .

DS Ministry of
Corporate Affairs
(Govt of India) 14

Digitally signed by DS Ministry of Corporate Affairs -
(Govt of India) 14
DN: cn=DS, o=Ministry of Corporate Affairs, (Govt of
India), serial=14, c=IN, postalCode=110016,
st=Delhi, street=NEHRU PLACE, 28, A-51-c/11,
ALOKA P.O. TORONTO, cn=DS Ministry of Corporate
Affairs - (Govt of India) 14
Reason: I signed in the accuracy and integrity of this
document
Date: 2016.04.30 11:07:43 +05'30'

LATHA PARIMALAVADANA K

Deputy Registrar of Companies

Central Registration Centre

For and on behalf of the Jurisdictional Registrar of Companies

Mailing Address as per record available in Registrar of Companies office:

UTKARSH SMALL FINANCE BANK LIMITED

S-24/1-2, First Floor,, Mahavir Nagar, Orderly Bazar, varanasi, Varanasi, Uttar
Pradesh, India, 221002



MEMORANDUM OF ASSOCIATION
OF

Utkarsh Small Finance Bank Limited

(Incorporated under the Companies Act, 2013)
(Company limited by shares)

MEMORANDUM OF ASSOCIATION
OF
Utkarsh Small Finance Bank Limited
(Incorporated under the Companies Act, 2013)
(Company limited by shares)

- I. The name of the Company is UTKARSH SMALL FINANCE BANK LIMITED.
- II. The Registered Office of the Company will be situated in the State of Uttar Pradesh
- III. The objects for which the Company is established are:
(A) OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:
 - 1) To establish and carry on the business of banking in any part of India or outside India.
 - 2) To carry on business of accepting, for the purpose of lending or investment, of deposits of money from the public, repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise.
 - 3) To carry on the business of:
 - (a) borrowing, raising or taking up of money;
 - (b) lending or advancing of money by way of a loan, overdraft or on cash credit or other accounts or in any other manner whether without or on the security or movable or immovable properties, bills of exchange, hundis, promissory notes, bills of lading, railway receipts, debentures, share warrants and other instruments whether transferable or negotiable or not;
 - (c) drawing, making, accepting, discounting, buying, selling, collecting and dealing in bills of exchange, hundis, promissory notes, coupons, drafts, bills of lading, railway receipts, warrants, debentures, certificates, scrips and other instruments and securities whether transferable or negotiable or not;
 - (d) granting and issuing of letters of credits, travellers' cheques and circulars notes;
 - (e) buying, selling and dealing in bullion and specie;
 - (f) buying and selling of and dealing in foreign exchange including foreign bank notes;
 - (g) acquiring, holding, issuing on commission, underwriting and dealing in stock, funds, shares, debentures, debenture stock, bonds, obligations, securities and investments of all kinds;
 - (h) purchasing and selling of bonds, scrips or other forms of securities on behalf of itself, its constituents or others;
 - (i) negotiating of loans and advances;
 - (j) receiving of all kinds of bonds, scrips or valuables on deposit or for safe custody or otherwise;
 - (k) providing of safe deposit vaults;

- (l) collecting and transmitting of money and all kinds of securities;
 - (m) Issuing credit cards, debit cards, prepaid instruments, smart card or any similar instruments and extending any other credits;
 - (n) acting as aggregators, as may be permitted by the Pension Fund Regulatory and Development Authority ("**PFRDA**"), in connection with the National Pension System of the PFRDA.
 - (o) carrying on any other business specified in section 6(1)(a) to (n) of the Banking Regulation Act, 1949, as amended from time to time ("**1949 Act**"), and such other forms of business which the Central Government has pursuant to Section 6(1)(o) of 1949 Act specified or may from time to time specify by notification in the Official Gazette or as may be permitted by Reserve Bank of India ("**RBI**") from time to time as a form of business in which it would be lawful for a banking company to engage.
- 4) To carry on the business of merchant banking, investment banking, portfolio investment management, wealth management and investment advisors; to form, constitute, promote, act as managing and issuing agents, prepare projects and feasibility reports for and on behalf of any company, association, society, firm, individual and body corporate.
 - 5) To carry on the business of mutual fund distribution, equipment leasing and hire purchase.
 - 6) To act as corporate agents for insurance products for life and general insurance including but not limited to health, pension & employees benefit, fire, marine, cargo, marine hull, aviation, oil & energy, engineering, accident, liability, motor vehicles, transit and other products and to carry on the business of insurance, re-insurance and risk management as an insurance agent or otherwise as may be permitted under law.
 - 7) To carry on the business of factoring by purchasing and selling debts, receivables and claim including invoice discounting and rendering bill collection, debt collection and other factoring services.
 - 8) To carry on and transact the business of giving guarantees and counter guarantees and indemnities whether by personal covenant or by mortgaging or charging all or any part of the undertaking, property or assets of the Company, both present and future wherever situate or in any other manner and in particular to guarantee the payment of any principal moneys, interest or other moneys secured by or payable under debentures, bonds, debenture-stock, mortgages, charges, contracts, obligations and securities, and the repayment of the capital moneys and the payment of dividends in respect of stocks and shares or the performance of any such other obligations.

B) MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE:

- 1) To borrow or raise money or secure loans or credits for the purpose of the Company under contracts or under promissory notes, bills of exchange, hundis and other negotiable or transferable instruments, or issue convertible or non-convertible, secured or unsecured debentures, debenture stock, bonds and alternative to secured

obligations and securities of all kinds as may be permitted under law and to frame, constitute and secure the same, as may seem expedient, with full power to make the same transferable by delivery or by instrument of transfer or otherwise and either perpetual or terminable and either redeemable or otherwise, and to charge or secure the same by trust deed or otherwise on the whole or any part of the undertaking of the Company or upon any specific property, movable and immovable, and rights, both present and future, of the Company as may be authorized by law.

- 2) To carry on the activities of bill discounting, re-discounting dealing in commercial paper, treasury bills, certificate of deposits and other financial instruments.
- 3) To effect, insure, guarantee, underwrite, participate in manage and carry out any issue whether, public or private of company, corporation, association or Central or State Government, municipality or of the other loans or of shares stocks, debentures or debenture stock and to lend monies for the purpose of any such issue and to act as an underwriter, escrow agent, bankers to the issue, investment advisor, share depository participant and as manager for any such issue as may be permitted under law.
- 4) To acquire by purchase, lease, exchange, hire, concession, grant or otherwise, either absolutely or conditionally and either alone or jointly with others, any movable or immovable property of any description, any patents, trademarks, concessions, privileges and any other rights for the objects and business of the Company or which the Company may think necessary or convenient to acquire or the acquisition of which in the opinion of the Company is likely to facilitate the realization of any securities held by the Company or to prevent or diminish any apprehended loss or liability or which may come into the possession of the Company in satisfaction or part satisfaction of any of its claims and to pay for all such property and rights purchased or acquired by the Company in any manner including by shares, debentures, debenture stock or bonds or other securities held by the Company or otherwise and to manage, sell, develop, improve, exchange, let on lease, or otherwise dispose of or turn to account all such property and rights purchased or acquired by the Company and to acquire and hold and generally deal with in any manner whatsoever all or any property and right, movable and immovable and any right, title or interest therein which may form part of the security for any loans or advances made by the Company or which may be connected with any such security and all at such time or times and in such manner and for such consideration as may be deemed proper or expedient.
- 5) To acquire and undertake the whole or any part of the business of any person or any Company with all or some of the assets and liabilities and to hold and purchase shares, stocks, debentures or other rights of any company carrying on business which the Company is authorized to carry on or which is incidental or ancillary to the objects of the Company or such business of a nature enumerated in Section 6 of the 1949 Act.
- 6) To deposit money with other banks by way of current deposits, fixed deposits and otherwise with or without interest, to accept bills of exchange, hundis and other negotiable instruments and to endorse the same to bankers and to do all such banking business with other banks as may be permissible under law.

- 7) To undertake the agency of other Indian banks and of foreign banks and other financial institutions and to manage the issue of a loan for a corporation or company, firm or association whether incorporated or not, or of foreign Government.
- 8) To act as agents for any Government or local authority or any other person or persons, carry on agency business of any description including clearing and forwarding of goods, give receipts and discharges and otherwise act as an attorney on behalf of customers, but excluding the business of managing agent or secretary of treasurer of a company.
- 9) To contract for public and private loans and advances and negotiate and issue the same.
- 10) To acquire, receive, hold, hold in trust as trustee, agent or nominee of any person, corporation, Company, any real or personal property, rights or interest acquired by or belonging to the Company or on behalf of or for the benefit of the Company, and with or without any declared trust in favour of the Company.
- 11) To buy, acquire, construct, build, improve, manage, maintain, alter, develop, exchange, hire, lease, mortgage, turn to account, purchase, sell, dispose, let out or otherwise deal with all and hold, use, deal or trade in, whether with a view to profit or otherwise and by any means whatsoever property and rights of all kinds whether movable or immovable, legal or equitable and where so ever situate, including but without prejudice to the generality of the foregoing, lands, buildings, easements, mortgages, product, plant, machinery, stock-in-trade tools, vehicles, aircraft, vessels, chattels, materials, concessions, options, contracts, book debts, business concerns and undertakings, claims, privileges and choses in action of all kinds to carry on and promote such business or activity and either to retain the property acquired or to turn to account for the Company's business as it may seem expedient, subject to the provisions of 1949 Act and or any applicable law.
- 12) To acquire by purchase, lease or otherwise any premises for the construction and/or establishment of safe-deposit vault or vaults and to maintain therein fire-proof and burglar-proof strong rooms, safes and other receptacles for deeds, securities, documents, money, jewelry and valuables of all kinds.
- 13) To develop and promote new financing instruments of all kinds whether for the capital or money markets.
- 14) To provide consultancy and advisory services as agents, or pursuant to a referral arrangement, in respect of insurance matters including risk management, credit management, insurance management, to Indian and Foreign governments, States, dominions, sovereigns, public authorities or bodies, schools, colleges, universities, or any person, firm, company, corporation, body corporate, society, association of person, body, forum, whether incorporated or not, whether in the private or public sector and whether profit oriented or not as may be permitted under law.
- 15) To act as foreign exchange dealer and to buy, sell or otherwise deal in all kinds of foreign currencies, currency derivatives, foreign currency options, forward covers, swaps of all kinds, as may be permitted by RBI from time to time under the Foreign Exchange Management Act, 1999, and to transact for itself or on behalf of any persons, body corporate, company, corporation, society, firm or association of persons whether

incorporated or not, all kinds of transactions in foreign currencies.

