

**Ref No: MUM/Corp/2024-25/088**

**MONITORING AGENCY AGREEMENT**

**DATED 29<sup>th</sup> November 2024**

**BETWEEN**

**PATEL RETAIL LIMITED**

**AND**

**ICRA LIMITED**



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THIS STAMP PAPER FORMS AN INTEGRAL PART OF THE MONITORING AGENCY AGREEMENT DATED 29<sup>TH</sup> DAY OF NOVEMBER 2024 ENTERED INTO BETWEEN PATEL RETAIL LIMITED AND ICRA LIMITED.



एनएसएल

भारतीय गैर न्यायिक  
भारत INDIA

₹. 500



FIVE HUNDRED  
RUPEES

पाँच सौ रुपये

Rs. 500

सत्यमेव जयते

INDIA NON JUDICIAL

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एनयुराव





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उप कार्यालय अधिकारी/उप पोस्टापाल  
उप कार्यालय कार्यालय, उपकारनगर, जि. ठाणे

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धनश्रीधर

## MONITORING AGENCY AGREEMENT

This Monitoring Agency Agreement (“**Agreement**”) is being entered into on the **29<sup>th</sup> day of November 2024** at **Mumbai** between:

1. **PATEL RETAIL LIMITED** (Formerly known as Patel Retail Private Limited), a company incorporated under the Companies Act, 1956, and having its registered office at Plot No. M-2, Anand Nagar, Additional MIDC, Ambarnath (East) - 421506, Ambarnath, Maharashtra, India (hereinafter referred to as the “**Company**”, which term shall include its authorized representative, successors in-interest and permitted assigns);

**AND**

2. **ICRA Limited**, a company incorporated under the Companies Act, 1956, and having its registered office at B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001, a credit rating agency registered with the Securities and Exchange Board of India (hereinafter referred to as “**ICRA or Monitoring Agency**”, which term shall include its authorized representative, successors in-interest and assigns).

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

### WHEREAS:

- A. The Company and the Promoter Selling Shareholders propose to undertake an initial public offering of up to 95,20,000 equity shares of face value of ₹10 each of the Company (the “**Equity Shares**”), comprising a fresh issue of up to 85,18,000 Equity Shares by the Company (“**Fresh Issue**”) and an offer for sale of up to 10,02,000 Equity Shares by the Promoter Selling Shareholders (“**Offer for Sale**” and such Equity Shares, the “**Offered Shares**”). The Offer for Sale together with the Fresh Issue shall be referred to as the “**Offer**”, in accordance with the Companies Act, 2013 along with the relevant rules framed thereunder, each as amended (the “**Companies Act**”), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “**SEBI ICDR Regulations**”), and other Applicable Law, and at such price as may be determined by the Company and the Promoter Selling Shareholder in consultation with the BRLM to the Offer (the “**Offer Price**”), on a discretionary basis, through the book building process (“**Book Building Process**”) as provided in **Schedule XIII** of the SEBI ICDR Regulations. The Offer includes a reservation of up to such number of Equity Shares, for subscription by eligible employees not exceeding 5% of the post-Offer paid-up equity share capital of the Company (“**Employee Reservation Portion**”). The Company, in consultation with the Book Running Lead Manager, may offer certain discount on the Offer Price to Eligible Employees bidding under the Employee Reservation Portion. The Offer less the Employee Reservation Portion is to be referred to as the “**Net Offer**”. The Offer also includes allocation of Equity Shares to certain Anchor Investors, by the Company in consultation with the BRLM, on a discretionary basis, in accordance with the SEBI ICDR Regulations.

The Company has, in consultation with the BRLM, undertaken further issuances of specified securities (as defined under the SEBI ICDR Regulations) for 5,00,000 Equity Shares approved by the Board in its meeting dated October 24, 2024 and by the shareholders in their meeting dated November 23, 2024, aggregating to ₹ 1500.00 lakhs after filing of the Draft Red Herring Prospectus (defined below) with SEBI but prior to filing of the Red Herring Prospectus (defined below) with the Registrar of Companies, Mumbai at Maharashtra (“**RoC**” / “**Registrar of Companies**”) (the “**Pre-IPO Placement**”). The Equity Shares proposed to be raised through Fresh Issue has been reduced to 85,18,000 Equity Shares pursuant to the Pre-IPO Placement, subject to the Offer complying with rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as

amended.

