



MANAPPURAM FINANCE LIMITED

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NOTICE

Notice is hereby given that the **TWENTIETH** Annual General Meeting of the Shareholders of Manappuram Finance Limited will be held on Thursday 2nd August 2012 at 10.30 AM at Anugraha Auditorium, Valapad, Thrissur- 680 567 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited Profit and Loss account for the financial year ended 31st March 2012 and the Balance Sheet as at that date, the report of the Directors and the Auditors thereon.
2. To declare final dividend for the financial year ended 31st March, 2012.
3. To appoint a director in place of Adv. V.R. Ramachandran, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. A.R. Sankaranarayanan, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

To appoint Auditors to hold office from the conclusion of the Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and to pass the following resolution thereof:

“RESOLVED THAT M/s S.R. Batliboi & Associates, Chartered Accountants, (Firm Registration Number- 101049W, TIDEL Park, 6th and 7th Floor - A Block, Module 601, 701-702, No 4 Rajiv Gandhi salai, Taramani, Chennai 600 113, India Office: + 91 44 6654 8100) retiring auditors be and are hereby reappointed as the auditors of the company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors plus reimbursement of out of pocket expenses and levies such as service tax etc”

Special Business

6. Appointment of Mr. Sudhindar Krishan Khanna as a Director of the Company

To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Sudhindar Krishan Khanna be and is hereby appointed as Director of the company whose term of office shall be liable to termination by retirement of Directors by rotation.”

7. Appointment of Mr. E.A. Kshirsagar as a Director of the Company

To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. E.A. Kshirsagar be and is hereby appointed as Director of the company whose term of office shall be liable to termination by retirement of Directors by rotation.”

8. Amendment of Articles of Association

“To replace the existing Part II of the Articles of Association of the company with the following Part II comprising Articles from 129 to 174”

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

“**RESOLVED THAT** existing Part II of the Articles of Association of the company be replaced with the following Part II comprising articles from 129 to 174”

PART II
DEFINITIONS

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

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

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

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

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

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

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

“**Act**” shall mean the Companies Act, 1956;

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

“Additional Shares Offer Period” shall have the meaning as set out in Article 165;

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

“Alternate Director” shall have the meaning as set out in Article 147;

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

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

“BRIC II Mauritius Trading” shall mean BRIC II Mauritius Trading, a company incorporated and validly existing under the laws of Mauritius with its principal place of business at c/o Citco (Mauritius) Limited, 4th Floor, Tower A, 1 Cybercity, Ebene, Mauritius, and registered as sub-account with the Securities and Exchange Board of India bearing registration number 20110205 (and unless repugnant to the context or meaning thereof, shall be deemed to mean and include its successors, legal representatives and permitted assigns);

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

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

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

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

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

“Business Day” shall mean a day on which the scheduled commercial banks are open for business in

Mumbai and Kochi, India;

“**CCPS**” shall mean the 0.05% compulsorily convertible preference shares of Rs.100 (Rupees One Hundred only) each in the Share Capital issued to the Investors issued to the Investors as fully paid up preference shares, and having the rights and privileges attached to them as agreed in writing between the Company, the promoters and each Investor and these Articles of Association;

“**Closing Date**” shall November 5, 2008;

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

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

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

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

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

“**Director**” shall mean a director of the Company;

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

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

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

“**Equity Shares**” shall mean the equity shares of the Company;

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

“Execution Date” shall mean 14th March, 2012.

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

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

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

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

“General Meetings” shall mean either an EGM or an AGM of the Shareholders of the Company;

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

“GHIOF Director” shall have the meaning set out in Article 139(iv);

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

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

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

“Hudson Additional Shares Offer Terms” shall have the meaning as set out in Article 164;

“Hudson Director” shall have the meaning set out in Article 139(iv);

“Hudson Offer Shares” shall have the meaning as set out in Article 164;

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

“INR” or **“Rupees”** or **“Rs.”** shall mean Indian rupees, being the lawful currency of India;

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

“Investor Acceptance Notice” shall have the meaning as set out in Article **Error! Reference source not found.**;

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

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

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

“Investor Director” shall mean collectively the AAIA Director, the Hudson Director and the GHIOF Director;

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

“Investor Offered Shares” shall have the meaning as set out in Article 164(i)

“Investor Rejection Notice” shall have the meaning as set out in Article 164 (v);

“Investor Trigger Notice” shall have the meaning as set out in Article 164 (v)

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

“Law” shall mean any statute, law, regulation, ordinance, rule, judgment, notification, rule of common law, order, decree, bye-law, government approval, directive, guideline, requirement or other governmental restriction, or any similar form of decision of, or determination by, or any interpretation, policy or administration, having the force of law of any of the foregoing, by any Governmental Authority or Stock Exchange having jurisdiction over the matter in question;

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

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

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

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

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

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

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

“Offered Shares” shall have the meaning as set out in Article 161(i);

“Original Director” shall have the meaning as set out in Article 147;

“Person” shall mean any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union, association, government or any agency or political subdivision thereof or any other entity that may be treated as a person under applicable Law;

“Persons Acting in Concert” or **“PACs”** shall mean Vazhappully Padmanabhan Nandakumar, Sushama Nandakumar, Shelly Ekalavian, Geetha Ravy, Jyothy Prasannan, Geetha Vazhappully Padmanabhan, Dr. Prasannan P.D, Nandakumar V.P., Jyothi, Jyothi Prasannan, Blangat Narayanan Raveendra Babu acting in concert with the Promoters and also includes Persons who may commence acting in concert with the Promoters after November 5, 2008 within the meaning of “persons acting in concert” as defined in the Takeover Code, provided that any such Person who ceases to be acting in

concert with the Promoters at any date subsequent to November 5, 2008 shall not cease to be a PAC and shall continue to be so until such PAC ceases to be a shareholder in the Company in accordance with these Articles;

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

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

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

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

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

“Promoters Offer Notice” shall have the meaning as set out in Article 162 (i);

“Promoters Offer Price” shall have the meaning as set out in Article 162 (i);

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

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

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

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

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

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

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

other rights in respect of such Shares;

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

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

“Right of First Sale” shall have the meaning as set out in Article 160(iii);

“Sale Shares Notice” shall have the meaning as set out in Article 160(ii);

“Secondary Offering” shall have the meaning as set out in Article 170;

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

“Shares” shall mean Equity Shares and Preference Shares;

“Share Capital” shall mean the total issued and paid up share capital of the Company on a Fully Diluted Basis;

“Share Sale Notice” shall have the meaning as set out in Article 170;

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

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

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

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

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

Investment Holdings and Beaver Investment Holdings shall be considered as Subsequent Investors Affiliates in relation to Sequoia Investors.