- 16) To form, establish or promote or to procure the registration, incorporation or recognition of any other company, body corporate or any other entity as subsidiary, associate, affiliate, joint venture, branch office, representation offices of this Company or otherwise for the purpose of carrying on any of the business or activities of the Company or for the purpose of acquiring or taking over all or any other property, rights and liabilities of such company, body corporate, or any other entity or for any other purpose which may directly or indirectly benefit the Company.
- 17) To purchase or import, take on lease or in exchange, hire or otherwise acquire any movable or immovable property and any rights or privilege which the Company may think necessary or convenient for the purposes of its business and in particular any land, building, easement, machinery, plant or any other property or assets.
- 18) To invest and deal with money in such manner as may, from time to time, be thought fit subject to the provisions of the 1949 Act, the Companies Act, 2013, as amended from time to time ("**Act**") and such other provisions of law as may be applicable.
- 19) To remunerate any person in accordance with applicable laws, for services rendered, or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares, debenture or bonds in the Company's capital or any debentures or other securities issued by the Company.
- 20) To draw, make, accept, endorse, discount, execute and issue certificates of deposits, promissory notes, bills of exchange, and other negotiable or transferable instruments.
- 21) To adopt such means of making known and advertising the business and productions and services of the Company as may be expedient.
- 22) To apply for, promote and obtain any order, regulation, or other authorisation or enactment which may directly or indirectly benefit the Company.
- 23) To issue or allot fully or partly paid shares in the capital of the Company in payment or part payment of any movable or immovable property purchased or otherwise acquired by the Company or any services rendered to the Company.
- 24) To take or hold mortgages, liens, and charges to secure payment of the purchase price or any unpaid balance of the purchase price, or any part of the Company's property of any kind sold by the Company, or any money due to the Company from buyer or any other person.
- 25) To pay out of the funds of the Company all or any expenses which the Company may lawfully pay for the services rendered for the formation and registration of this Company and for the promotion of any other company by it subject to the provisions of the Act and the 1949 Act.

- 26) To insure any of the properties, undertakings contracts, risks or obligations of the Company in any manner whatsoever.
- 27) To make donations either in cash or in kind for such objects for causes as may be directly or indirectly conducive to any of the Company's objects or otherwise expedient.
- 28) To aid and support any person, association, body or movement, whose object is solution, settlement or surmounting an industrial or labour problems or the promotion of trade or business of the Company or for the promotion of science and technology (including by providing contributions or funds to technology incubators), protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, sports (including training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports), environment (to ensure environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water), rural development projects and other social and welfare activities.
- 29) To establish and support or aid in the establishment and support of associations, institutions, schools, hospitals, guesthouses clubs, funds and trusts which may be considered beneficial to any employees or ex-employees, or directors or to officers and ex-officers of the Company or the dependents of any such person to the extent permissible under law; and granting pensions and allowances and making payments towards insurance, subscribing to or guaranteeing moneys for charitable or benevolent object or for any exhibition or for any public, general or useful object.
- 30) To appoint, employ, hire, procure, depute designers, experts, scholars, professors, leaders, executives, managers, secretaries, officers, technicians, engineers, mechanics, foremen, clerks, agents, servants, and other skilled and unskilled personnel for permanent, temporary or contractual services.
- 31) To refer to or agree to refer to any claim, demand, questions, disputes or differences by or against the Company or in which the Company is interested or concerned and whether between the Company and any other person or any third party, in connection with or in respect of any matter relating to the business or affairs of the Company to arbitration or to institute legal proceedings or defend any proceedings before a court of competent jurisdiction or central government, as the case may be and to appoint advocates, consultants or advisors in this behalf and to observe and perform and do all acts matters and things necessary to carry out or enforce the awards or orders as the case may be.
- 32) To enter into negotiations or collaborations, technical, financial or otherwise with any person or government for obtaining any grant, license or on other terms, formulae and other rights and benefits, and to obtain technical information, know-how and expert advice for providing or rendering services which the Company is authorized to provide or render.
- 33) To arrange for in India and abroad for providing services of the Company and purchase or otherwise acquire services as are necessary for carrying on the business of the Company and, for that purpose, either to establish, reconstitute and discontinue, as may be deemed necessary and efficient, its own branches, offices, agencies, or to appoint representatives or employees or both (whether individuals, firms or bodies corporate) in any place in or outside areas of operation and fix the

terms and conditions of their appointment and pay fees or remuneration to such representatives and employees by way of commission or in such other manner as the Company may deem fit.

- 34) To establish, maintain and operate automated teller machines, or any other electronic and telecommunication devices for carrying on any of the banking businesses including, but not limited to, internet banking, telephone banking, mobile banking, utility bills payment for electricity, telephones, mobile phones, etc.
- 35) To create any depreciation fund, reserve fund, sinking fund, redemption fund, insurance fund, educational fund or any special or other reserve or fund, whether for redemption of debentures or debentures-stock, for dividends, for equalizing dividends or for repairing improving, extending and maintaining any part of the property of the Company or for any other purpose, as may be required under applicable law.
- 36) To open, maintain, operate and close any type of bank accounts with any bank or financial institution in India or abroad and obtain credit facilities with or without securities for its business and to withdraw money from such accounts.
- 37) To train or pay for training in India or abroad of any of the Company's employees or offices or any candidate in the interest of or furtherance of the Company's objects.
- 38) To establish research and development centers for the business of the Company.
- 39) To take or otherwise acquire and hold shares in any other Company as may be authorized.
- 40) To promote or finance or assist in promoting or financing any business, undertaking or industry either existing or new and associate with them either through the instrumentality of syndicates or otherwise in conformity with the relevant laws governing banks.
- 41) To undertake and execute trusts and to undertake the administration of estates as executors, trustees or otherwise.
- 42) To set up or participate as a payment gateway for effecting payment against services and trade transactions carried out by internet sites and portals, to operate payment system under the Payment and Settlement Systems Act, 2007, as amended from time to time, to act as enablers for settlement of e-commerce or any other type of transactions for corporates, individuals or any other entities or to undertake money transfer activities under money transfer service scheme as permitted under law and verify any digital signature or electronic signature issued in accordance with the Information Technology Act, 2000 as amended from time to time.
- 43) To open, establish, maintain and operate currency chests and small coin depots on such terms and conditions as may be required by the RBI established under the Reserve Bank of India Act, 1934, as amended from time to time and subject to the Act to enter into all administrative or other arrangements for undertaking such functions with the RBI.
- 44) To take part in the management, supervision and control of the business or operations of any company or undertaking having similar objects and for that purpose to appoint and remunerate any directors, trustees, accountants or other personnel.

- 45) To provide custodial and depository services and to do all such things as may be advised, remitted and required for this purpose as permissible under law.
- 46) To provide for the welfare of Directors or employees of the Company or its predecessors in business and the wives, widows and families or the dependents or connections of such persons by buildings or contributing to the building or houses or dwellings or quarters or by grants of money, pensions, gratuities, allowances, bonuses, profit sharing bonuses or benefits or any other payments or by creating and from time to time subscribing or contributing to provident and other associations, funds, profit sharing or other schemes or trusts and by providing or subscribing or contributing towards places of instruction, recreation, hospitals and dispensaries, medical and other attendance and assistance as the Company shall think fit.
- 47) To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation or death benefit funds for the benefit of, and give award or procure the giving of donations, gratuities, pensions, allowances, annuities or emoluments or other benefits whatsoever to any persons who are or were at any time in the employment or service of the Company or of any company which is subsidiary of the Company or its allied to or associated with the Company or with any such subsidiary company or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid and the wives, widows, families and dependents of any such persons, and also to establish and subsidise and subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid and make payments to or towards the insurance of any such person as aforesaid and do any matters aforesaid either alone or in conjunction with any such other company as aforesaid or to establish, support and maintain any form of profit-sharing, share purchase, share incentive, share option or employees' share scheme for any such persons and to lend money to any persons eligible to participate therein or to benefit therefrom (or to trustees on their behalf).
- 48) To enter into any arrangements with any government or government departments or authorities supreme, municipal local or otherwise, or any person or company that may seem conducive to the Company's objects or any of them to obtain from any such government, government departments authorities, person or company any rights, privileges, charters, contracts, licence and concessions which the Company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges, charters, contracts, licence and concessions.
- 49) To merge, de-merge, spin-off, reconstruct, reorganize the business and / or assets, liabilities, debts, rights, obligations of the Company.
- 50) To amalgamate, merge, enter into any arrangement for sharing of profits, amalgamation, union of interest, reciprocal concession or cooperation with any company or companies or body corporate having objects altogether or in part similar to those of this Company, for the purpose of acquiring any business, undertaking, property or liabilities of such person, company or body corporate, or to sell, exchange, lease, under lease, surrender, abandon, amalgamate, sub- divide, mortgage or otherwise deal with either absolutely, conditionally, or for any limited interest, all or any part of the undertaking, property rights or privileges of the Company, as a going concern or otherwise, for advancing directly or indirectly the objects thereof for any other purpose which this Company may think expedient,

with any public body, corporation, company, society, or association, or to any person or persons, for such consideration as the Company may think fit, and in particular for any stock, shares (whether wholly or partly paid), debentures, debenture stock, securities or property of any other Company.

- 51) To apply for and become member of any business, commercial / trade / industrial association, clearing-house, society, company, professional body, stock exchange, depository and promote measures for the protection and / or promotion of the Company's trade, industry and persons engaged therein.
- 52) (a) To apply for, provide information and guidance on governmental policies, directives, instructions, regulations, ordinances or other authorizations or enactments of the Central or any State Government or any other similar semi-Government authorities or agencies which may be required for enabling the Company to establish an undertaking or to bring into effect any modification / diversification in any of the Company's business or constitution and to challenge any of the governmental bills, statutes, rules, regulations, guidelines, proceedings or applications which are likely to prejudice the Company's business or interests;

(b) To study such Governmental policies, regulations, ordinances and advise the governmental authorities in formulating incentives schemes to attract industries and investments;
- 53) To exercise all or any of its corporate powers, rights and privileges and to conduct its business in all or any of its branches, offices or agencies in the Union of India and in any or all states, territories, possessions, colonies and dependencies thereby and in any or all foreign countries, and for this purpose to have and maintain and to discontinue such number of branches, offices and agencies therein as may be convenient.
- 54) To assist in undertaking activities pertaining to leasing or hire-purchase asset credit, installment sale or / and deferred sale.
- 55) To apply for, tender, purchase or otherwise acquire any contracts, sub-contracts, licences and concessions for or in relation to the objects or business herein mentioned or any of them, and to undertake, execute, carry out, dispose of or otherwise turn to account the same.
- 56) To open, maintain, operate and close account or accounts with any bank or banks or other financial Institutions in India or abroad and to pay or earn interest and to withdraw money from such account or accounts and to make, draw, co-accept, endorse, execute, discount or negotiable and issue cheques, promissory notes, hundis, bills of exchange, bills of lading, railway receipts, warrants, debentures and other negotiable or transferable instruments.
- 57) To indemnify officers, Directors, promoters and servants of the Company against, proceedings, costs, damages, claims and demands in respect of anything done, or ordered to be done, for and in the interests of the Company or for any loss or damages or misfortune which happens in execution of the duties of their office or in relation thereto.
- 58) To undertake, carry out, promote or assist directly or in any other manner any activities for promotion and growth of the national economy and national welfare.

- 59) To carry on all the businesses permitted by the objects set out herein above either directly or through a subsidiary, affiliate or associate of the Company as may be permitted under law.
- 60) To do any of the activities directly and/or through agents appointed for such purpose.
- 61) To do all such other things as are incidental or conducive to the promotion or advancements of the business of the Company or attainment of the objects of the Company.
- 62) To do all such things as are permitted by applicable laws, including but not limited to, the RBI Guidelines for Licensing of Small Finance Banks in the Private Sector dated November 27, 2014, the Act, the 1949 Act, the RBI Act, 1934, Foreign Exchange Management Act, 1999, Payment and Settlement Systems Act, 2007, Credit information Companies (Regulation) Act, 2005, Deposit Insurance and Credit Guarantee Corporation Act, 1961 and other relevant Statutes and the Directives, Prudential Regulations and other Guidelines/ Instructions issued by RBI and other regulators from time to time.