- B. The board of directors of the Company (the “**Board of Directors**”), pursuant to a resolution dated March 1, 2024, have approved the Offer. Further, the Offer has been approved by a special resolution adopted pursuant to Section 62 of the Companies Act at the meeting of the shareholders of the Company held on March 7, 2024.
- C. The Company has filed the draft red herring prospectus (“**DRHP**”) dated March 29, 2024 with the Securities and Exchange Board of India (the “**SEBI**”) for review and comments, in accordance with the SEBI ICDR Regulations, in connection with the Offer. After incorporating the comments and observations of the SEBI, the Company proposes to file a red herring prospectus (“**RHP**”) with the Registrar of Companies, Mumbai (the “**RoC**”) and the SEBI and thereafter, upon closure of the Offer, will file a prospectus (“**Prospectus**”) and together with the DRHP and RHP would be referred to as the “**Offer Documents**”) with the RoC in accordance with the Companies Act and the SEBI ICDR Regulations. In addition, the Company has received an in-principle approval dated July 26, 2024 from BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”, and together with BSE, the “**Stock Exchanges**”), for the listing of the Equity Shares.
- D. The Company and the Promoter Selling Shareholders have appointed Fedex Securities Private Limited as the book running lead manager (“**BRLM**”) and such BRLM have accepted the engagement to manage the Offer, subject to terms and conditions set forth therein
- E. Each of the Promoter Selling Shareholders has consented to the inclusion of its respective portion of the Offered Shares to its participation in the Offer for Sale pursuant to its respective consent letter.
- F. In terms of Regulation 41 of SEBI ICDR Regulations, the Company is required to appoint a credit rating agency, registered with SEBI, as the Monitoring Agency, which shall monitor the use of Gross Proceeds from the Offer (as defined hereinafter) of the Offer in accordance with the terms of the Objects of the Offer (as defined hereinafter) in the Red Herring Prospectus and Prospectus and Pre-IPO Proceeds (*as defined below*).
- G. At the request of the Company, ICRA has agreed to act as the monitoring agency (the “**Monitoring Agency**”) for the purposes of monitoring the use of Gross proceeds and the Pre-IPO Proceeds in accordance with this Agreement and Applicable Law. Pursuant to a resolution dated November 27, 2024 passed by the IPO Committee, ICRA has been appointed as the Monitoring Agency.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

## 1. DEFINITIONS

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

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

**“Applicable Law”** shall mean any applicable law, by-law, rule, regulation, guideline, circular, order, notification, regulatory policy (including any requirement under, or notice of, any regulatory body), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI LODR Regulations”), compulsory guidance, ruling, order or decree of any court or tribunal or any arbitral authority, or directive, delegated or subordinate legislation in any applicable jurisdiction, inside or outside India, including any applicable securities law in any relevant jurisdiction, including the Securities and Exchange Board of India Act, 1992 (“SEBI Act”), the Securities Contracts (Regulation) Act, 1956 (“SCRA”), the Securities Contracts (Regulation) Rules, 1957 (“SCRR”), the Companies Act, the SEBI ICDR Regulations, the Foreign Exchange Management Act, 1999 (“FEMA”) and rules and regulations thereunder, and the guidelines, instructions, rules, communications, circulars and regulations issued by any governmental authority, including any statutory or monitoring bodies in relation to the business activities of the Company (and similar agreements, rules, regulations, orders and directions in force in other jurisdictions where there is any invitation, offer or sale of the Equity Shares in the Offer);

**“Board of Directors” or “Directors” or “Board”** has the meaning ascribed to it in Recital (B) to this Agreement

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

**“Companies Act”** shall mean the Companies Act, 2013 and the rules made thereunder and include any statutory modification thereto or re-enactment or replacement thereof.