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

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

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

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

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

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

“**Third Party Transferee**” shall have the meaning as set out in Article 160(ii);

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

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

TERMS OF THE CCPS

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

131. Nature of Instrument

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

132. Face Value

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

133. Dividend

(i) The CCPS shall be entitled to receive a dividend per CCPS in preference to any dividend on the Equity Shares or any other class of Shares of the Company, present or future;

(ii) The rate of dividend payable on each CCPS shall be 0.05% on the face value of the CCPS;

(iii) The dividend payable on the CCPS shall be cumulative and any dividend which has accumulated but not paid shall be paid on or before conversion of the CCPS into equity shares.

134. Conversion for AAIA

(i) The AAIA Subscription Shares will convert into 1,344,337 (One Million Three Hundred Forty Four Thousand Three Hundred Thirty Seven) Equity Shares on September 30, 2009 or at the option of AAIA, at any time before September 30, 2009, without any further payment being required to be made by AAIA for such conversion.

(ii) The Hudson Subscription Shares will convert into 687,923 (Six Hundred and Eighty Seven Thousand Nine Hundred Twenty Three only) Equity Shares on September 30, 2009 or at the option of Hudson, at any time before September 30, 2009, without any further payment being required to be made by Hudson for such conversion.

(iii) The GHIOF Subscription Shares will convert into 252,063 (Two Hundred Fifty Two Thousand Sixty Three only) Equity Shares on September 30, 2009 or at the option of GHIOF, at any time before September 30, 2009, without any further payment being required to be made by GHIOF for such conversion.

(iv) Subject to Article 135, the issue price per Equity Share shall be Rs. 166.62 (Rupees One Hundred Sixty Six and Paise Sixty Two only).

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

135. Antidilution Rights

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

(i) For the purposes of this Article 135, “**Additional Equity Shares**” means all Equity Shares issued (or, pursuant to Article 135.2, deemed to be issued) by the Company, other than issuances or deemed issuances of:

(a) Equity Shares and convertible securities issued pursuant to the ESOP of the Company; and

(b) Equity Shares issued or issuable upon conversion of the CCPS;

135.2 Deemed Issue of Additional Equity Shares

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

(i) no further adjustment shall be made upon the subsequent issue of convertible securities or equity

shares in connection with the exercise of such options or conversion or exchange of such convertible securities;

(ii) if the terms of such options or convertible securities provide, with the passage of time or otherwise, for any change in the consideration payable to the Company or in the number of equity shares issuable upon the exercise, conversion or exchange thereof (other than a change pursuant to the anti-dilution provisions of such options or convertible securities such as this Article 135 or pursuant to recapitalization provisions of such options or Convertible Securities), the adjustment and any subsequent adjustments based thereon shall be recomputed to reflect such change as if such change had been in effect as of the original issue thereof (or upon the occurrence of the record date with respect thereto);

(iii) upon the expiration of any such options or any rights of conversion or exchange under such convertible securities which shall not have been exercised, the adjustment computed upon the original issue thereof (or upon the occurrence of a record date with respect thereto) and any subsequent adjustments based thereon shall, upon such expiration, be recomputed as if:

(a) in the case of convertible securities or options for equity shares, the only Additional Equity Shares issued were the equity shares, if any, actually issued upon the exercise of such options or the conversion or exchange of such Convertible Securities and the consideration received therefor was the consideration actually received by the Company for the issue of such exercised options plus the consideration actually received by the Company upon such exercise or for the issue of all such convertible securities which were actually converted or exchanged, plus the additional consideration, if any, actually received by the Company upon such conversion or exchange, and

(b) in the case of options for convertible securities, only the convertible securities, if any, actually issued upon the exercise thereof were issued at the time of issue of such options, and the consideration received by the Company for the Additional Equity Shares deemed to have been then issued was the consideration actually received by the Company for the issue of such exercised options, plus the consideration deemed to have been received by the Company (determined pursuant to this Clause 4 upon the issue of the convertible securities with respect to which such options were actually exercised); and

(c) if such record date shall have been fixed and such options or convertible securities are not issued on the date fixed therefor, the adjustment previously made which became effective on such record date shall be cancelled as of the close of business on such record date, and thereafter shall be adjusted pursuant to this Article 135 as of the actual date of their issuance.

135.3 Adjustment Upon Issuance of Additional Equity Shares

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

(i) *Determination of Consideration.* For purposes of this Article 135.4, the consideration received by the Company for the issue (or deemed issue) of any Additional Equity Shares shall be computed as follows:

(ii) Cash and Property. Such consideration shall:

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

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

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

135.4 Adjustments for Reclassification, Exchange and Substitution

- (i) If the equity shares shall be changed into the same or a different number of shares of any other class or classes of shares, whether by capital reorganization, reclassification or otherwise, or if there is a bonus issue, split, or consolidation of shares, then, in any such event, the Investors shall be entitled to such number and class of shares that would place the Investor in the same position relative to all other shareholders as the Investors were immediately before such reorganization or reclassification.
- (ii) The Company shall not, through any amendment of its Articles or Memorandum or any reorganization, transfer of Assets, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company but will at all times in good faith assist in the carrying out of all the provisions of this Article 135, and in the taking of all such action as may be necessary or appropriate in order to protect the rights of the Investors against impairment.
- (iii) Upon the occurrence of each adjustment or readjustment pursuant to this Article 135.4, the Company at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to the Investors a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based along with stock certificates evidencing such adjustment. The Company shall, upon the written request at any time of the Investors, furnish or cause to be furnished to such Investors a like certificate setting forth such adjustments and readjustments and the number of equity shares and the amount, if any, of other property which at the time would be received upon the adjustment.

(iv) The Company and all shareholders shall take all reasonable actions to at all times reserve and keep available out of its authorized but unissued equity shares solely for the purpose of effecting an adjustment pursuant to this Article 135.4, such number of its equity shares as shall from time to time be sufficient to effect an adjustment; and if at any time the number of authorized but unissued Equity Shares shall not be sufficient to effect an adjustment, the Company and all shareholders shall take such corporate action as may be necessary to increase its authorized but unissued equity shares to such number of equity shares as shall be sufficient for such purpose.

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

(i) Subject to applicable Law, upon the occurrence of a Liquidation Event, the Company shall distribute the proceeds of such Liquidation Event to its Shareholders, provided that the Investors shall be entitled to receive, together with and at the same time as the other holders of the CCPS, a preferential payment in accordance with this Article 136 from the Assets of the Company or cash or other property, for the CCPS held by it.

(ii) In the event of a Liquidation Event occurring at any time after the Closing Date, to the extent of funds legally available therefore and subject to applicable Law, the Investors shall receive an amount in accordance with this Section, which is the **higher** of:

(a) The amount which would be distributed to the Investors, as if the CCPS held by the Investors have been converted into Equity Shares in accordance with these Articles, if all amounts available to the Company were distributed among all the Shareholders of the Company (including, the Investor) in proportion to their shareholding in the Company on a fully diluted basis.

Or

(b) The Investor Subscription Consideration paid by each of the Investors, together with any accrued but unpaid dividend.