IV. The Liability of the Members is Limited and this liability is limited to the amount unpaid, if any, on the shares held by them;

V. **"The authorized share capital of the Bank is ₹20,00,00,00,000/- (Rupees Two Thousand Crore only) divided ₹18,00,00,00,000 (Rupees One Thousand Eight Hundred Crore only) comprising of 1,80,00,00,000 (One Hundred & Eighty Crore only) Equity Shares of ₹10/- (Rupees ten only) each and ₹2,00,00,00,000/- (Rupees Two Hundred Crore only) comprising of 20,00,00,000 (Twenty Crore) preference shares of face value of ₹10/- (Rupees Ten only) each, with the power to increase and reduce the capital of the Bank and to divide the shares in the capital for the time being into different classes and to attach thereto respectively such preferential or special rights or privileges or conditions as may be determined by or in accordance with the regulations of the Companies Act, 2013."*

*As amended in Board and Annual General Meeting held on June 15, 2024 and July 22, 2024 respectively.

We the several persons, whose name and address are subscribed, are desirous of being formed into a company in pursuance of the Memorandum of Association and we respectively agree to take to the number of shares in the capital of the company set opposite or respective names:

Name , Address, Descriptions and occupation of subscribers	Number of Equity Shares	Signature	Witness
1. Mr. Govind Singh S/o Late Nandan Singh C- 402, Mahavir Sadhana, Plot no. 18E, 18F, 18G,, Sector 14, Sanpada, Navi Mumbai, 400705, Maharashtra Occupation : Service	44000	Sd/-	<p>Signed before me</p> <p>I witness to subscribe who have signed and subscribed in my presence. Further I have verified their identity detail for their identification & satisfied myself of identification particular on filled in.</p> <p>CS Neeraj Kumar Tiwari S/o Late Sushil Kumar Tiwari Village Babhani, Post-Sarenia, PS-Raipur, Dist-Buxar, Bihar-802114</p>
2. Ms. Revati Govind Singh w/o Mr. Govind Singh C- 402, Mahavir Sadhana, Plot no. 18E, 18F, 18G,, Sector 14, Sanpada, Navi Mumbai, 400705, Maharashtra Occupation : House wife	1000	Sd/-	
3. Mr. Raghvendra Singh S/o Late B. N Singh S-2/326B,Rajarshi Nagar, Bhojubeer Varanasi Occupation : Service	1000	Sd/-	
4. Mr. Abhisheka Kumar S/o Late Bijayendra Narayan Singh BH-606, Amrapali Village, Indirapuram, Ghaziabad, 201010 Occupation : Service	1000	Sd/-	
5. Mr. Trilok Nath Shukla S/o Mr. Raghubir Ram Shukla A.N. 372, Vishvakarma Nagar SUS, Varanasi, 221005 Occupation : Service	1000	Sd/-	
6. Mr. Ashwani Kumar S/o Mr. Amrendra Kumar Quarter No. 2131, Sector- 6 C, Bokaro Steel City, Bokaro, 827006, Jharkhand Occupation : Service	1000	Sd/-	
7. M/s Utkarsh Micro Finance Pvt. Ltd S – 2/ 639 – 56, Varuna Vihar Colony, J.P Mehta Road, Cantte, Varanasi – 221002 Occupation : Body Corporate	1000	Sd/-	

THE COMPANIES ACT, 2013
ARTICLES OF ASSOCIATION
OF

UTKARSH SMALL FINANCE BANK LIMITED
A PUBLIC LIMITED COMPANY

1. PRELIMINARY

- 1.1 Utkarsh Small Finance Bank Limited (the “**Company**”) is established as a public company with limited liability in accordance with and subject to the provisions of the Companies Act, 2013 (as amended).

2. INTERPRETATION

Unless the context otherwise requires, words or expressions contained in these Articles and not defined herein shall bear the same meaning as in the Act. Regulations contained in Table “F” of Schedule I of the Act shall apply to the Company so far as they are not inconsistent with or repugnant to any of the regulations contained in these Articles.

“ Act ”	means the Companies Act, 2013 as amended from time to time;
“ Affiliate(s) ”	for the purposes of these Articles, means, with respect to: (a) any Person, any Person directly or indirectly Controlling, Controlled by or under common Control with, that Person; and (b) a Person being a natural person, shall include Relatives of such Person and, without any prejudice to the foregoing, in relation to a Shareholder that is an institutional investor, shall also include any fund, trust, partnership (including any co-investment partnership), special purpose vehicle or other vehicle which is under common Control by the Person Controlling such Shareholder but shall exclude any portfolio company of such Shareholder and/or its Affiliates;
“ AML/CFT ”	means anti-money laundering and combating the financing of terrorism;
“ Anti-Money Laundering Laws ”	means all applicable laws relating to anti-money laundering and combating the financing of terrorism and all applicable (including international) financial reporting standards and requirements.
“ Applicable Law ”	means all statutes, laws, ordinances, guidelines, rules and regulations applicable to the Company including but not limited to the provisions of the Act, BR Act, RBI Act and Guidelines and any license, permit or other authorisations granted from or by the Reserve Bank of India;
“ Applicable S&E Law ”	means all applicable statutes, laws, ordinances, rules and regulations of the Country, including, without limitation, all

	Authorisations setting standards concerning environmental, social, labour, health and safety or security risks or imposing liability for the breach thereof;
“Auditor”	means the statutory auditor of the Company;
“Authorisations”	means any consent, registration, filing, agreement, notarisation, certificate, license, approval, permit authority or exemption from, by or with any Authority, whether given by express action or deemed given by failure to act within any specified time period and all corporate, creditors and shareholders’ approvals or consents;
“Authorised Representative”	means, in relation to the Company, any individual who is duly authorized by the Company to act on its behalf;
“Authority”	means any national, supranational, regional or local government or governmental, statutory, regulatory, administrative, fiscal, judicial, or government-owned body, department, commission, authority, tribunal, agency or entity, or central bank (or any Person whether or not government owned and howsoever constituted or called, that exercises the functions of a central bank);
“Board” or “Board of Directors”	means the board of directors of the Company, from time to time;
“BR Act”	means the Banking Regulation Act, 1949 as amended from time to time;
“Charter”	means the memorandum of association and these Articles, as amended from time to time.
“Client”	means any borrower, investee or other Person financed directly or indirectly by the Relevant Financing Operations;
“Client Operations”	means any operations or activities of the Clients (or with respect to any Client, the operations and activities of that Client) financed directly or indirectly by the Relevant Financing Operations;
“Coercive Practice”	has the meaning given to the term in Annexure A (<i>Anti-Corruption Guidelines</i>);
“Collusive Practice”	has the meaning given to the term in Annexure A (<i>Anti-Corruption Guidelines</i>);
“Control”	means the power to direct the management or policies of a Person, directly or indirectly, whether through the ownership of shares or other securities, by contract or otherwise; provided that, in any event, the direct or indirect ownership of fifty per cent. (50%) or more of the voting share capital of a Person is deemed to constitute control of that Person and “controlling” and “controlled” have corresponding meanings;

“Corrupt Practice”	has the meaning given to the term in Annexure A (<i>Anti-Corruption Guidelines</i>);
“Corrupt Practices Laws”	means all applicable laws relating to anti-bribery or anticorruption.
“Director”	means a member of the Board of Directors and “Directors” shall be construed accordingly;
“Equity Shares”	means equity shares of the Company;
“Exclusion List”	<p>means the following list of prohibited activities:</p> <ul style="list-style-type: none"> (a) Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCB’s, wildlife or products regulated under CITES. (b) Production or trade in weapons and munitions. (c) Production or trade in alcoholic beverages (excluding beer and wine). This does not apply to project sponsors who are not substantially involved in these activities. “Not substantially involved” means that the activity concerned is ancillary to a project sponsor’s primary operations. (d) Production or trade in tobacco. (e) Gambling, casinos and equivalent enterprises. (f) Pornography. (g) Production or trade in radioactive materials. This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment which the Company considers the radioactive source to be trivial and/or adequately shielded. (h) Production or trade in unbonded asbestos fibres. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than twenty per cent. (20%). (i) Drift net fishing in the marine environment using nets in excess of 2.5 km. in length. (j) Production or activities involving harmful or exploitative forms of forced labour/harmful child labour. Forced labour means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty. Harmful child labour means the employment of children that is economically exploitive, or is likely to be hazardous to, or to interfere with, the child’s education, or to be harmful to the child’s health, or

	physical, mental, spiritual, moral, or social development.
	(k) Production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals. Hazardous chemicals include gasoline, kerosene, and other petroleum products.
	(l) Production or activities that impinge on the lands owned, or claimed under adjudication, by Indigenous Peoples, without full documented consent of such peoples.
	(m) Prostitution.
“Financial Year”	means the period from 1 April of a calendar year to 31 March of the following calendar year;
“Fraudulent Practice”	has the meaning given to the term in Annexure A (<i>Anti-Corruption Guidelines</i>);
“Fully Diluted Basis”	means with respect to any calculation of the number of shares of the Company, calculated as if all Share Equivalents outstanding on the date of calculation have been exercised or exchanged for or converted into Equity Shares;
“Government Official”	means (a) any official, officer, employee or representative of, or any Person acting in an official capacity for, any Authority, (b) any political party or party official or candidate for political office or (c) any company or other entity owned, in whole or in part, or controlled by any Person described in the foregoing sub-articles (a) or (b) of this definition.
“Guidelines”	means the ‘Guidelines for Licensing of Small Finance Banks in the Private Sector’ dated November 27, 2014 issued by the Reserve Bank of India and such other rules and regulations as may be relevant;
“Memorandum” or “Memorandum of Association”	means the memorandum of association of the Company;
“Obstructive Practice”	has the meaning given to the term in Annexure A (<i>Anti-Corruption Guidelines</i>);
“Person”	means a corporation, association, unincorporated association, partnership (general or limited), joint venture, estate, trust, limited liability company, limited liability partnership or, any other legal entity, individual or government, state or agency of a state;
“Quarter”	means a three (3) month period each commencing on 1 January, 1 April, 1 July and 1 October of each calendar year;