**“Equity Shares”** shall have the meaning ascribed to it in Recital A in this Agreement.

**“Gross Proceeds”** shall mean the gross proceeds of the Fresh Issue that will be available to the Company;

**“Offer Expenses”** shall mean the expenses incurred by the Company and the Promoter Selling Shareholders in relation to the Offer as set forth in the section titled “Objects of the Offer” in the Prospectus

**“Offer Documents”** shall have the meaning ascribed to it in Recital C in this Agreement;

**“Prospectus”** shall have the meaning ascribed to it in the Recital C in this Agreement;

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

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

**“Net Proceeds”** shall mean the proceeds of the Fresh Issue less the Offer related expenses applicable to the Fresh Issue as set out in the Prospectus;

**“Pre-IPO Proceeds”** shall mean the proceeds of the Pre-IPO placements as set out in the Red Herring Prospectus, Prospectus and Offer Documents;

**“Unpublished Price Sensitive Information (“UPSI”)** means any information, relating to the Company or the Offer, directly or indirectly, that is not generally available and which upon becoming generally available, is likely to materially affect the price of the securities and shall,

ordinarily include but not be restricted to, information relating to the financial results, dividends, change in capital structure, mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions, and changes in key managerial personnel and/or any other information which is accompanied by a written notice specifying that such information is an UPSI.

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

**1.3** In this Agreement unless the context otherwise requires:

- (i) words denoting the singular number shall include the plural and vice versa;
- (ii) words denoting a person shall include an individual, Corporation, Company, partnership, trust or other entity.
- (iii) heading and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;
- (iv) references to the word "include" or "including" shall be construed without limitation;
- (v) references to this Agreement or to any other agreement, deed, or other instrument shall be construed as a reference to such agreement, deed, or other instrument, as the same may from time to time be amended, varied, supplemented, or noted, and/or any replacement or novation thereof;
- (vi) references to any Party to this Agreement or any other agreement or deed or other instruments shall include its successors or permitted assigns;
- (vii) time is of the essence in the performance of the Parties' respective obligations under this Agreement. If any time period specified herein is extended in accordance with the terms of this Agreement, such extended time shall also be of the essence;
- (viii) a reference to an article, clause, section, paragraph, schedule or annexure is, unless indicated to the contrary, a reference to an article, clause, section, Paragraph, schedule or annexure of this Agreement; and
- (ix) unless otherwise defined, reference to the word 'days' shall mean business days.

## **2. USE OF GROSS PROCEEDS**

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

- i. Repayment/prepayment, in full or part, of certain borrowings availed of by our Company;
- ii. Funding of working capital requirements of the Company; and
- iii. General corporate purposes.

(collectively, referred to herein as the "**Objects of the Offer**").

2.2 The Company shall ensure that Gross Proceeds are utilized as follows a) net proceeds are utilized for the purposes as are set out in the Prospectus and Clause 2.1 above; and b) the Offer Expenses are paid out as mentioned in the Prospectus.

2.3 However, provided that the above shall be superseded by the details mentioned in the RHP and Prospectus and accordingly, the provisions in this Agreement shall stand amended to that extent



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

#### **3.1 Opening of the Proceeds Account**

The Company shall, in accordance with the Escrow and Sponsor Bank Agreement open an account with HDFC Bank Limited where the total proceeds from the Offer will be deposited (the "**Public offer Account**") and (ii) open an account with the HDFC Bank Limited wherein the Net Proceeds will be deposited ("Company Offer Account", together with the Public Offer Account, the "Proceeds Accounts"). It is agreed that all transactions related to the utilization of Net Proceeds will be routed through the Proceeds Account only, subject to the provisions of Clause 4.1.

#### **3.2 Appointment**

The Company hereby appoints ICRA as the monitoring agency for the purposes of monitoring the use of the Gross Proceeds of the Company and the Pre-IPO Proceeds, as applicable, of the Company in accordance with the Objects of the Offer and the SEBI ICDR Regulations. ICRA agrees to act as the Monitoring Agency in accordance with the terms and conditions of this Agreement and in accordance with the SEBI ICDR Regulations and Applicable Law and shall be responsible for monitoring the utilization of Gross Proceeds from the Offer and the Pre-IPO Proceeds, as applicable, only from the calendar quarter (viz, a period of 3 calendar months, namely, January-March or April-June or July-September or October-December) immediately succeeding its appointment or date of the closure of the Offer, whichever is later. It is hereby clarified that ICRA shall not be responsible for providing any report/ monitoring agency report for the calendar quarters prior to its appointment.