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

137. Voting Rights

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

138. Other Rights

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

MANAGEMENT

139. Board Composition of the Company

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

Directors shall not be liable for any failure by the Company to comply with applicable Laws, and shall not be named as an “officer in default” (under any Law), or an “occupier” (of the Company’s premises) or “a person in charge of and responsible to the Company for the conduct of business of the Company” under applicable Law.

(ix) The Company shall, at all times (a) nominate a director(s) or any Person (other than the Subsequent Investors Nominee Directors) as a person in charge who shall be responsible for ensuring compliance with Law; and (b) appoint a compliance officer(s) or a designated officer(s) of the Company who shall be the “officer in default” or “occupier” or “person in charge” for the purposes of applicable Laws.

(x) In the event that any notice or proceedings have been filed against the Subsequent Investors Nominee Directors in their capacity as a director or officer of the Company, the Company shall, and the Promoters shall procure that the Company shall, take all necessary steps to, (a) ensure that the name of the Subsequent Investors Nominee Directors, are excluded; and the charges / proceedings against such Subsequent Investors Nominee Directors are withdrawn; (b) defend the Subsequent Investors Nominee Directors, against such proceedings; and (c) pay all reasonable costs, damages, fines that may be incurred/levied against the Subsequent Investors Nominee Directors.

(xi) The Chairman of the Board shall not have a casting vote.

(xii) The Company shall indemnify its Directors to the maximum extent permitted by applicable Law and shall obtain Directors and Officers liability insurance to the satisfaction of each of the Investors and the Subsequent Investors.

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

140. Committees

(i) Subject to applicable Law and as long as each of AAIA and Hudson holds at least 1% (one percent) of the Share Capital, each of AAIA and Hudson has the right to appoint a member on all the committees established by the Board of Directors of the Company.

(ii) As long as each of the Subsequent Investors along with their respective Subsequent Investors Affiliates hold at least 1% (One percent) Shares, each of the Subsequent Investors Nominee Directors shall be appointed as a member of the audit committee, the corporate governance committee, the Interim Management Supervisory and Review Committee, and the remuneration committee of the Board (collectively referred to as the “**Committees**”).

(iii) Each of the Committees shall act under the supervision of, and in accordance with the powers and authority delegated to it by the Board, and in accordance with applicable Law.

(iv) As long as each of the Subsequent Investors along with their respective Subsequent Investors Affiliate hold at least 1% (One percent) Shares, the Company shall, constitute and maintain such committees at all times, by whatever name called.

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

142. ESOP

(i) The Promoters and the Company hereby undertake that the ESOP shall be amended appropriately, so as to enlarge its size and enhance its scope in order to use the same as an incentive to reward and retain key personnel within the Company subject however to compliance with applicable Law.

(ii) The details of the proposed changes to the ESOP shall be determined by the Board of Directors after Closing.

143. Exercise of Rights

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

144. Removal/Resignation of Directors

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

145. Meetings of the Board

(i) The Board of Directors of the Company shall meet at least once every 3 (three) months, with each such meeting to be held in Valapad, Kerala (unless otherwise agreed to by the Company, Promoters and each Investor).

(ii) Any meeting of the Board of Directors shall be called, held and convened only upon giving a prior written notice of not less than 14 (fourteen) Business Days to all the Directors. Each notice of a meeting of the Board of Directors shall contain, inter alia, an agenda specifying, in reasonable detail, the matters to be discussed at the relevant meeting and shall be accompanied by all necessary written information.

GHIOF or the GHIOF Director shall intimate the Company at least 2 (two) days prior to the scheduled date of the Board meeting whether or not the GHIOF Director shall be attending the meeting of the Board.

(iii) Subject to the provisions of these Article including Article 149, a decision shall be said to have been made and/or a resolution shall be said to have been passed at a meeting of the Board of Directors only if at a validly constituted meeting, such decisions are approved by and/or the resolution is approved by a majority of the Directors, which unless otherwise mandated by Law in India, shall mean approval

by a majority of the Directors present and voting at such Board meeting.

(iv) Subject to applicable Law, the Directors or members of any committee of the Board of Directors may participate in meetings of the Board of Directors or committee of the Board of Directors through video-conference or telephonic conference.

146. Quorum of the Board

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

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

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

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

147. Alternate Director

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

148. Resolution by Circulation

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

149. Affirmative Rights in the Company

(i) Notwithstanding anything to the contrary contained in these Articles, so long as each of AAIA and Hudson holds at least 1% (one percent) of the total Share Capital, decisions on the following matters shall not be taken and/or implemented, and no action in connection with those matters shall be taken by the Company, whether at meetings of its shareholders and/or its Board of Directors and/or committees of its Boards of Directors or otherwise, in each case without the affirmative votes or prior written consent of, each of AAIA and Hudson or each of the AAIA Director and the Hudson Director nominated by AAIA and Hudson respectively, as the case may be:

(a) Acquisition of shares, assets, business, business organization or division of any other Person, creation of legal entities, joint ventures or partnerships, mergers, de-mergers, spin-offs and consolidations, creation of any new Subsidiaries (other than acquisition of shares in the normal course of business and acquisition of assets in the normal course of business up to an amount of Rs. 30,000,000 (Rupees Thirty Million only), except the proposed merger of MAFIT with and into the Company.

(b) Any changes in class rights for Shares (directly or indirectly).

(c) Entry into or amendments to any exclusive marketing agreements or arrangements (other than short marketing agreements or arrangements having a validity period not exceeding 1 year).

(d) Commencement of any new line of business, which is unrelated to the business carried on by the Company as an NBFC including the business of lending against gold pledged, hire purchase, personal loans, and money transfer services to consumers,.

(e) Any change in the capital structure of the Company including issued, subscribed or paid up equity or preference share capital of the Company, or re-organization of the Share Capital, including new issuance of shares or other securities or any other convertible instrument of the Company or redemption, retirement or repurchase of any shares or other securities, issuance of convertible debentures or warrants, or grant of any options over its shares by the Company, and the granting of any rights to the holder of such shares or other securities, convertible debentures or warrants, or options, at terms more favourable than those given to AAIA or Hudson, or which in any way affect the rights and remedies of AAIA or Hudson. Provided that an Investor will not be entitled to exercise this veto right in the event (a) the Company proposes to issue any equity, preference, equity-related or convertible securities to any Person(s) other than AAIA or Hudson at a pre-money valuation of the Company which is higher than the post money valuation on the basis of which AAIA or Hudson had subscribed for the AAIA Subscription Shares and Hudson Subscription Shares respectively, at no better terms than the terms on which AAIA or Hudson were issued the AAIA Subscription Shares and Hudson Subscription Shares respectively, and which do not affect the rights of AAIA or Hudson (b) the Company issues non convertible debentures up to the limits set out in the annual budget/business plan.

(f) Creation of Subsidiaries.

(g) Sale, transfer or other disposition of the Company, any of its Subsidiaries, its joint ventures and its subsidiaries.

(h) De-listing of Shares of the Company or any of its Subsidiaries on any stock-exchanges.