“RBI”		Reserve Bank of India;
“RBI Act”		means the Reserve Bank of India Act, 1934 as amended from time to time;
“Regulations”		means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
“Related Party”		shall have the meaning assigned thereto by Section 2(76) of the Act;
“Relative”		has the same meaning as ascribed to it in the Act;
“Relevant Financing Operations”		means all of the existing and future financing operations of the Company and its Subsidiaries;
“Rs.” or “Rupees” or “INR”		means the lawful currency of the Republic of India;
“Sanctions”		means the “Specially Designated Nationals And Blocked Persons” list maintained by the United States Department of the Treasury’s Office of Foreign Assets Control, the World Bank Listing of Ineligible Firms, the United Nations Security Council Sanctions Lists and any other publicly available internationally recognized “blacklist” or embargo program administered or imposed by any United States Governmental Authority, the World Bank Group, the United Nations Security Council (or its committees), the European Union (including the financial sanctions under the European Union Common Foreign and Security Policy), Interpol, the Asian Development Bank, or any Authority of India or the Canadian Office of the Superintendent of Financial Institutions.
“S&E System”	Management	means the Company’s social and environmental management system, as implemented and in effect at all times, appropriate to the size and nature of the business which is designed to: (a) ensure a systematic approach to compliance with S&E Requirements, Worker Rights Laws and Worker Rights Requirements; (b) monitor progress against the Social and Environmental Action Plan; (c) provide a mechanism to assess social environmental risks and impacts and address those risks and impacts, in respect of the Relevant Financing Operations on an ongoing basis; (d) monitors and reports on progress regarding social and environmental management; and (e) to the extent possible, involve stakeholders;
“S&E Report”	Performance	means the S&E Performance Report, evaluating the social and environmental performance of the Clients of the Company during the previous Financial Year, describing in reasonable detail: (a) implementation and operation of the S&E Management System; and (b) the environmental and

	social performance of the Clients in the format as tabled and noted by the Board;
“S&E Requirements”	means the social and environmental obligations to be undertaken by the Clients to ensure compliance with the: (a) Exclusion List; (b) Applicable S&E Laws; (c) Working Conditions and Labour Rights; and (d) any other requirements established by the S&E Management System;
“Sanctionable Practice”	means any Corrupt Practice, Fraudulent Practice, Coercive Practice, Collusive Practice, or Obstructive Practice, as those terms are defined herein and interpreted in accordance with the Anti-Corruption Guidelines attached to these Articles as Annexure A;
“Share Capital”	means the total paid up equity share capital of the Company determined on a Fully Diluted Basis;
“Shareholder”	means any Person registered in the books of the Company as the holder of a Share for the time being;
“Shares”	means the Equity Shares and preference shares including any compulsorily convertible preference shares issued by the Company and any other securities convertible into Equity Shares issued by the Company from time to time, and “Share” shall be construed accordingly;
“Shell Bank”	means a bank incorporated in a jurisdiction in which it has no physical presence and which is not an affiliate of a regulated bank or a regulated financial group;
“Social and Environmental Action Plan”	means the plan determined by the Board, setting out the specific measures, modifications and enhancements to be undertaken by the Company in respect of the S&E Management System;
“Subsidiary”	has the meaning given to it in Section 2(87) of the Act; and
“Third Party”	means any Person other than the Shareholders and the Company.
“Worker Rights Laws”	means all applicable laws relating to employment and employment practices, including any such applicable laws regarding a minimum age for employment of children, acceptable conditions of work, minimum wages, and other worker rights and social benefits.
“Worker Requirements”	Rights means, with duplication of Worker Rights Laws, (a) the obligation to refrain from (i) taking any action to prevent employees from, or to penalize employees for, lawfully exercising their right of free association or their right to organize and bargain collectively, (ii) using forced, child labor or bonded labor, or (iii) coercing or penalizing employees on the basis of trade union activities or membership, and (b) international best practices concerning

worker rights and social benefits (including taking into consideration standards promulgated by international organizations including, by way of example, the Asian Development Bank's Social Protection Strategy (2001), the International Finance Corporation's Performance Standard 2 (Labor and Working Conditions) and, with respect to the construction activities of the Group Representatives, the guidance note entitled "Workers' Accommodation: processes and standards" published by the International Finance Corporation and the European Bank for Reconstruction and Development).

Working Conditions and Labour Rights means:

- (a) ILO Convention No. 29 (a) (Forced Labour) and ILO Convention No. 105 (Abolition of Forced Labour);
- (b) ILO Convention No. 138 (Minimum Age) and ILO Convention No. 182 (Worst Forms of Child Labour);
- (c) ILO Equal Remuneration Convention (No. 100) and the ILO Discrimination (Employment and Occupation) Convention (No. 111);
- (d) ILO Convention No. 87 (Freedom of Association and Right to Organise) and ILO Convention No. 98 (Right to Organise and Collective Bargaining);
- (e) the provision of reasonable working conditions including a safe and healthy work environment, working hours that are not excessive in accordance with ILO Convention No. 1 (Hours of Work (Industry)) and clearly documented terms of employment, respecting any collective bargaining agreements that are in place or (where these do not exist or do not address working conditions) or conditions established, by collective agreement or otherwise, for work in the trade or industry concerned in the area where the work is carried out;
- (f) the provision of an appropriate grievance mechanism in accordance with IFC Performance Standard 2 that is available to all workers and where appropriate other stakeholders, and which includes grievances brought by those affected by the Company's operations.

3. SHARE CAPITAL, VARIATION OF RIGHTS AND FURTHER ISSUANCE OF SHARES

- 3.1 The authorised Share Capital of the Company will be as stated in Clause V of the Memorandum of Association of the Company. The Company has the power to increase or reduce the authorised Share Capital and to issue any part of its capital original or increased with or without any priority or special privilege subject to compliance with Applicable Law, or subject to any postponement of rights or to any conditions or restrictions so that unless the conditions of issue otherwise prescribe such issue shall be subject to the provisions herein contained.

- 3.2 Subject to the provisions of the Act, other Applicable Law and these Articles, the Shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount and at such time as they may from time to time think fit and with sanction of the Company in the general meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares, provided that option or right to call of Shares shall not be given to any person or persons without the sanction of the Company in the general meeting.
- 3.3 Subject to the provisions of Section 43 of the Act and Section 12 of the BR Act and such guidelines, the new shares shall be issued upon such terms and conditions and with such meeting shall prescribe, and in particular, such shares may rights and privileges as the Company in general be issued, subject to the BR Act and circulars that may be issued by the RBI from time to time, with a special or qualified right to dividend and in the distribution of assets of the Company. Any issue of shares which results in a person (by himself or acting in concert with any other person) acquiring 5% or more of the paid-up equity share capital or voting rights of the Company shall be made with prior approval of RBI.
- 3.4 No person/group of persons shall acquire or agree to acquire directly or indirectly by himself or acting in concert with any other person, any Shares of the Company or voting rights therein, in contravention of the provisions of the BR Act or the Guidelines.
- 3.5 The Company shall not, at any time, vary the terms of a contract referred to in prospectus or objects for which the prospectus was issued, except subject to the approval of, or except subject to an authority given by the Company in general meeting by way of special resolution, and in accordance with the provisions of the Act, provided that the dissenting Shareholders, being the Shareholders who have not agreed to the proposal to vary the terms of the contracts or the objects referred to in the prospectus, shall be given an exit offer by the promoters or controlling Shareholders of the Company, at the fair market value of the Equity Shares as on the date of the resolution of the Board of Directors recommending such variation in the terms of the contracts or the objects referred to in the prospectus, in accordance with such terms and conditions as may be specified on this behalf by the Securities and Exchange Board of India and RBI.
- 3.6
- (a) Unless where the shares are issued in dematerialized form, every member or allottee of Shares shall be entitled to receive, in marketable lots if applicable, within 2 months after incorporation, in case of subscribers to the memorandum or after allotment or within 1 month after the application for the registration of transfer or transmission, subdivision, consolidation or renewal of the Shares or within such other period as the conditions of issue shall be provided:
 - (i) one certificate for all his shares without payment of any charge; or
 - (ii) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
 - (b) Every certificate shall specify the number of Shares to which it relates, distinctive numbers of Shares in respect of which it is issued and the amount paid-up thereon and shall be in such form as the directors may prescribe and approve.

- (c) In respect of any Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one share certificate. The certificates of Shares registered in the names of two or more persons shall be delivered to any one of such persons named in the register of members and shall be deemed as sufficient delivery to all such holders.
- (d) Until the time Shares are dematerialised, the certificates of title to shares may be issued under the Companies (Share Capital and Debentures) Rules, 2014 and other relevant provisions under Applicable Law.
- (e) Save as herein or in the Act otherwise provided, the Company shall be entitled to treat the registered holder of any Share as the absolute owner thereof, and accordingly, shall not, except as ordered by a Court of competent jurisdiction, or by statute, or the Act, be bound to recognize any equitable, beneficial or other claim to or interest in such share on the part of any other person.

3.7 Every holder of or subscriber to the securities of the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, 1996. If a person opts to hold its security with a depository, the Company shall intimate such depository the details of allotment of the security and on receipt of such information, the depository shall enter in its record, the name of the allottees as the beneficial owner of that security. If a beneficial owner seeks to opt out of a depository in respect of any security, he shall inform the depository accordingly. The depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within thirty (30) days of the receipt of intimation from a depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations issue to the beneficial owner the required certificates for the securities. The Company shall also maintain an index of beneficial owners. The index of beneficial owners shall also be in compliance with the Depositories Act, 1996 with details of shares held in dematerialised forms in any medium as may be permitted by law, including in any form of electronic medium.

3.8

- (a) If any Share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued without payment of fees if the directors so decide, or on payment of such fees (not exceeding Rs. 20 (twenty rupees) for each certificate) as the directors shall prescribe, provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer, provided that notwithstanding what is stated in this Article, the directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.
- (b) The provisions of Articles 3.6 and 3.8(a) shall *mutatis mutandis* apply to debentures of the Company.

- 3.9 Except as required by law, no person shall be recognised by the Company as holding any Share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Share, or any interest in any fractional part of a Share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any Share except an absolute right to the entirety thereof in the registered holder.
- 3.10 The Company may at any time pay commission in connection with the subscription or procurement of subscription (whether be paid absolutely or conditionally) for any Shares, debentures or other securities of the Company or for any Shares, debentures or other securities of the Company but so that if the commission in respect of the Shares, debentures or other securities shall be paid or payable out of capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed the rates prescribed under Section 40(6) of the Act, relevant Rules thereunder and the BR Act. The commission may be paid or satisfied in cash or in shares, debentures or other securities of the Company or partly in one way and partly in the other.
- 3.11
- (a) If at any time the Share Capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, subject to the provisions of Section 48 of the Act and the BR Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths ($3/4^{\text{th}}$) of the issued Shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of that class.
 - (b) To every such separate meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two (2) persons holding at least one-third ($1/3^{\text{rd}}$) of the issued Shares of the class in question.
- 3.12 The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.
- 3.13 Subject to the provisions of Section 55 of the Act, the BR Act and the rules thereunder, any preference shares may be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the Shares may, by special resolution, determine.
- 3.14 The Company, in a general meeting, may by ordinary resolution:
- (a) consolidate all or any of its Share Capital into shares of larger amount than its existing shares;
 - (b) divide or sub-divide its Shares or any of them into Shares of smaller amount than is fixed by the memorandum, and in such sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived; or
 - (c) cancel Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the Shares so cancelled.

3.15 The Company shall not issue any Shares on discount except in case of sweat equity shares in accordance with the terms and conditions prescribed in Section 54 of the Act and rules issued thereunder.

3.16

(a) Subject to the provisions of the Act and the BR Act, the Company may, by ordinary resolution:

(i) convert any paid-up Shares into stock; and

(ii) reconvert any stock into paid-up Shares of any denomination.

(b) Where Shares are converted into stock, the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the Shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit; provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however, that such minimum shall not exceed the nominal amount of the Shares for which the stock arose.

The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding-up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred that privilege or advantage.

Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid-up shares shall apply to stock and the words, "share" and "shareholder" in those regulations shall include "stock" and "stockholder" respectively.