The appointment of ICRA as the Monitoring Agency with respect to monitoring of the Gross Proceeds (including Offer Expenses) and the Pre-IPO Proceeds, as applicable, shall be without any prejudice to any existing or future arrangement between the Company and ICRA, whether in the capacity of a monitoring agency or not, and all such arrangements between the Company and ICRA shall be mutually exclusive of one another and on arm's length basis, as permissible under the Applicable Law.

Notwithstanding anything contained in this Agreement, each Party understands the legal obligation cast on it under Applicable Law and agrees that all its actions pursuant to, and under this Agreement shall be towards the fulfilment of such obligations and in accordance with Applicable Law

### **4. MONITORING THE USE OF GROSS PROCEEDS AND PRE-IPO PROCEEDS**

#### **4.1 Deposits in Proceeds Accounts and other Proceeds Account-related aspects**

- (i) The Company shall deposit the Net Proceeds, as applicable, in the Proceeds Account. Pending utilization of the Net Proceeds, as applicable, for purposes as set out in the chapter titled 'Objects of the Offer' in the Offer Documents, the Company shall deposit and retain the Net Proceeds and the, in the Proceeds Account only. However, the Company, shall have the flexibility to deploy the Net Proceeds and the Pre-IPO Proceeds, as applicable, in accordance

with the SEBI ICDR Regulations and the Offer Documents until the Net Proceeds and the Pre-IPO Proceeds, as applicable, are deployed towards the purposes as set out in the chapter titled 'Objects of the Offer' in the Offer Documents.

- (ii) Within 7 (Seven) business days from the opening of the Proceeds Account as set out in Clause 3.1 above, or a time period as mutually agreed between the Parties, the Company will submit to the Monitoring Agency an 'Expected Disbursement Schedule' detailing the proposed utilization of funds and also certifying that the same is for purposes as mentioned in the chapter titled "Objects of the Offer" of the Offer Documents..
- (iii) The Monitoring Agency reserves the right to disclose the information pertaining to the Proceeds Account or the transactions therein, on receipt of instructions from any statutory/regulatory authorities or any court order, and in such case, the Monitoring Agency undertakes to promptly notify the Company, of its receipt of any such instruction/restriction, unless such notification is prohibited by Applicable Law or order of the court.

#### **4.1.1 Public Offer Account**

- a) The Monitoring Agency shall also monitor the Public Offer Account for Offer related expenses retained in the Public Offer Account and as disclosed in the Prospectus.
- b) The Company shall deploy the Gross Proceeds in accordance with the SEBI ICDR Regulations and the Prospectus until the a) Net Proceeds are deployed towards the purposes as set out in the chapter titled "*Objects of the Offer*" in the Prospectus and b) the Offer Expenses are paid out as set out the chapter titled 'Objects of the Offer' in the Prospectus

#### **4.2 Information and documents to be shared by the Company**

- (i) The Company recognizes that compliance by the Monitoring Agency with the terms of the SEBI ICDR Regulations is dependent upon its furnishing to the Monitoring Agency, the requisite information/documents as and when required by the Monitoring Agency and the Company undertakes to provide all information/ documents requisitioned by ICRA not later than 7 (seven) business days from the date of seeking such information/documents by ICRA, or a time period as mutually agreed between the Parties.
- (ii) Within 7 business days of the last day of each financial quarter during the term of this Agreement, the Company shall (i) notify and inform the Monitoring Agency in writing as to the use of the Gross Proceeds and the Pre-IPO Proceeds, as applicable, during such preceding quarterly period, and (ii) furnish to the Monitoring Agency such documents, papers and information as may be required for enabling the Monitoring Agency to effectively monitor the utilization of the Gross IPO Proceeds and the Pre-IPO Proceeds, as applicable, during such quarterly period, including bank statements for the Proceeds Account, as mentioned in Clause 3.1, statement of usage of Gross proceeds and a certificate from the statutory auditor of the Company in a format acceptable to the Monitoring Agency. Further, if required by the Monitoring Agency, the Company will arrange for the certificate from a peer-reviewed chartered accountant or a lawyer or such other expert as may be considered expedient by the Monitoring Agency, within such number of days as required by the Monitoring Agency and as per the format acceptable to the Monitoring Agency.