- (i) Taking of steps towards or appointment of any advisers, including but not limited to, investment bankers, merchant bankers, underwriters to the issue, in connection with a potential sale or floatation of Shares of the Company or any of its Subsidiaries including through a Public Offering.
- (j) Declaration or payment of dividends or other distributions on any class of Shares of the Company.
- (k) Approval and adoption of the annual budget/ business plan of the Company or any of its Subsidiaries.
- (l) Any amendment or modification or the taking of any action that would be inconsistent with the budget/ business plan as approved by the Board and then in effect by more than 5% (five percent). Provided that such permissible limit of 5% (five percent) would however not apply if, in the opinion of any of AAIA or Hudson, the proposed action is not likely to have an adverse impact on the profitability and need to raise additional debt or equity capital.
- (m) The appointment or removal and determination of the terms of employment including compensation of Key Management Personnel and any significant changes in the terms of their employment agreements.
- (n) Creation or adoption of any new or additional ESOP, or any change or modification or amendment to any ESOPs of the Company or its Subsidiaries.
- (o) The prosecution or settlement of legal actions or claims by or against the Company and/or its Subsidiaries where the aggregate amount of all claims so prosecuted or settled would exceed Rs. 10,000,000 (Rupees Ten Million only) within any Financial Year.
- (p) Dissolution, winding-up or liquidation of the Company or any of its Subsidiaries, whether or not voluntary, or any restructuring or reorganization that has a similar effect;
- (q) Entering into or any amendments to the terms of any Related Party Transactions other than as disclosed to AAIA and Hudson.
- (r) Any amendment, supplement, modification or restatement of the Memorandum or Articles of Association of the Company or any of its Subsidiaries.
- (s) Any changes to accounting or tax policies, procedures or practices or reappointment or change of internal or statutory auditors of the Company or any of its Subsidiaries.
- (t) Change of registered office of the Company or any of its Subsidiaries;
- (u) Taking any decision or action, entering into or amending any Contract with any Person in relation to MIBPL;
- (v) Delegation of authority or any of the powers relating to any matter contained in this Article 149 by the Board of the Company and/or its Subsidiaries to any individual or committee and any commitment or agreement to do any of the foregoing.
- (w) Any proposal by the Company to take any decisions or action on matters listed in this Article 149 with respect to its Subsidiaries.

- (x) Any decision to convene a General Meeting to consider any of the foregoing matters.

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

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

150. Statutory Auditor

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

INFORMATION AND ACCESS RIGHTS

151. The Company shall furnish to the Investors, all such information as is provided to all other Directors and to any other shareholders of the Company.

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

GENERAL MEETINGS

153. An AGM shall be held each calendar year within 6 (six) months following the end of the previous Financial Year.

154. Prior written notice of a minimum of 21 (twenty one) Business Days for a General Meeting shall be given to all shareholders of the Company; provided however that any General Meeting may be held upon shorter notice in accordance with the provisions of the Act. All notices shall be accompanied by an agenda setting out the particular business proposed to be transacted at such meeting.

155. The Board of Directors shall provide the Company's previous Financial Year's audited financial statements to all Shareholders at least 1 (one) month before the AGM is held to approve and adopt the audited financial statements. All other General Meetings, other than the AGM, shall be EGMs.

156. The quorum for General Meetings shall be a minimum of 5 (five) members being present, subject to at least 1 (one) authorized representative representing the Promoters and each of AAIA and Hudson being present at such meeting; provided, however, that no decision or determination will be made and no action will be taken by or with respect to the Company in respect of any of the reserved matters referred to in Article 149 unless approved in accordance with Article 149.

157. Related Party Transactions

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

158. Right to Invest

(i) The Investors and/or any of its Affiliates shall be entitled to invest in any entity engaged in the same or allied field as that of the Company, its Subsidiaries/ Affiliates, and the Promoters confirm that that they will have no objection to any of the Investors and/or any of the Investor Affiliate making such investments. The Company shall provide each of the Investors with a No Objection Certificate to this effect at or before the Closing Date in the form as required by the Investors.

(ii) If any of the Investors invest in Muthoot Finance Private Limited, Muthoot Fincorp Limited and Muthoot Capital Services Limited, such Investors shall not nominate a common director on the board of directors of such investee company and any such company of the Muthoot group.

159. Transfer of Shares by the Promoters

(i) Subject to Article (ii), none of the Promoters shall Transfer any or all of its Shares in the Company and/ or its Subsidiaries/ Affiliates, and the Company shall not Transfer any of its Shares in any of its Subsidiaries/ Affiliates, except with the prior written consent of each of AAIA and Hudson.

(ii) Notwithstanding anything contained in Article (i), but subject to this Article, the Promoters shall, upon expiry of 12 (twelve) months from March 14, 2012, have the right to sell up to 3% (three percent) (collectively) of the total shareholding of the Promoters in the Company in a Financial Year, without the prior written consent of each of AAIA and Hudson, provided that the shareholding of the Promoters post such Transfer shall not be less than 26% (twenty six percent) of the total Share Capital, provided however that subject to Article 161(iii), a Transfer of Shares by the Promoters under this Article (ii) shall be subject to the Right of First Offer of AAIA and Hudson under Article 0. It is hereby clarified that the Tag Along Rights of each of AAIA and Hudson shall not apply to a Transfer of up to 3% (three percent) (collectively) of the shareholding of the Promoters in the Company in a Financial Year by the Promoters in compliance with this Article (ii).

(iii) Transfer of Shares by the Promoters within 12 months of the Execution Date

(a) Save and except as provided in this Article 159(iii), the Promoters shall not Transfer any or all of their Shares in the Company within the first 12 months from the Execution Date, except with the prior written consent of the Subsequent Investors.

(b) The aggregate Shares transferred or proposed to be transferred by the Promoters during the financial year ending March 31, 2012, after reckoning the sale of Shares on the Execution Date or within 15 days of the Execution Date, shall not exceed 4.75% of the Share Capital. Any such transfer of Shares held by the Promoters in the Company in excess of 4.75% of the Share Capital shall be subject to prior approval of the Subsequent Investors.

(iv) Transfer of Shares by the Promoters after 12 months of the Execution Date

- (a) After 12 months from the Execution Date, the Promoters can Transfer any or all of their Shares in the Company, without the prior written consent of the Subsequent Investors, subject to the restrictions as set out in Articles 159(iii), 159(iv) and 159(v) and provided that the collective shareholding of the Promoters after such Transfer shall not be less than 26% of the total Share Capital.
- (b) After 12 months from the Execution Date, the Promoters shall have the right to sell up to 3% (collectively) of the total shareholding of the Promoters on an aggregate basis in a Financial Year (“**Yearly Divestment Limit**”), without the prior written consent of the Subsequent Investors, provided that the shareholding of the Promoters post such Transfer shall not be less than 26% of the Share Capital, provided however that a Transfer of Shares by the Promoters under this Article 159(iv)(b) shall be subject to the Right of First Offer of the Subsequent Investors under Article 161A.
- (v) The restrictions set out in Article 159(iii) and Article 159(iv) shall not apply in respect of any Transfer of Shares by the Promoters to its Affiliates. Any Affiliate of the Promoters to which Shares have been Transferred, shall execute a deed of adherence in an agreed form; provided that if the Affiliate of any of the Promoters ceases to be an Affiliate of such Promoter, the Promoters shall ensure that the Shares held by such Person are transferred to the Promoters, who shall be bound by the terms of these Articles.