3.17 Where capital is paid in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.

3.18 Further issuance

(a) Where at any time the Company proposes to increase its subscribed capital by the issue of further shares, then such shares shall be offered, subject to the Act, and the rules made thereunder:

(A)

(i) to the persons who at the date of the offer are holders of the Equity Shares of the Company in proportion as nearly as circumstances admit to the paid-up Share Capital on those shares by sending a letter of offer subject to the conditions mentioned in (ii) to (iv) below;

(ii) the aforesaid offer shall be made by notice, in compliance with the provisions of the Act, specifying the number of shares offered and limiting a time not being less than fifteen (15) days or such lesser number of days as may be prescribed under Applicable Law and not exceeding thirty (30) days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined;

(iii) the aforesaid offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of

them in favour of any other person and the notice referred to in sub-article (ii) shall contain a statement of this right;

- (iv) after the expiry of time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that such person declines to accept the shares offered, the Board of Directors may dispose them of in such manner which is not disadvantageous to the Shareholders and the Company;
 - (B) to employees under any scheme of employees' stock option subject to special resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Applicable Law; or
 - (C) to any person(s), if it is authorised by a special resolution, whether or not those persons include the persons referred to in sub-article (A) or sub-article (B) above either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the Act and the rules made thereunder;
- (b) Nothing in sub-article (A) shall be deemed:
- (i) to extend the time within which the offer should be accepted; or
 - (ii) to authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares compromised in the renunciation.
- (c) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into Shares in the Company or to subscribe for Shares of the Company:

Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of loans by a special resolution passed by the Company in a general meeting.

- (d) Notwithstanding anything contained in sub-article (c) hereof, where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into Shares in the Company on such terms and conditions as appear to the government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may within such sixty (60) days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the company and the government pass such order as it deems fit.

4. LIEN

4.1

- (a) The Company shall have a first and paramount lien upon all the Shares/debentures (other than fully paid-up Shares/debentures) registered in the name of each member/holder (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/debentures and no equitable interest in any Share/debenture shall be created except upon the condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/debentures, provided that the Board may at any time declare any Share to be wholly or in part exempt from the provisions of this Article.
- (b) Unless otherwise agreed, the registration of a transfer of Shares/debentures shall not operate as a waiver of the Company's lien, if any, on such Shares/debentures. The directors may at any time declare any Shares/debentures wholly or in part to be exempt from the provisions of this Article.

4.2 The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has a lien, provided that no sale shall be made:

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen (14) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.

4.3

- (a) To give effect to any such sale, the Board may authorise some person to transfer the Shares sold to the purchaser thereof.
- (b) The purchaser shall be registered as the holder of the Shares comprised in any such transfer.
- (c) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- (d) The remedy (if any) of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

4.4

- (a) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (b) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the person entitled to the Shares at the date of the sale.

5. CALLS ON SHARES

5.1 The Board shall not give the option or right to call on Shares to any person except with the sanction of the Company in the general meeting, and:

- (a) the Board may, from time to time, make calls upon the members in respect of any monies unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times;
- (b) each member shall, subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his Shares; and
- (c) a call may be revoked or postponed at the discretion of the Board.

5.2 A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

5.3 If any Share stands in the names of two or more persons, the person first named in the register of members of the Company shall, as regards receipt of dividends, or cash bonus, or service of notice, or any other matter connected with the Company, except voting at meetings and transfer of the Shares, be deemed the sole holder thereof, but the joint holders of a Share shall be severally as well as jointly liable for the repayment of all instalments or calls and other payments due in respect of such Shares.

5.4

- (a) If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. (10%) per annum or at such lower rate, if any, as the Board may determine.
- (b) The Board shall be at liberty to waive payment of any such interest wholly or in part.

5.5

- (a) Any sum which by the terms of issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (b) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

5.6 The Board:

- (a) may, if it thinks fit, subject to the provisions of Section 50 of the Act, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any Shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent. (12%) per annum,

as may be agreed upon between the Board and such member, provided that money paid in advance of calls shall not confer a right to participate in profits or dividend or to participate in profits. The directors may at any time repay the amount so advanced.

- 5.7 The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.
- 5.8 The provisions of this Article 5 shall *mutatis mutandis* apply to the calls on debentures of the Company.

6. TRANSFER AND TRANSMISSION OF SHARES

- 6.1 A common form of transfer shall be used and the instrument of transfer of any Share in the Company shall be in writing and all provisions of Section 56 of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of Shares and registration thereof and be executed by or on behalf of both the transferor and transferee, subject to Applicable Law.
- 6.2 The transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the register of members in respect thereof, subject to Applicable Law.
- 6.3 The Board may, subject to the right of appeal conferred by Section 58 of the Act, decline to register:
- (a) the transfer of a Share, not being a fully paid Share, to a person of whom they do not approve; or
 - (b) any transfer of Shares on which the Company has a lien.
- 6.4 Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board of Directors may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a member therein or debentures of the Company. The Company shall within one (1) month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares. Subject to Applicable Law and upon Listing, the transfer of Shares in whatever lot shall not be refused. Such refusal shall not be affected by the fact that the proposed transferee is already a member.
- 6.5 No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.
- 6.6 On giving not less than seven (7) days' previous notice in accordance with Section 91 of the Act and rules made thereunder, the registration of transfers (including register books, the register of members and/or the register of debenture holders) may be suspended or closed at such times and for such periods as the Board may from time to time determine, provided that such registration shall not be suspended for more than thirty (30) days at any one time or for more than forty-five (45) days in the aggregate in any year.

6.7

- (a) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the Shares.
- (b) Nothing in Article 6.7(a) shall release the estate of a deceased joint holder from any liability in respect of any Share which had been jointly held by him with other persons.

6.8

- (a) Any person becoming entitled to a Share in consequence of the death, lunacy or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either:
 - (i) to be registered himself as holder of the Share; or
 - (ii) to make such transfer of the Share as the deceased, lunatic or insolvent member could have made.
- (b) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased, lunatic or insolvent member had transferred the Share before his death or insolvency.

6.9

- (a) If the person so becoming entitled shall elect to be registered as holder of the Share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (b) If the person aforesaid shall elect to transfer the Share, he shall testify his election by executing a transfer of the Share.
- (c) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

6.10 A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company, provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Share, until the requirements of the notice have been complied with.

6.11 Every transmission of a Share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation of the Company or the Directors to accept any indemnity.

6.12 The Company shall incur no liability or responsibility whatever in consequence of its registering or giving any effect to any transfer of Shares, made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the register) to the prejudice of a person having or claiming any equitable right, title or interest to or in the said Shares notwithstanding that the Company may have had notice of such equitable right, title or interest, or notice prohibiting registration of such transfer and may have entered such notice referred hereto in any book or record of the Company, and the Company shall not be bound or required to regard or to attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, notwithstanding that the notice may have been entered in or referred to in some book or record of the Company, but the Company shall nevertheless, be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

6.13 The provisions of these Articles shall *mutatis mutandis* apply to the transfer of debentures and other securities of the Company or transmission thereof by operation of law.

7. FORFEITURE OF SHARES

7.1 If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

7.2 The notice aforesaid shall:

- (a) name a further day (not being earlier than the expiry of fourteen (14) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made shall be liable to be forfeited.

7.3 If the requirements of any such notice as aforesaid are not complied with, any Share in respect of which the notice has been given may, at any time thereafter, but before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture may include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture as resolved by the Board.

7.4

- (a) A forfeited Share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (b) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

7.5

- (a) A person whose Shares have been forfeited shall cease to be a member in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies (including interest, calls and expenses) which, at the date of forfeiture, were presently payable by him to the Company in respect of the Shares.

- (b) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares.

7.6

- (a) A duly verified declaration in writing that the declarant is a Director, the manager or the secretary, of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Shares;
- (b) the Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed of;
- (c) the transferee shall thereupon be registered as the holder of the Share; and
- (d) the transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.

7.7 The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

7.8 When any Share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name such Share stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register. Upon forfeiture, such member shall cease to be a member of the Company.

7.9 The forfeiture of a Share shall involve extinction, at the time of the forfeiture, of all interest in and all claims and demands against the Company, in respect of such forfeited Share and all other rights incidental to the Share, except only such of those rights as by these presents are expressly saved.

7.10 Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any Shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any Shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any money shall preclude the forfeiture of such Shares as herein provided.

8. INCREASE AND REDUCTION OF CAPITAL

8.1 Subject to Article 18, the Company may, from time to time, in a general meeting, by an ordinary resolution, whether all the Shares for the time being authorised shall have been issued or not and whether all the Shares for the time being issued shall have been fully called up or not, increase its authorised Share Capital as may be deemed expedient. Such new Shares may be divided into such classes and be of such value as the resolution authorising such increase directs. The Board may increase the subscribed and paid up Share Capital of the Company by the issue of further Shares in accordance with the applicable provisions of the Act.

8.2 Except in so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new Shares, equity or preference, shall be considered as part of the existing Share Capital, shall rank *pari passu* with the Shares of that class, and shall be subject

to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

- 8.3 Subject to the provisions of Sections 66 of the Act and to confirmation by the court / tribunal, the Company may by special resolution, reduce its Share Capital and/or any capital redemption reserve account and/or the securities premium account in any manner authorized under law and with, and subject to, any incidental authorization or consent required or such other steps that need to be undertaken in accordance with law.

9. CAPITALISATION OF PROFITS

9.1

9.1 The Company in general meeting may, upon the recommendation of the Board, resolve:

- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
- (b) that such sum be accordingly set free for distribution in the manner specified in Article 9.1(b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

9.2 The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Article 9.1(c), either in or towards:

- (a) paying up any amounts for the time being unpaid on any Shares held by such members respectively;
- (b) paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; and
- (c) partly in the way specified in Article 9.1(b)(i) and partly in that specified in Article 9.1(b)(ii).

9.3 A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued Shares to be issued to members of the Company as fully paid bonus shares;

9.4 The Board shall give effect to the resolution passed by the Company in pursuance of this Article.

9.2

(a) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

- (i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid Shares if any; and
- (ii) generally do all acts and things required to give effect thereto.

(b) The Board shall have power:

- (i) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of Shares becoming distributable in fractions; and
 - (ii) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further Shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing Shares;
- (c) Any agreement made under such authority shall be effective and binding on such members.

10. BUY-BACK OF SHARES

Notwithstanding anything contained in these Articles, but subject to the provisions of Section 68 to 70 of the Act, provisions of BR Act and guidelines issued by the RBI from time to time, FEMA, SEBI regulations and any other Applicable Law for the time being in force, the Company may purchase its own Shares or specified securities in such manner as may be prescribed.

11. DEMATERIALISATION AND REMATERIALISATION OF SHARES

The Company shall be entitled to dematerialise its existing Shares and rematerialise its Shares held in the depositories and/or to issue fresh Shares in a dematerialised form pursuant to the Depositories Act, 1996 and rules framed thereunder, if any.