- (iii) The Company shall promptly inform the Monitoring Agency if there is any deviation in the utilization of Gross Proceeds and the Pre-IPO Proceeds, as applicable, at any point in time during the term of this Agreement. The Company shall also promptly provide the Monitoring Agency with copies of any shareholders resolution, board resolution, and/or any other documents that evidence requisite corporate or other approval of such deviation, as may be required by the Monitoring Agency, and such deviation shall be reported by the Monitoring Agency in its report.

#### **4.3 Rights of the Monitoring Agency**

- (i) The Monitoring Agency shall have the right to inspect any and all records, registers, and accounts of the Company, as may be necessary for the purposes of carrying out its duties in accordance with the provisions hereof, provided that the Monitoring Agency has given at least 3 business days prior notice in writing to the Company for such inspection. The Monitoring Agency also reserves the right to appoint a peer-reviewed chartered accountant at the Company's cost, for carrying out the above activities.
- (ii) In addition to the requirement stated under Clause 4.4. below, the Monitoring Agency also reserves the right to consult a peer-reviewed chartered accountant, a lawyer/legal expert, a chartered engineer, or any other expert chartered engineer or any other expert (as far as practicable post intimation to the Company) for the purpose of carrying out its responsibilities and such experts shall be allowed by the Company to inspect all records, registers, accounts in connection therewith, with the cost of any such consultation and/or inspection to be borne by the Company.
- (iii) The Monitoring Agency shall rely on the information provided by the Company or obtained by the Monitoring Agency from third parties on behalf of the Company. The Monitoring Agency will not be obligated to independently verify, audit or validate any such information.
- (iv) The Monitoring Agency shall be at liberty to accept a certificate, statement or any other document as it deems appropriate, signed by any of the authorized signatories of the Company duly authorized and notified to the Monitoring Agency, as to any fact or matter prima facie within the knowledge of the Company, as sufficient evidence thereof, and the Monitoring Agency shall not be in any way bound in any case to call for further evidence or be responsible for any loss that may be occasioned by their failing to do so. The Monitoring Agency undertakes to perform such duties and only such duties as specified in the SEBI ICDR Regulations and no implied covenants or obligations shall be read into this Agreement against the Monitoring Agency.
- (v) The Monitoring Agency shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or power.
- (vi) The Monitoring Agency may rely on a resolution or certificate of the Company, certificate of statutory auditors / peer-reviewed chartered accountant appointed by the Company, any statement, certificate, document or paper of any bank in which the Company has account(s), or any other statement, instrument, opinion, due-diligence report, notice, request, direction, consent, order, appraisal or other reports, paper or document believed by it to be genuine and to have been signed or presented to it pursuant to this Agreement by the Company or any of

the persons authorized by the Company in this behalf or any other persons as may be authorized by the Company in writing from time to time.