160. Right of First Sale of AAIA and Hudson

- (i) After 3 (three) years from the Closing Date, the Promoters shall have the right to sell more than 3% (three percent) of the shareholding of the Promoters in the Company in a Financial Year, subject to the Right of First Sale as described in Article 196(ii).
- (ii) In the event any Promoter (the “**Promoter Transferor**”) proposes to Transfer any of its Shares in the Company in excess of the limit of 3% (three percent) of the Shares held by the Promoters (“**Promoter Sale Shares**”) to any Person (the “Third Party Transferee”) on terms that satisfy the conditions set out in Article (i), the Promoter Transferor shall, within 3 (three) Business Days of receipt of such offer, provide each of AAIA and Hudson a written notice (“**Sale Shares Notice**”) of its intention to sell the Promoter Sale Shares, setting out the identity of the Third Party Transferee, the price and payment terms of such offer received from the Third Party Transferee.
- (iii) Upon receipt of the Sale Shares Notice, each of AAIA and Hudson shall have the right to sell to the Third Party Transferee up to such number of Shares held by each of them which equals the number of Promoter Sale Shares (the “**Sale Shares**”) at the price and payment terms offered by the Third Party Transferee to the Promoter Transferor (the “**Right of First Sale**”), by providing, within 15 (fifteen) Business Days of the receipt of the Sale Shares Notice by each of AAIA and Hudson, a written notice to the Promoter Transferor of its intention to sell the First Sale Shares to the Third Party Transferee (the “**Sale Shares Notice**”).
- (iv) Upon receipt of the Sale Shares Notice, the Promoter Transferor shall ensure that within 7 (seven) Business Days of receipt of the Sale Shares Notice, the Third Party Transferee informs each of AAIA and Hudson and the Promoter Transfer in writing (“**Sale Shares Acceptance Notice**”) of its intention to purchase all the Sale Shares at the price and payment terms stated in the Sale Shares Notice. In such an event, the Third Party Transferee shall purchase the Sale Shares within 30 (thirty) Business Days from the issue of the Sale Shares Acceptance Notice, after obtaining any consents/ approvals or making any regulatory filings as may be required under applicable Laws, which shall be the

responsibility of the Promoters. The Promoter Transferor shall be entitled to sell any of the Promoter Sale Shares to the Third Party only after the Third Party Transferee has purchased all the Sale Shares in accordance with these Articles.

(v) In the event that the Third Party Transferee does not agree to purchase the Sale Shares at the price and payment terms stated in the Sale Shares Notice, the Promoter Transferor shall not be entitled to sell the Promoter Sale Shares to the Third Party Transferee, unless otherwise agreed to in writing by each of AAIA and Hudson.

(vi) In the event either of AAIA or Hudson does not exercise the Right of First Sale under this Article 160 or having received the Sale Shares Acceptance Notice, fails to consummate the Transfer of the Sale Shares within the period of 30 (thirty) Business Days as stated in Article (iv) other than for reasons not attributable to each of AAIA and Hudson, the Promoter Transferor shall be entitled to Transfer the Promoter Sale Shares to the Third Party Transferee at the price and on the payment terms mentioned in the Sale Shares Notice.

(vii) The exercise of the Right of First Sale under Article 160 shall be without prejudice to the Right of First Offer of AAIA and Hudson under Article 0. Any failure to exercise the Right of First Sale under this Article 160 with respect to the Transfer of Shares by the Promoters in one instance shall be without prejudice to the right of each of AAIA and Hudson to exercise the Right of First Sale with respect to any subsequent offers for purchase of Shares of the Promoters as contained in Article (i).

(viii) In case any of the other shareholders of the Company having a similar right of first sale under the Articles, decide to exercise such right of first sale, then the Promoter shall forthwith inform AAIA and Hudson of such decision taken by the relevant shareholder, along with the details thereof.

(ix) Any transferee of the Shares of the Promoters under this Article 159 (other than AAIA and Hudson and subject to compliance with Article 159(ii), Persons to whom the Promoters sell up to 3% (three percent) of the total shareholding of the Promoters in the Company in a Financial Year) shall execute a Deed of Adherence agreeing to be subject to all the obligations of the Promoters, provided that each of AAIA and Hudson may, on a request made in this regard by the Promoters, waive the requirement of the transferee of the Shares of the Promoters under this Article 159 executing a Deed of Adherence.

160A. Right of First Sale of the Subsequent Investors

160A.1 Save and except as provided in Articles 159(iii) and 159(iv), in the event any of the Promoters (the “**Transferring Promoter**”) propose to Transfer any of its Shares in the Company in excess of 3% (collectively) of the total shareholding of the Promoters on an aggregate basis in a Financial Year (“**Yearly Divestment Limit**”) (“**Promoter Transfer Shares**”) to any Person (the “**Third Person Transferee**”) on terms that satisfy the conditions set out in Articles 159(iii) and Article 159(iv), the Transferring Promoter shall, within 3 Business Days of receipt of such offer, provide each of the Subsequent Investors a written notice (“**Transfer Shares Notice**”) of its intention to sell the Promoter Transfer Shares, setting out the identity of the Third Person Transferee, the price and the payment terms of such offer received from the Third Person Transferee.

160A.2 Upon receipt of the Transfer Shares Notice, each of the Subsequent Investors shall have the right (along with the other exiting Investors in accordance with their respective shareholding in the Company at the relevant time) to sell to the Third Person Transferee up to such number of Shares

held by them which equals the number of Promoter Transfer Shares (the “**Subsequent Investor Sale Shares**”) at the price and payment terms offered by the Third Person Transferee to the Transferring Promoter (the “**Subsequent Investors’ Right of First Sale**”), by providing, within 15 Business Days of the receipt of the Transfer Shares Notice by the respective Subsequent Investors, a written notice to the Transferring Promoter of its intention to sell the Subsequent Investor Sale Shares to the Third Person Transferee (the “**Subsequent Investor Sale Shares Notice**”).

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

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

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

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

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

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

161. Right of First Offer of AAIA and Hudson

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

(ii) Upon the Promoter Transferor sending an Acceptance Notice, the Promoter Transferor and each of AAIA and Hudson shall consummate the Transfer of the Offered Shares within a period of 30 (thirty) Business Days from the date of receipt of the Acceptance Notice. Each of AAIA and Hudson shall also pay a deposit of 5% (five percent) of the respective Offer Price to the Promoter Transferor upon receipt of the respective Acceptance Notice after obtaining any consents/ approvals or making any regulatory filings as may be required under applicable Laws which shall be the responsibility of the Promoters.