12. TERMS OF ISSUE OF DEBENTURES

- 12.1 Any debentures, debenture-stock or other securities may be issued, in accordance with Applicable Law, at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at the General Meeting, appointment of Directors, etc., subject to Applicable Law. Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in a general meeting by special resolution.
- 12.2 Any bonds, debenture stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
- 12.3 The Directors shall cause a proper register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages and charges specifically affecting the property of the Company, and shall duly comply with any other requirements of the said Act in regard to registration of mortgages and charges and of copies of instruments creating such mortgages and charges. Subject to Applicable Law, such sum as may be prescribed by the Act shall be payable by any person other than a creditor or member of the Company for each inspection of the register of charges.
- 12.4 *Any Trust Deed for securing debentures or debenture-stock may, if so arranged, provide for the appointment from time to time by the trustees thereof or by the holders of debentures or debenture-stock of some person to be a Director of the Company and may empower such trustees

or holders of debentures or debenture-stock from time to time to remove any Director so appointed. A person nominated by the debenture trustee(s) in accordance with the trust deed shall be appointed as a Director by the Board under this Article read with Regulation 15(1)(e) of Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time, in the event of:

1. two consecutive defaults in payment of interest to the debenture holders; or
2. default in creation of security for debentures; or
3. default in redemption of debentures.

A Director appointed in accordance with this Article may be referred to as “Debenture Director” which shall mean a Director for the time being in office under this Article. A “Debenture Director” shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company.

***Subject to approval of Shareholder**

13. UNPAID OR UNCLAIMED DIVIDEND

- 13.1 Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall, within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called “Unpaid Dividend of Utkarsh Small Finance Bank Limited Account”.
- 13.2 Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under Section 125 of the Act.
- 13.3 No unclaimed or unpaid dividend shall be forfeited by the Board of Directors until the claim becomes barred by law.

14. BONUS SHARES

The Company may issue fully paid-up bonus Shares to its Shareholders in accordance with the provisions of Section 63 of the Act, BR Act and other Applicable Laws.

15. BOARD OF DIRECTORS OF THE COMPANY

- 15.1 Subject to the provisions of Section 149 of the Act and unless and until otherwise agreed and determined by the Company by a special resolution, the Board shall consist of a minimum of three (3) Directors and a maximum of fifteen (15) Directors. Majority of the Board shall include persons with professional and other experience as required under the BR Act. The Company shall appoint such number of independent directors and women Director as may be required under the Act, BR Act or any other Applicable Law for the time being in force.
- 15.2 ***Subject to the Act and Applicable Law:**
- (a) any Shareholder (including Utkarsh CoreInvest Limited (UCL)) who (along with its Affiliates) owns at least nine per cent. (9%) or more Shares on a Fully Diluted Basis, shall have the right to nominate one (1) Director on the Board of the Bank.
 - (b) In the event, any Shareholder (excluding UCL) nominates a Director on the Board of the Bank pursuant to Article 15.2(a), then UCL shall have a right to nominate one more

Director on the Board of the Bank (i.e. in addition to the director nominated by UCL under Article 15.2(a)) such that the total number of directors nominated by UCL on the Board of the Bank at any point of time does not exceed two (2) Directors, till the time UCL's shareholding in the Bank is above twenty six per cent. (26%) on Fully Diluted Basis, which additional right shall cease to exist upon UCL's shareholding in the Bank being reduced to twenty six per cent. (26%) or less than twenty six per cent. (26%) of the total paid-up Shares on Fully Diluted Basis.

For the purposes of this Article, for computing shares on a Fully Diluted Basis unvested options granted under the ESOP schemes/ plan of the Bank shall be excluded.

*** Subject to approval of Shareholder**

- 15.3 The Board shall be responsible for compliance with all Applicable Law as well as the listing agreement and all the policies adopted by the Company, including the anti-corruption policy, in the course of carrying out the supervision and management of the Company.
- 15.4 The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that Section) make and vary such regulations as it may think fit respecting the keeping of any such register. The Company shall cause to be kept a register of members, an index of members, a register of debenture holders and an index of debenture holders in accordance with Section 88 of the Act.
- 15.5 All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
- 15.6
- (a) Subject to the provisions of Section 149 and Section 161 of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the Directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.
 - (b) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.
- 15.7 No member shall be entitled to visit or inspect any office/branch office of the Company without the permission of the Board of Directors of the Company or any other person authorized on that behalf by the Board of Directors of the Company to require discovery of or any information respecting any details of the Company's business or any matter which is or may be in the nature of a trade secret, mystery of trade secret or trade process or any other matter which may relate to the conduct of the business of the Company which in the opinion of the Board of Directors of the Company, it would be inexpedient in the interest of the Company to disclose.

16. DIRECTORS

16.1 The total managerial remuneration payable by the Company to its Directors, including managing Director and whole-time Director and its manager shall be in accordance with the applicable provisions under the Act and the rules thereunder. An individual may be appointed or reappointed as the chairperson of the Company, in pursuance of these Articles, as well as the managing director or chief executive officer of the Company at the same time, if the Board deems fit and such appointment is made in accordance with the procedure set out under these Articles and the Applicable Law. Subject to the provisions of Sections 197 of the Act, the remuneration and traveling and other expenses payable to the Directors of the Company may be hereinafter provided as below:

- (a) each Director, other than managing director, manager or whole-time director, shall be paid out of the funds of the Company a remuneration by way of fee, of such sum for each meeting of the Board of Directors or committee of the Board attended by him/her as may be determined by the Board from time to time within the limits prescribed by the Act or central government or the RBI from time to time;
- (b) in addition to the remuneration payable as above, the Director may be reimbursed such sum as the Board may consider fair compensation for traveling, hotel, and other incidental expenses incurred by him in attending and returning from the meetings of the Board of Directors or any committee thereof or general meetings of the Company;
- (c) a Director including a part-time chairman who is neither in the whole time employment of the Company nor a managing director, if called upon and willing to render extra

services whether of a professional or nonprofessional nature may be paid remuneration either by way of monthly, quarterly or annual payment as may be determined by the Board, subject to the provisions of the Applicable Law, and such remuneration may be in addition to the remuneration payable under sub-article (a) above;

- (d) in addition to the remuneration payable under sub-article (c) above, any Director referred to therein shall be reimbursed such sum as the Board may consider fair compensation for traveling, hotel and other incidental expenses incurred by him in connection with the business of the Company.

- 16.2 A Director shall not be required to hold any Shares to qualify him to act as a Director of the Company.
- 16.3 Subject to Sections 152, 160 and other applicable provisions of the Act and the BR Act, one third (1/3rd) of the total number of Directors of the Company may be non-retiring Directors.
- 16.4 Subject to the provisions of Section 161 of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an alternate director for a Director during his absence for a period of not less than three (3) months from India. who shall be entitled to receive notice of all meetings of the Board and attend and vote at any meeting at which the Director appointing him is not personally present, and generally in the absence of his appointer to do all the things which his appointer is authorised or empowered to do. A Director who is also acting as an alternate of another Director shall be entitled, in the absence of his appointer, to a separate vote on behalf of his appointer in addition to his own vote, and to be counted as part of the quorum of the Board on both his own account and in respect of the Director for whom he is the alternate. An alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to the original Director in whose place he has been appointed and shall vacate office if and when the original Director returns to India or prior as may be determined. Any provisions in the Act or in these Articles for the automatic reappointment of retiring Director in default of another appointment shall apply to the original Director and not to the alternate Director. An alternate Director for an independent director must be an independent director.
- 16.5 Subject to the provisions of Section 197 of the Act, no Director, managing or whole-time director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other director or officer or for joining in any respect of other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, Company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgment, omission or default or oversight on his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own dishonesty.

17. BOARD MEETINGS

- 17.1 Meetings of the Board shall be properly convened and held at such times and places as may be determined by the Board from time to time subject to Applicable Law, but shall be held at least once every Quarter, in such a manner that not more than one hundred and twenty (120) days shall intervene between two (2) consecutive meetings of the Board.
- 17.2 No meeting of the Board shall be convened on less than [seven] ([7]) days' written notice to the Directors, provided that a meeting of the Board may be convened at shorter notice in accordance with the provisions of the Act. The notice, agenda items and other relevant

documents shall be provided for consideration of the Board members for each of the Board meeting. Subject to Applicable Law, any additional items and supplementary material may be taken up for consideration at a Board meeting with the permission of the chairman and with the consent of a majority of the Directors present in the meeting, which, if applicable, must include at least one independent director or the decisions at such meeting must be ratified by such independent director. Save for any such validly notified additional item, the business conducted at any meeting of the Board shall only comprise those matters expressly stated in the agenda notice convening such meeting or were considered at the meeting by following the aforesaid procedure.

- 17.3 The quorum for any meeting of the Board shall be one-third ($1/3^{\text{rd}}$) of the total strength of the Board or two (2) Directors, whichever is higher.
- 17.4 If a quorum is not present within one (1) hour of the time appointed for a meeting, the meeting shall stand adjourned to the same place and time seven (7) days after the original date set for such meeting of the Board. If a quorum is not present within one (1) hour of the time appointed for the adjourned meeting, the meeting shall again stand adjourned to the same time and place seven (7) days after the date set for the adjourned meeting. If a quorum is not present within one (1) hour of the time appointed for the second adjourned meeting, then: (a) the Directors present shall form the quorum for such second adjourned meeting and may vote on all matters included in the agenda for such meeting of the Board; or (b) the meeting shall again stand adjourned to the same time and place seven (7) days after the date set for the second adjourned meeting if the majority of directors present for the second adjourned meeting approve of such adjournment. If a quorum is not present within one (1) hour of the time appointed for the third adjourned meeting, the Directors present shall form the quorum for such third adjourned meeting and may vote on all matters included in the agenda for such meeting of the Board.
- 17.5 Subject to compliance with Applicable Laws, any Director may participate and vote in a meeting of the Board by means of video conference by means of which all persons participating in the meeting can hear each other throughout the duration of the meeting. Participation in such meeting shall constitute attendance and presence in person at the meeting of the Director so participating and shall be counted towards the quorum required for such meeting.
- 17.6 A resolution in writing, signed by majority of the Directors for the time being entitled to receive notice of a meeting of the Directors, shall be as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held. Resolutions in writing of the Directors may be signed in counterparts.
- 17.7 The Board shall have the power to constitute, if necessary, committees of the Board and to delegate such powers to committees as the Board deems fit. Unless otherwise decided by the Board in writing, the provisions relating to quorum, voting and passing of resolutions applicable to the Board shall apply to the extent permissible or practicable to any Board committee.
- 17.8 The Directors may subject to the provisions of the Act and the BR Act, delegate any of their powers to committees consisting of such member or members of their body as they think fit and they may from time to time revoke such delegation. Any committee so formed shall in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Directors.
- 17.9 The meetings and proceedings of any such committee of the Board consisting of two or more members shall be governed *mutatis mutandis* by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

- 17.10 No resolution shall be deemed to have been passed by the Board or by a committee thereof by circulation, unless: (a) the resolution has been circulated in draft together with the necessary papers, if any, including through such electronic means to all the Directors or to all the members of the committee at their usual address in India, and in the case of any Director residing abroad, such papers shall also be transmitted by fax or telex to such Director's fax or telex numbers abroad; and (b) the resolution has been approved by majority of directors or members of the committee who are entitled to vote on the resolution.