- (vii) The Monitoring Agency shall comply with and obey all statutory notices, notices issued by the regulatory authority, orders, judgments, decrees or writs entered or issued by any court (unless stayed by a court of competent jurisdiction), and in the event the Monitoring Agency obeys or complies with any such statutory notices, notices issued by the regulatory authority, order, judgment, decree or writ of any court (unless stayed by a court of competent jurisdiction), it shall not be liable to the Company for the issuance of Monitoring Agency report (as defined hereunder) nor to any other person or entity by reason of such compliance, notwithstanding that it shall subsequently (after such compliance) be determined that any such statutory notices, notices issued by the regulatory authority, order, judgment, decree or writ is issued without jurisdiction or is invalid for any reason or is subsequently (after such compliance) reversed, modified, annulled or vacated.
- (viii) The Monitoring Agency may, in relation to these presents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant, or other expert appointed by the Company, and shall not be responsible for any loss or damages occasioned by so acting.
- (ix) The Monitoring Agency shall have no responsibility to verify the authenticity of any order of a competent body, court, or tribunal or any ruling of any arbitrator in proceedings between or concerning the Company or other parties and may rely in good faith and without any liability upon the contents thereof.
- (x) The Monitoring Agency shall fulfil such rights, duties, and obligations as may be required to be fulfilled by it in such capacity under the SEBI ICDR Regulations and Applicable Law, including the following:
  - (a) Delivering the quarterly monitoring agency report(s) [**"Monitoring Agency Report(s)"**], containing details of utilization in accordance with the Objects of the Offer set out under the Offer Documents , to the Company in the format prescribed in Schedule XI of the SEBI ICDR Regulations on a quarterly basis till 100% (hundred percent) of the Gross Proceeds and the Pre-IPO Proceeds, as applicable, have been utilized. For the preparation of the final Monitoring Agency Report for the relevant quarter, the Monitoring Agency may prior to the submission of such final Monitoring Agency Report, share the draft report with the Company to provide additional information or clarification(s) on the draft report, before finalizing the report. For the preparation of final Monitoring Agency Report for the relevant quarter, the Monitoring Agency may prior to the submission of such final Monitoring Agency Report, share the draft report with the Company to provide additional information or clarification(s) on the draft report, before finalising the report. In case no additional information is received from the Company, the Monitoring Agency may finalize the report;
  - (b) Taking such action and doing such other acts, deeds, or things as may be required under the provisions of the SEBI ICDR Regulations and as required by the BSE, NSE and the SEBI and/or in accordance with this Agreement.

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

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

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

- (i) The Company shall ensure that each quarterly Monitoring Agency Report is placed before the Board of Directors and Management of the Company for their comments on the findings of the Monitoring Agency as per Regulation 41(3) of SEBI ICDR Regulations.
- (ii) The Company, upon receipt of comments from the Board of Directors and Management of the Company, incorporate the same in the format as indicated in Schedule XI to the SEBI ICDR Regulations.
- (iii) The Company shall further ensure that, within 45 (forty-five) days from the end of each quarter, the final Monitoring Agency Report for such quarter is publicly disseminated by uploading it on its website as well as submitting the same to the stock exchanges.
- (iv) The Company shall ensure continued compliance with the SEBI ICDR Regulations and Regulation 32 of the SEBI LODR Regulations. In addition, the Company shall make all such disclosures and publications, as may be required including the intimation to the stock exchanges on which the Equity Shares of the Company are listed and disclosures on the Company's website and in the Company's annual report.
- (v) In addition to the above, the Company shall, at its sole cost (including but not limited to the cost of travel, boarding, and lodging of the officials of the Monitoring Agency), provide any and all necessary assistance and infrastructure that may be required by the Monitoring Agency in connection with the performance of its duties pursuant to the SEBI ICDR Regulations and this Agreement.
- (vi) The Company shall share all such information and documents as may be necessary and required by the Monitoring Agency. In case the Monitoring Agency is not satisfied with the responses or the representations, it reserves the right to issue a Monitoring Agency Report qualified by such disclaimers and limitations as the Monitoring Agency may deem fit and shall highlight its concerns along with reasons. The Company acknowledges that the Monitoring Agency also reserves the right to highlight any such concerns to SEBI.

### **5. REPRESENTATIONS, WARRANTIES AND COVENANTS**

- 5.1 As of the date of this Agreement, the Company represents and warrants to the Monitoring Agency that (which representations shall continue to be true and correct on each day during the currency of this Agreement):
- (i) this Agreement constitutes valid, legal, and binding obligations on it and is enforceable against it in accordance with the terms hereof;