(iii) In the event that the Promoter Transferor does not receive the Acceptance Notice within 15 (fifteen) Business Days from receipt of the Trigger Notice or after having exercised the Right of First Offer within 15 (fifteen) Business Days from receipt of the Trigger Notice, each of AAIA and Hudson fails to purchase the Offered Shares offered by the Promoter Transferor within a period of 30 (thirty) Business Days from the date of their respective Acceptance Notice other than for reasons not attributable to it, the Right of First Offer of each of AAIA and Hudson shall be deemed to have lapsed and the Promoter Transferor shall be entitled to sell the Offered Shares offered to each of AAIA and Hudson to any Third Party Transferee at a price higher than the respective ROFO Price, within 90 (ninety) days from the expiry of the 15 (fifteen) day or 30 (thirty) day period referred to in this Article (iii), as the case may be.

(iv) In the event that the Right of First Offer under this Article is exercised and each of AAIA and Hudson under Article 0 issues their respective Offer Notice in accordance with Article (i) to the Promoter Transferor, the Promoter Transferor shall have the right to reject the offer made by each of AAIA and Hudson in their respective Offer Notice only in the event that their respective Offer Price is less than their respective ROFO Price, and the Promoter Transferor shall intimate each of AAIA and Hudson, within 7 (seven) Business Days from receipt of the respective Offer Notice, by written notice (the "**Rejection Notice**"), that the terms of each of the Offer Notice are not acceptable to it. The Promoter Transferor shall be entitled to sell the Offered Shares in respect of which the Right of First

Offer has not been exercised to any Third Party Transferee at any price higher than the ROFO Price and on payment terms which are no more favourable to the Third Party Transferee than the payment terms specified in the Offer Notice, and the Promoter Transferor and the Third Party Transferee shall consummate the Transfer of the Offered Shares within a period of 90 (ninety) days from the date of the Rejection Notice.

(v) In the event that the Transfer of Offered Shares by the Promoter Transferor to a Third Party Transferee is not consummated within a period of 90 (ninety) days from the date of the Rejection Notice as provided in Article (iv), any subsequent proposal to Transfer any Shares including the Offered Shares shall again be subject to the Right of First Offer under this Article 0.

(vi) Each of AAIA and Hudson shall cease to have the Right of First Offer under this Article 0 as soon as it ceases to hold 1.5 (one point five per cent) of the Share Capital.

(vii) The Right of First Offer under this Article 0 shall not apply in respect of any Transfer of Shares by the Promoter Transferor to its Affiliate. Any Affiliate of the Promoters to which Shares have been Transferred in accordance with these Articles shall execute a Deed of Adherence, provided that if the Affiliate of any of the Promoters ceases to be an Affiliate of such Promoter, the Promoters shall ensure that the Shares held by such Person are transferred to the Promoters, who shall be bound by the terms of these Articles.

(viii) The Right of First Offer under this Article 0 shall apply to all such Shares (such shares the “**Additional Offered Shares**”) in respect of which other Persons who have a right of first offer have not exercised such right. Each of AAIA and Hudson shall have the right of first offer to purchase such proportion of the Additional Offered Shares as its shareholding in the Company bears to the shareholding of other Persons who have a similar right to purchase the Additional Offered Shares, and the provisions of this Article 0 shall apply *mutatis mutandis* to the Additional Offered Shares.

(ix) In case any of the other shareholders of the Company having a similar right of first offer under this Article, decide to exercise such right of first offer, then the Promoter shall forthwith inform the AAIA and Hudson of such decision taken by the relevant shareholder, along with the details thereof.

161A. Right of First Offer of the Subsequent Investors

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

Promoter, inform the Transferring Promoter in writing (the “**Subsequent Investor Offer Notice**”) of its intention to purchase the Promoter Offered Shares and state the price for such purchase (the “**Subsequent Investor Offer Price**”) along with the payment terms. Upon receipt of the Subsequent Investor Offer Notice by the Transferring Promoter, if the Subsequent Investor Offer Price by such Subsequent Investors, is equal to or greater than the Subsequent Investor ROFO Price, and payment terms stated in the Subsequent Investor Offer Notice are acceptable to the Transferring Promoter, it shall, by written notice (the “**Promoter Acceptance Notice**”), intimate its acceptance of the Subsequent Investor Offer Price and payment terms to such Subsequent Investor within a period of 5 Business Days from the date of receipt of each of the Subsequent Investor Offer Notice.

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

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

161A.4 In the event that the Right of First Offer under this Article 161A is exercised and the Subsequent Investors issue the Offer Notice in accordance with Article 161A.1 to the Transferring Promoter, the Transferring Promoter shall have the right to reject the offer made by the Subsequent Investors in the Subsequent Investor Offer Notice only in the event that the Subsequent Investor Offer Price is less than the Subsequent Investor ROFO Price, and the Transferring Promoter shall intimate such Subsequent Investor, within 7 Business Days from receipt of the Subsequent Investor Offer Notice, by written notice (the “**Promoter Rejection Notice**”), that the terms of the Subsequent Investor Offer Notice are not acceptable to it. The Transferring Promoter shall be entitled to sell the Promoter Offered Shares in respect of which the Subsequent Investors’ Right of First Offer has not been exercised, to any Third Person Transferee at any price higher than the Subsequent Investor ROFO Price and on payment terms which are no more favourable to the Third Person Transferee than the payment terms specified in the Subsequent Investor Offer Notice, and the Transferring Promoter and the Third Person Transferee shall consummate the Transfer of the Promoter Offered Shares within a period of 90 days from the date of the Promoter Rejection Notice.

161A.5 In the event that the Transfer of Promoter Offered Shares by the Transferring Promoter to a Third Person Transferee is not consummated within a period of 90 days from the date of the Promoter Rejection Notice as provided in Article 161A.4, any subsequent proposal to Transfer

any Shares including the Promoter Offered Shares shall again be subject to the Subsequent Investors' Right of First Offer under this Article 161A.

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

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

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

162. Tag Along Rights of AAIA and Hudson

(i) In the event that a Promoter Transferor proposes to Transfer any of its Shares in excess of the limit of 3% (three percent) of the Shares held by the Promoters to any Third Party Transferee (which transfer shall be subject to Article 159(ii)) in respect of which the Right of First Sale or the Right of First Offer has not been exercised, then the Promoter Transferor shall give a notice in writing (the "**Promoter Transfer Notice**") to each of AAIA and Hudson specifying the number of Shares proposed to be Transferred (the "**Promoter Transfer Shares**"), the price at which the Promoter Transferor intends to Transfer such Promoter Transfer Shares, the identity of the Third Party Transferee and any other material or relevant terms and conditions of the proposed Transfer.