18. GENERAL MEETING

- 18.1 Meetings of the Shareholders shall be convened by the Company or by any Shareholder and held in accordance with applicable provisions of the Act and the Articles.
- 18.2 The Company may be called by giving not less than clear 21 days' notice in writing or through electronic mode. However, a general meeting may be called after giving a shorter notice of less than clear 21 days, if consent is accorded thereto (including by electronic means) by 95% of the members of the Company entitled to vote at that meeting.
- 18.3 The quorum for the meeting of Shareholders shall be as provided in Section 103 of the Act.
- 18.4 The chairperson, if any, of the Board shall preside as chairperson at every general meeting of the Company.
- 18.5 If there is no such chairperson, or if he is not present within fifteen (15) minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the Directors present shall elect one (1) of their members to be chairperson of the meeting.
- 18.6 If at any meeting no Director is willing to act as chairperson or if no Director is present within fifteen (15) minutes after the time appointed for holding the meeting, the members present shall choose one (1) of their members to be chairperson of the meeting.
- 18.7 Subject to the Applicable Law, the Chairman shall be appointed only with the prior approval of the RBI and shall be entitled to take the chair at every general meeting.
- 18.8 Subject to Sections 101 and 102 of the Act, every notice of a meeting of the Company shall specify the place, the date and time of the meeting, and shall contain a statement of the business to be transacted at the meeting. No general meeting, annual or extra-ordinary, shall deliberate upon, discuss or transact any business which is not specifically mentioned in the notice or notice convening the same.
- 18.9 A document may be served by the Company on any member thereof either personally or by sending it by post or courier service to such member's registered address (supplied by such member to the Company) for the giving of notice to and serving of documents on such member or by means of such electronic or other mode as may be prescribed.

19. ADJOURNMENT OF MEETING

- 19.1 The chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place, and:
- (a) no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place;

- (b) when a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting; and
 - (c) save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 19.2 If within half an hour from the time appointed for holding the meeting of the Company, a quorum is not present, the meeting if convened upon the requisition of members as aforesaid, shall stand dissolved, but in any other case, it shall stand adjourned to the same day in the next week, at the same time and place (in which case no notice of adjournment or of the business to be transacted at adjourned meeting shall be necessary) or to such other day and place as the Board may determine, if at such adjourned meeting, a quorum is not present within half an hour from the time appointed for holding the meeting among those members who are personally present shall form the quorum.

20. VOTING AT BOARD MEETINGS AND SHAREHOLDERS' MEETINGS

- 20.1 The Board shall decide on all matters concerning the Company by simple majority, other than matters specifically reserved for the Shareholders under the applicable provisions of the Act.
- 20.2 Meetings of Shareholders shall pass resolutions of Shareholders (through e-voting, postal ballot or as may be prescribed by the Act) in respect of all matters reserved for Shareholders under the applicable provisions of the Act, by simple majority or by any other majority required under the applicable provisions of the Act; and/or as provided under the terms of these Articles, provided that the voting rights shall be subject to the restrictions imposed under Section 12 of the BR Act.
- 20.3 The Company shall provide the facility of electronic voting to its members in the manner prescribed under Section 108 of the Act, and applicable Rules.
- 20.4 The Company shall seek approval of shareholders through postal ballot with respect to the matters and in the manner prescribed in the Rules from time to time and postal ballot shall include voting through electronic mode.

21. PROXY

- 21.1 Subject to Applicable Law, the instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than forty-eight (48) hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
- 21.2 An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105 of the Act.
- 21.3 A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the completion of the meeting or adjourned meeting at which the proxy is used.

22. STATUTORY AUDITORS

The appointment, qualifications, removal, powers, rights, duties and remuneration of the Auditors shall be regulated by and in accordance with the Act and the BR Act.

23. JOINT HOLDERS

23.1 Where two (2) or more persons are registered as the holders of any Share they shall be deemed to hold the same as joint holders with benefits of survivorship subject to the following and other provisions in the Articles:

- (a) the Company may be entitled to decline to register more than three (3) persons as the joint holders of any Shares;
- (b) the joint holders of any Share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such Share;
- (c) on the death of any such joint holder the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the Share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of deceased joint holders from any liability in respect of the Shares held by him jointly with any other person;
- (d) only the person whose name stands first in the register of members may give effectual receipts for any dividends or other money payable in respect of such Share;
- (e) only the person whose name stands first in the register of members as one (1) of the joint-holders of any Share shall be entitled to delivery of the certificate relating to such Share or to receive documents from the Company and any documents served on or sent to such person shall be deemed served on all the joint-holders; and
- (f) any one (1) of two (2) or more joint-holders may vote at any meeting either personally or by proxy in respect of such Shares as if he were solely entitled thereto and if more than one (1) of such joint holders be present at any meeting personally or by proxy then that one (1) of such persons so present whose name stand first or higher (as the case may be) on the register in respect of such Shares shall alone be entitled to vote in respect thereof but the other or others of the joint holders shall be entitled to be present at the meeting. Provided always that a joint holders present at any meeting personally shall be entitled to vote in preference to a joint holder present by proxy although the name of such joint holder present by proxy stands first or higher in the register in the register in respect of such Shares. Several executors or administrators of a deceased member in whose (deceased member's) sole name any Share stands shall for the purposes of this Article be deemed joint-holders.

24. POWER TO BORROW

Subject to Applicable Law, the Directors may, from time to time, by a resolution passed at a meeting of the Board borrow moneys for the purpose of the Company. Provided that the Directors shall not borrow moneys except with the approval of the Company in a general meeting by a special resolution where moneys to be borrowed together with the money already borrowed by the Company, apart from temporary loans obtained in its ordinary course of business and except as otherwise provided hereafter, shall exceed the aggregate of the paid-up capital of the Company and its free reserves or limits as set under the Act.

Provided that nothing contained herein above shall apply to:

- (i) any sums of moneys borrowed by the Company from any other banking companies or from the RBI, State Bank of India or any other banks established by or under any law for the time being in force; and
- (ii) acceptance by the Company in the ordinary course of business of deposits of money from the public, repayable on demand or otherwise and withdrawable by cheque, draft, order or otherwise.

The expression “temporary loans” means loans repayable on demand or within 6 months from the date of the loan such as short-term, cash credit arrangements, the discounting of bills and the issue of other short-term loans of a seasonal character, but does not include loans raised for the purpose of financial expenditure of a capital nature.

25. DELEGATION OF POWER BY BOARD

The Board shall from time to time entrust to, authorise, empower and confer upon identified Persons, by resolution or by power of attorney such of the powers, authorities, duties and discretions as specifically provided in such resolution or power of attorney.

26. COVENANTS

26.1 *Reporting Covenants:* The Company shall:

- (a) within ninety (90) days after the end of each Financial Year, make the S&E Performance Report available to all the Shareholders by placing it on its website, confirming compliance with the social and environmental covenants of Social and Environmental Action Plan and Applicable S&E Law or, as the case may be, identifying any non-compliance or failure, and the actions being taken to remedy any such deficiency;
- (b) within three (3) days after becoming aware of the occurrence, notify the Shareholders of any social, labor, health and safety, security or environmental incident, accident or circumstance with respect to any Client or in relation to any Client Operations having, or which could reasonably be expected to have, any material adverse social and/or environmental impact or any material adverse impact on the implementation or operation of the Client Operations in compliance with the S&E Requirements (including, without limitation, (i) any workplace accident which results in death, serious or multiple injuries and (ii) any such event that results in a loss of life or severe permanent injury or severe permanent damage to health to any persons and a material breach of Applicable S&E Law), specifying in each case the nature of the incident, accident, or circumstance and the impact or effect arising or likely to arise therefrom, and the measures the Company and/or the Client is taking or plans to take to address them and to prevent any future similar event; and keep the Shareholders informed of the on-going implementation of those measures; and
- (c) within ninety (90) days after the end of the expiry of any of the insurance policies with respect to (a) fire and perils, or all risks on assets (covering property damage - only fixed assets buildings, computers, furniture, etc.); (b) public liability (covering losses brought on by Third Party claims-any event/property damage/fire that effects a Third Party and hence possess the risk that a Third Party will file a claim against the Company); (c) fidelity guarantee (losses suffered because of employee fraud, loan officers creating false accounts, taking cash out, remitting funds to their own accounts - any employee specific fraud); (d) cash (armed robbery, break-in, ATM loss, physical cash lost during transportation, etc.); (e) directors’ and officers’ liability; and (f) all insurances required by local legislation, the Company shall make publicly available,

by hosting on its website, a certificate from an Authorised Representative confirming that, as of the date of such certificate, the Company maintains the insurance policies listed above in this Article and providing a detailed explanation of any material changes in such insurance policies.

26.2 Affirmative Social and Environmental Covenants

The Company shall:

- (a) use all reasonable efforts to ensure the continuing operation of the S&E Management System to identify, assess, monitor and manage the social and environmental performance of the Relevant Financing Operations in compliance with the S&E Requirements and the Social and Environmental Action Plan;
- (b) if the Company becomes aware of any change in the scope of the Relevant Financing Operations, if necessary, amend the S&E Management System to identify, assess monitor and manage such risks in compliance with the S&E Requirements;
- (c) if the Company becomes aware that any Client has undertaken Client Operations in a manner that is not in accordance with the S&E Requirements, promptly: (i) require the relevant Client to undertake, as appropriate or necessary in the Company's reasonable judgment, corrective measures to remedy such inconsistency or breach; and (ii) if the relevant Client does not implement corrective measures as provided under sub- article (i), use reasonable efforts to dispose of the Company's investment in such Client on commercially reasonable terms, taking into account liquidity, market constraints and fiduciary responsibilities; and
- (d) undertake and implement the Social and Environmental Action Plan in accordance with the requirements and schedule specified therein.

26.3 Social and Environmental Covenants

The Company shall not and shall ensure that its Subsidiaries shall not:

- (a) amend, waive the application of, or otherwise materially restrict the scope or effect of, the S&E Management System (including the S&E Requirements); or
- (b) provide loans, funding, investments or other support to Clients engaged in any of the activities on the Exclusion List except that, in the case of tobacco, the Company shall use all reasonable efforts not to provide funding to Clients engaged in such activities and shall ensure that in all events, the Company's aggregate funding to such Clients shall not at any time exceed two per cent. (2%) of the Company's total disbursed portfolio in respect of such Relevant Financing Operations.

26.4 UN Security Council Resolutions

The Company shall and shall ensure that its Subsidiaries shall institute, maintain and comply with internal policies, procedures and controls consistent with its business and customer profile, for the purpose of ensuring that it will not enter into any transaction: (i) with, or for the benefit of, any of the individuals or entities named on lists promulgated by; or (ii) related to any activity prohibited by, the United Nations Security Council or its committees pursuant to any resolution under Chapter VII of the United Nations Charter.

26.5 Shell Banks

The Company shall institute, maintain and comply with appropriate internal procedures and controls to ensure that:

- (a) any financial institution with which the Company conducts business or enters into any transaction, or through which the Company transmits any funds, does not have correspondent banking relationships with any Shell Bank; and
- (b) the Company shall not conduct business or enter into any transaction with, or transmit any funds through a Shell Bank.

26.6 AML/CFT

The Company shall institute, maintain and comply with internal policies, procedures and controls for AML/CFT consistent with its business and customer profile, in compliance with national laws and regulations and in furtherance of applicable international AML/CFT best practices.