(ii) Upon each of AAIA and Hudson, receiving the Promoter Transfer Notice, each of AAIA and Hudson may, within 15 (fifteen) Business Days of receipt of the Promoter Transfer Notice (the "**Tag Along Period**"), send a written notice to the Promoter Transferor (the "**Tag Along Notice**") requiring the Promoter Transferor to ensure that the Third Party Transferee also purchases such number of Shares then held by each of AAIA and Hudson in the Company which shall not exceed the pro rata number of Shares of each of AAIA and Hudson in the issued Share Capital at the relevant time (the "**Tag Along Shares**") at the same price and on the same terms as mentioned in the Promoter Transfer Notice (the "**Tag Along Right**"). The Tag Along Right under this Article 0 shall be available in respect of the proportionate shareholding of each of AAIA and Hudson at the relevant time.

(iii) In the event that each of AAIA and Hudson delivers a Tag Along Notice to the Promoter Transferor, the Promoter Transferor shall ensure that along with the Promoter Transfer Shares mentioned in the Promoter Transfer Notice, the Third Party Transferee also acquires the respective Tag Along Shares of each of AAIA. Hudson as specified in the respective Tag Along Notice for the same consideration and upon the same terms and conditions as mentioned in the respective Promoter Transfer

Notice, provided that each of AAIA and Hudson shall, at its option, be entitled to, and the Promoter Transferor shall procure that each of AAIA and Hudson will, receive the cash equivalent of any non-cash component of the consideration to be paid by the Third Party Transferee. The value of such non-cash component of the consideration shall be determined by an independent valuation to be caused by each of AAIA and Hudson by an internationally renowned accounting firm if each of AAIA and Hudson and Promoter Transferor fail to mutually agree on such value.

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

(v) Notwithstanding anything to the contrary in this Article 0, the Promoter Transferor shall not be entitled to Transfer any Shares to any Third Party Transferee unless the Third Party Transferee simultaneously purchases and pays for all the Tag Along Shares or a proportionate number of the Tag Along Shares determined in accordance with Article (iv) .

(vi) If either of AAIA or Hudson do not deliver their respective Tag Along Notice to the Promoter Transferor prior to the expiry of their respective Tag Along Period, the Promoter Transferor shall be entitled to Transfer the respective Promoter Transfer Shares to the Third Party Transferee.

(vii) In the event of the Promoter Transferor Transferring any Shares held by it in violation of the provisions of this Article 0 (the “**Prohibited Promoter Transfer**”), then each of AAIA and Hudson upon exercise of its respective Tag Along Right, shall have the right to sell to the Promoter Transferor and the Promoter Transferor shall purchase from each of AAIA and Hudson , their respective Tag Along Shares at a price higher by at least 33% (thirty three percent) to the price at which the Promoter Transferor Transferred the Promoter Transfer Shares to the Third Party Transferee, without prejudice to any other rights and remedies that the Promoter Transferor may have in order to restrict the Prohibited Promoter Transfer or take any other action or exercise any other rights that it may be entitled to under Law. The Promoter Transferor shall also reimburse each of AAIA and Hudson for any and all fees and expenses, including legal fees and expenses, incurred pursuant to the exercise of each of AAIA and Hudson ’s rights under this Article 0. The Promoter Transferor shall purchase the Tag Along Shares within 90 (ninety) days from the date of notice provided by each of AAIA and Hudson , exercising its right under this Article (vii).

(viii) In case any of the other shareholders of the Company having a similar tag along right under the Articles, decide to exercise such tag along right, then the Promoter shall forthwith inform AAIA and Hudson of such decision taken by the relevant shareholder, along with the details thereof.

162A. Tag Along Rights of the Subsequent Investors

162A.1 Save and except as provided in Articles 159(iii) and 159(iv), in the event that a Transferring Promoter proposes to Transfer any of its Shares in excess of the Yearly Divestment Limit to any Third Person Transferee in respect of which the Subsequent Investors’ Right of First Sale or the Subsequent Investors’ Right of First Offer has not been exercised, then the Transferring

Promoter shall give a notice in writing (the “Selling **Promoter Transfer Notice**”) to the Subsequent Investors, specifying the number of Shares proposed to be Transferred (the “Selling **Promoter Transfer Shares**”), the price at which the Transferring Promoter intends to Transfer such Selling Promoter Transfer Shares, the identity of the Third Person Transferee and any other material or relevant terms and conditions of the proposed Transfer.

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

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

162A.4 In the event that the Third Person Transferee is unwilling or unable to acquire all of the Selling Promoter Transfer Shares mentioned in the Promoter Transfer Notice and all the Subsequent Investor Tag Along Shares upon such terms, then the Transferring Promoter may elect either to cancel the proposed Transfer to the Third Person Transferee or, to allocate the maximum number of Shares of the Company which the Third Person Transferee is willing to purchase among the Selling Promoter Transfer Shares and the Subsequent Investor Tag Along Shares pro-rata as calculated above and to complete such Transfer in accordance with the revised terms. In the event the Transferring Promoter elects to cancel the proposed Transfer to the Third Person Transferee, each of the Subsequent Investors may, at their respective option, also cancel the proposed Transfer of its respective Subsequent Investor Tag Along Shares.

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

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

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

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

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

163. Transfer of Shares by the Investors

(i) The Investors shall be entitled to Transfer all or part of its Shares, along with the right attached to such Shares, at any time to a Third Party Transferee, without the prior consent of the Promoters or any other shareholder of the Company.

(ii) Notwithstanding the provisions of Article **Error! Reference source not found.**, the Investors shall be entitled to Transfer all or any part of its Shares in the Company, along with the right attached to such Shares, at any time to their respective Investor Affiliate without the prior consent of the Promoters or any other shareholder of the Company.

163A. Collective Action

(i) Collective Action by Baring Investors

Notwithstanding anything in these Articles, each of the Baring Investors hereby irrevocably authorize Baring India Private Equity Fund III Listed Investments Limited to take any and all decisions on their behalf with regard to any matter relating to or contemplated by these Articles, including the exercise of

any right or remedy or performance of any obligations or grant of any waiver or consent hereunder. Exercise of any right or performance of any obligations or grant of any waiver or consent by Baring India Private Equity Fund III Listed Investments Limited as aforesaid shall be construed to be a joint exercise, performance or grant by all the Baring Investors, and any such consent, waiver or exercise of rights or obligations by Baring India Private Equity Fund III Listed Investments Limited can be relied upon by the Company and the Promoters. The Baring Investors shall collectively exercise all rights and perform all obligations under these Articles. It is clarified that any limits applicable to the Baring Investors under these Articles shall apply to them as if Baring Investors were one single entity, and not separately.

(ii) Collective Action by Sequoia Investors

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

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

ADDITIONAL CAPITAL

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

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

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

respect to such further issue (the terms of such offer to Sequoia shall be referred to as the (“**Sequoia Additional Shares Offer Terms**”)).