26.7 Other Affirmative Covenants

The Company shall:

- (a) undertake its business, activities and investments and cause its Subsidiaries to undertake their business, activities and investments, in compliance with Applicable Law, S&E Requirements, and Worker Rights Requirements;
- (b) any issuance of employee stock options shall be made through appropriate mechanisms approved by the Board and the compensation committee of the Board in accordance with the Act and Applicable Law; and
- (c) carry out the Relevant Financing Operations at all times in compliance with (i) all statutes and regulations of any Authority; and (ii) all Applicable Laws, including the relevant provisions of the Act, the RBI Act and all applicable guidelines and regulations issued by the Reserve Bank of India, shall ensure that all procedural filings and submissions as required under the same are duly complete at all times.
- (d) measure and report to the Shareholders on the Social Performance and Development Impact of the activities of the Company, on an annual basis.

For this purpose:

- (A) “**Social Performance**” shall be measured against the application of the SMART Campaign Client Protection Principles and shall be independently reviewed by an external audit / ratings organization in the format as tabled and noted by the Board.
- (B) “**Development Impact**” shall also be measured and reported on through the social performance standards report, in the format as tabled and noted by the Board, and shall be based on the “Poverty Assessment” and “Social Goals” aspects of the social performance standards report.
 - (i) If the Company should determine to utilize a different standard or tool for measuring and reporting on Social Performance, such standard or tool shall provide reasonably equivalent information as the social performance standards report and shall be used only with the prior approval of the Shareholders. In such case, the Company shall develop an appropriate plan

and schedule acceptable to the Shareholders for measuring and reporting on Social Performance and Development Impact within a reasonable time (being not less than ninety (90) days from date of notification of change of standard or tool by the Company to the Shareholders) and shall endeavor to obtain any training or technical assistance that it may require to meet this objective.

- (ii) At all times have in place a designated officer responsible for Social Performance management responsibilities.
- (iii) The Company shall include summary information regarding the Social Performance and Development Impact in its quarterly and annual reports.

26.8 Merger

Subject to Applicable Law and approval of the RBI and other Authorities (to the extent such approval is required), the Company shall endeavour, on a best effort basis, to undertake a merger of UCL with the Company within the time period as may be prescribed by the Applicable Law, provided that the Company shall initiate the process for undertaking the merger of UCL with the Company by appointing appropriate advisors no later than:

- (a) three (3) months from the date on which UCL and the Company are eligible under Applicable Law to undertake such a merger; or
- (b) in case the Listing has occurred prior to the initiation of the process for undertaking the merger of UCL with the Company, three (3) months from the date of Listing (subject to UCL and the Company being eligible under Applicable Law to undertake such a merger),

whichever is earlier.

27. INDEMNITY

- 27.1 Every Director of the Company shall be indemnified out of the funds of the Company against all claims, and it shall be the duty of the Company to pay all costs, charges, losses and damages which any such Director may incur or become liable to by reason of any contract entered into or act or thing done, in execution or discharge of his duties or supposed duties, except such, if any, as the Director shall incur or sustain through or by his own wilful act, neglect, default, misfeasance, breach of duty or breach of trust of which he may be guilty in relation to the Company, including expenses and, in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by the Director as such Director in defending any proceeding, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted, or in connection with any application under Section 463 of the Act in which relief is granted to him by the Court.
- 27.2 Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute any mortgage, charge, or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability

28. WINDING UP

- 28.1 Subject to the provisions of the BR Act and of Chapter XX of the Act and rules made thereunder:

- (a) if the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not;
- (b) for the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members; and
- (c) the liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any Shares or other securities whereon there is any liability.

29. **OVERRIDING EFFECT AND GENERAL AUTHORITY**

- (a) All actions under these Articles shall be carried on in abidance with Applicable Laws. Further, the Company shall do all such things as are permitted under Applicable Laws, including but not limited to the Act, the BR Act, the RBI Act and any other applicable regulation enacted or amendment made to existing laws or judicial decisions, made from time to time.

In case of any inconsistency between the provisions of these Articles and the Act, the provisions of the Act will prevail.

- (b) The provisions of the Act shall apply to the Company except insofar as the said provisions are inconsistent with the provisions of the BR Act and the relevant rules thereunder. In case of any inconsistency between the provisions of the Act and the BR Act or the guidelines thereunder, the provisions of the BR Act or the guidelines thereunder, as the case may be, will prevail.
- (c) At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**Regulations**”), the provisions of the Regulations shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Regulations, from time to time. In case of any inconsistency between the provisions of the Regulations and the BR Act or the guidelines thereunder, the provisions of the BR Act or the guidelines thereunder, as the case may be, will prevail.
- (d) Wherever in the Act it has been provided that any company shall have any right, privilege or authority or that any company cannot carry out any transaction unless it is so authorised by its Articles, then and in that case this Article hereby authorizes and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the provisions of the Act and the applicable provisions of the Act without there being any other specific Article in that behalf herein provided.

ANNEXURE A

ANTI-CORRUPTION GUIDELINES

The purpose of these guidelines is to clarify the meaning of the terms “Corrupt Practice”, “Fraudulent Practice”, “Coercive Practice”, “Collusive Practice” and “Obstructive Practice” in the context of the operations of the Company.

1. **CORRUPT PRACTICES**

A “**Corrupt Practice**” is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party.

INTERPRETATION

- A. Corrupt practices are understood as kickbacks and bribery. The conduct in question must involve the use of improper means (such as bribery) to violate or derogate a duty owed by the recipient in order for the payor to obtain an undue advantage or to avoid an obligation. Antitrust, securities and other violations of law that are not of this nature are excluded from the definition of Corrupt Practices.
- B. It is acknowledged that foreign investment agreements, concessions and other types of contracts commonly require investors to make contributions for bona fide social development purposes or to provide funding for infrastructure unrelated to the project. Similarly, investors are often required or expected to make contributions to bona fide local charities. These practices are not viewed as Corrupt Practices for purposes of these definitions, so long as they are permitted under local law and fully disclosed in the payor’s books and records. Similarly, an investor will not be held liable for corrupt or Fraudulent Practices committed by entities that administer bona fide social development funds or charitable contributions.
- C. In the context of conduct between private parties, the offering, giving, receiving or soliciting of corporate hospitality and gifts that are customary by internationally-accepted industry standards shall not constitute Corrupt Practices unless the action violates Applicable Law.
- D. Payment by private sector persons of the reasonable travel and entertainment expenses of public officials that are consistent with existing practice under relevant law and international conventions will not be viewed as Corrupt Practices.
- E. For the purposes of implementation, the interpretation of “Corrupt Practices” relating to facilitation payments will take into account relevant law pertaining to corruption.

2. **FRAUDULENT PRACTICES**

A “**Fraudulent Practice**” is any action or omission, including a misrepresentation that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation.

INTERPRETATION

An action, omission, or misrepresentation will be regarded as made recklessly if it is made with reckless indifference as to whether it is true or false. Mere inaccuracy in such information, committed through simple negligence, is not enough to constitute a “Fraudulent Practice” for purposes of these Articles.

3. **COERCIVE PRACTICES**

A “**Coercive Practice**” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.

INTERPRETATION

- A. Coercive Practices are actions undertaken for the purpose of bid rigging or in connection with public procurement or government contracting or in furtherance of a Corrupt Practice or a Fraudulent Practice.
- B. Coercive Practices are threatened or actual illegal actions such as personal injury or abduction, damage to property, or injury to legally recognizable interests, in order to obtain an undue advantage or to avoid an obligation. It is not intended to cover hard bargaining, the exercise of legal or contractual remedies or litigation.

4. **COLLUSIVE PRACTICES**

A “**Collusive Practice**” is an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.

INTERPRETATION

Collusive Practices are actions undertaken for the purpose of bid rigging or in connection with public procurement or government contracting or in furtherance of a Corrupt Practice or a Fraudulent Practice.

5. **OBSTRUCTIVE PRACTICES**

An “**Obstructive Practice**” is: (a) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making of false statements to investigators, in order to materially impede an investigation into allegations of a corrupt, fraudulent, coercive or Collusive Practice and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or (b) an act intended to materially impede the exercise of the subscribing investors’ access to contractually required information in connection with an investigation into allegations of a corrupt, fraudulent, coercive or collusive practice.

INTERPRETATION

Any action legally or otherwise properly taken by a party to maintain or preserve its regulatory, legal or constitutional rights such as the attorney-client privilege, regardless of whether such action had the effect of impeding an investigation, does not constitute an Obstructive Practice.

GENERAL INTERPRETATION

A person should not be liable for actions taken by unrelated Third Parties unless the first party participated in the prohibited act in question.

We, the several persons whose names and addresses are hereunder subscribed below, are desirous of being formed into a Company in pursuance of this Article of Association:

Name, Address, description and occupation of subscribes	Number of equity shares	Witness
<p>1. Mr. Govind Singh S/o Late Nandan Singh Progressive Highness, Flat No. 503-504, Plot 5,6, Section – 16 A, Navi Mumbai, Thane, Maharashtra, 400705, India (formerly at C-402, Mahavir Sadhana, Plot no. 18E, 18F, 18G, Sector 14, Sanpada, Navi Mumbai, 400705, Maharashtra) Occupation: Service</p> <p>2. Ms. Revati Singh W/o Mr. Govind Singh Progressive Highness, Flat No. 503-504, Plot 5,6, Section – 16 A, Navi Mumbai, Thane, Maharashtra, 400705, India (formerly at C-402, Mahavir Sadhana, Plot no. 18E, 18F, 18G, Sector 14, Sanpada, Navi Mumbai, 400705, Maharashtra) Occupation: Housewife</p> <p>3. Mr. Raghvendra Singh S/o Late B.N. Singh S-2/326B, Rajarshi Nagar, Bhojubeer, Varanasi, Uttar Pradesh – 221002, India Occupation: Service</p> <p>4. Mr. Abhisheka Kumar 3A/133. G C Grand. Vaibhav Khand. Near Vaibhav Park. Indirapuram. Ghaziabad, Uttar Pradesh, 201014, India (formerly at S/o Late Bijayendra Narayan Singh, BH-606, Amrapali Village, Indirapuram, Ghaziabad, 201010) Occupation: Service</p> <p>5. Mr. Trilok Nath Shukla S/o Mr. Raghubir Ram Shukla</p>	[●]	[●]

Name, Address, description and occupation of subscribes	Number of equity shares	Witness
<p>A.N. 372, Vishvakarma Nagar SUS, Varanasi, Uttar Pradesh, 221005, India</p> <p>Occupation: Service</p> <p>6. Mr. Ashwani Kumar</p> <p>S/o Mr. Amrendra Kumar</p> <p>A-5/B, Mahavir Greens Apartments, Near Mahavir Mandir, Orderly Bazar, Varanasi, Uttar Pradesh – 221002, India (formerly at Quarter No. 2131, Sector 6C, Bokaro Steel City, Bokaro, 827006, Jharkhand)</p> <p>Occupation: Service</p> <p>7. M/s Utkarsh CoreInvest Limited</p> <p>S-24/1-2, Fourth Floor, Mahavir Nagar, Orderly Bazar, Near Mahavir Mandir, Varanasi, Uttar Pradesh, 221002, India (formerly at S-2/639-56, Varuna Vihar Colony, J.P. Mehta Road, Cantt., Varanasi 221002.)</p> <p>Occupation: Body Corporate</p>		