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

166. In the event that any future round of financing of the Company involves a secondary purchase of Shares from the Promoters, each of AAIA and Hudson shall have their respective Right of First Offer and respective Tag Along Rights set out in Article 0 and Article 0 respectively in respect of the shares of the Promoters that are proposed to be Transferred in such round of financing. To enable each of AAIA and Hudson to effectively exercise its right under this Article, the Company and/or the Promoters shall notify each of AAIA and Hudson in writing of such an opportunity. Such written notice shall be provided to each of AAIA and Hudson within 2 (two) Business Days of the Company, or any of the Promoters executing a term sheet, letter of intent, memorandum of understanding, or entering into any arrangement, whether written or otherwise, and whether binding or non-binding. The written notice shall set out in reasonable detail all facts necessary for each of AAIA and Hudson to effectively exercise their right under Article 164 to Article 169.

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

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

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

EXIT BY AAIA AND HUDSON

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

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

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

(i) Each of AAIA and Hudson shall be entitled to make one or more requests for sale of its Shares as detailed in Article 170, either in whole or in part, and the Company and the Promoters shall comply with the requirements of this Article 172 in respect of each such request. Each of AAIA and Hudson shall be entitled to determine the price and number of Shares held by it to be offered in the Secondary Offering and each of AAIA and Hudson will have the right to sell up to 100% (one hundred percent) of its Shares as a part of the Secondary Offering. Each of AAIA and Hudson will consider the recommendations, if any, of the appointed investment banking firm in this regard in accordance with Article (ii) and Article (iii).

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

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

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

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

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

By order of the Board of Directors
Sd/-

Valappad
02-07-2012

Rajesh Kumar. K
Company Secretary

NOTES:

A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. Proxy Form duly completed must be sent so as to reach the Registered Office of the company not later than 48 hours before the commencement of the meeting. A blank proxy form is enclosed.

1. Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item Nos. 6 to 8 are annexed hereto and forms part of this notice.
2. The Register of Members and the Share Transfer Books of the company will remain closed from 27.07.2012 to 02.08.2012 (both days inclusive.) for the purpose of annual dividend.
3. Members are requested to: (a) intimate changes, if any, in the registered addresses on or before 20.07.2012 (b) quote ledger folio number in all their correspondence (c) bring their copies of the Annual Report and the Attendance Slips with them at the Annual General Meeting.
4. Members holding shares in dematerialized form are requested to write their client ID and DP ID numbers in attendance slip and all their correspondences with the company. Those who hold shares in physical form are requested to write their folio number in the attendance slip.
5. The dividend on the equity shares as approved by the General Body for the financial year ended 31st March, 2012 will be payable within 30 days from the date of declaration of dividend to those shareholders whose names will feature on the Register of Members of the company on 02.08.2012. Members may please note that the Dividend Warrants are payable at par at the designated Branches of the Bank printed on the reverse of the warrant for an initial period of 3 months only. In order to avoid unnecessary inconvenience, the members are advised to encash Dividend Warrants within the initial validity period.
6. The members holding shares in electronic form are hereby informed that, the Bank particulars registered against their respective depository accounts will be used by the Company for the payment of dividend.
7. Members are further advised to update your bank account and IFS numbers in your demat account so that the dividend declared on the shares will be electronically credited instead of physical warrants.
8. Pursuant to the provisions of Section 205C of the Companies Act, 1956, as amended, dividend for the financial year ended 31st March, 2005 which remains unpaid or unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund of the Central Government. Shareholders who have not encashed the dividend warrants so far for the financial year 2004-2005 are requested to make their claim to the company.
9. Members who would like to ask questions on Accounts are requested to send their questions to the Registered Office of the company at least 10 days before the Annual General Meeting to enable the company to prepare suitable replies to such questions.

ANNEXURE TO THE NOTICE

Explanatory Statement Pursuant to Section 173 (2) of the Companies Act, 1956

Item No. 6.

Mr. Sudhinder Krishan Khanna aged 59 years was inducted to the Board of the company as an additional director under Section 260 of the Companies Act, 1956 at the meeting held on 17.05.2012. He received his Bachelors Degree (Honors) in Economics from St. Stephen's college and is a Chartered Accountant from the Institute of Chartered Accountants of England & Wales and is the Chairman of IEP Fund since 2008. He is also the India President of WPO, a global organization of 4600 business leaders.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member together with necessary fee informing his intention to propose the appointment of Mr. Sudhinder Krishnan Khanna as a director of the company. Your Board recommends the resolution set out in item no. 6 of the Notice for the Approval of the members. None of the directors except Mr. Sudhinder Krishan Khanna is interested or concerned in the resolution.

Item No 7

Mr. E.A. Kshirsagar aged 70 years was inducted to the Board of the company as an additional director under Section 260 of the Companies Act, 1956 at the meeting held on 08.06.2012. He is a Fellow of Chartered Accountants of England & Wales. Mr. E.A. Kshirsagar has a wide experience in corporate strategy & structure, valuation, feasibility studies, Disinvestment, Merger & Acquisitions. Mr. E.A. Kshirsagar Serves on the Board of leading Indian Public Companies.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member together with necessary fee informing his intention to propose the appointment of Mr. E.A. Kshirsagar as a director of the company. Your Board recommends the resolution set out in item no. 7 of the Notice for the Approval of the members. None of the directors except Mr. E.A. Kshirsagar is interested or concerned in the resolution.

Item No.8

Company is required to amend its Articles of Association subject to the applicable laws to reflect the terms and conditions of the definitive agreements entered into with the investors. The proposal is for incorporating the important rights of the investors in the Articles of Association as a separate **Part II**. The proposal is for the acceptance of the members. Your Board recommends the resolution set out in item no. 8 of the Notice for the Approval of the members.

By order of the Board
Sd/-

Rajesh Kumar. K
Company Secretary

Place: Valapad
Date: 02.07.2012

MANAPPURAM FINANCE LIMITED

Regd. Office: V/104, Manappuram House, Valapad P.O., Thrissur - 680 567

ATTENDANCE SLIP

Members Folio No

Client ID No

DP ID No

Name of the Member

Name of Proxy Holder

No. of shares held

I hereby record my presence at the Annual General Meeting of the company held on Thursday the 2nd August 2012 at 10.30 AM at Anugraha Auditorium, Valapad, Thrissur - 680 567.

Signature of Member/Proxy

Notes:

1. Members/proxy holders are requested to produce the attendance slip duly signed for admission to the meeting hall.
2. Members are requested to bring the copy of the notice of Annual General Meeting.

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MANAPPURAM FINANCE LIMITED

Regd. Office: V/104, Manappuram House, Valapad P.O., Thrissur - 680 567

PROXY FORM

Members Folio No/ Client ID

I/We.....of.....in the district ofbeing a member/members of Manappuram Finance Limited hereby appointofin the district of.....or failing him/herofofin the district of as my/ our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the company to be held on Thursday, the 2nd day of August 2012 at 10.30 AM and any adjournment thereof.

Signed thisday of2012.

Note:

If it is intended to appoint a proxy the form of proxy should be completed and deposited at the Registered office of the company at least 48 hours before the commencement of meeting.