- (ii) the execution, delivery, and performance of this Agreement and any other document related hereto by it has been duly authorized and do not and will not contravene any provisions of or constitute a default under (a) any law, regulation, judgment, decree, or order of any governmental authority, (b) its organizational documents, or (c) any other agreement instrument or undertaking to which it is a party or which is binding on it or any of its assets;
- (iii) the Company shall carry out its duties/ responsibilities under this Agreement and complete all the formalities required to be completed by it under this Agreement, within the specified time limits specified in this Agreement and as required under Applicable Law, including with respect to relevant statutes, rules, guidelines, regulations, circulars issued by SEBI, or a notice or circular issued by the stock exchange, etc.;
- (iv) the Company shall ensure that the Gross Proceeds and the Pre-IPO Proceeds, , are utilized for the purposes as set out in the Offer Documents and Clause 2.1 of this Agreement and acknowledges that the Monitoring Agency shall not be liable for the use or application or the veracity or viability of utilization by the Company of the Gross Proceeds and the Pre-IPO Proceeds, as applicable; and
- (v) the Company warrants that it has undertaken all reasonable due diligence in respect of the information disclosed/ to be disclosed with the Monitoring Agency, in terms of this Agreement and all such information is in all respects true, accurate, complete, and not misleading. The Company warrants that it has all legal rights and has obtained all consents necessary to disclose such information to the Monitoring Agency and that such information is not subject to any restrictions that would prevent the Monitoring Agency's use of such information in connection with its processes and services as a Monitoring Agency. The Company agrees that it is solely responsible and liable for the quality of such information.

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

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

- (v) the Monitoring Agency shall carry out its duties/ responsibilities under this Agreement and complete all the formalities required to be completed by it under this Agreement, within the specified time limits specified in this Agreement and as required under Applicable Law, including with respect to relevant statutes, rules, guidelines, regulations, circulars issued by SEBI, or a notice or circular issued by the stock exchange, etc.;

## **6. TERM, TERMINATION AND CONSEQUENCES OF TERMINATION**

6.1 Except as specified under this Agreement, this Agreement shall not be terminated by either of the Parties.

6.2 In the event of termination as may be required by law or SEBI or any rule or regulations or any other authority or government body, or pursuant to an order issued by any government, statutory, judiciary, regulatory, or any other authority, or pursuant to any permission granted to either Party by SEBI, the following shall take place;

- (i) The Party initiating the termination will need to inform the other Party in writing through a notice intimating the reason for termination. Unless otherwise required by law or regulations requiring such termination, the termination shall be effective after 30 days from the day the notice is served or the due date of publication of the next Monitoring Agency Report (which is 45<sup>th</sup> day from the end of the quarter as per the SEBI ICDR Regulations), whichever is later.
- (ii) A copy of the termination notice shall also be sent to the SEBI, by the Party initiating the termination.
- (iii) The Monitoring Agency shall promptly display on its website the receipt/ issuance of notice of termination of its formal agreement with the Company.
- (iv) The Monitoring Agency shall issue a report on the status of co-operation by the Company from the date of commencement of arrangement between the Company and the Monitoring Agency till the date of termination of such arrangement and share it with the Company.
- (v) The Company shall promptly inform its Board of Directors and the stock exchanges where securities of the Company are listed, immediately on issue/ receipt of the termination letter.

It is hereby clarified that the Monitoring Agency shall be responsible for monitoring the utilization of the Gross Proceeds and the Pre-IPO Proceeds, as applicable, from the Offer only from the calendar quarter (viz, a period of 3 calendar months, namely, January-March or April-June or July-September or October-December) immediately succeeding its appointment or date of the closure of the Offer, whichever is later. It is further clarified that ICRA shall not be responsible for providing any monitoring agency report for the quarters prior to its effective appointment.

6.3 This Agreement shall automatically terminate upon the issuance of the last Monitoring Agency Report by the Monitoring Agency upon utilization of 100% of the Gross Proceeds and the Pre-IPO Proceeds, as applicable, by the Company in accordance with the provisions

of the Prospectus and/or as per the terms of the Companies Act and/or Applicable Law hereof, and the Parties shall take such action as may be required under the SEBI ICDR Regulation.

- 6.4 Upon termination of the Agreement prior to utilization of 100% of the Gross Proceeds and the Pre-IPO Proceeds, as applicable, the Company shall appoint such other credit rating agency as the new monitoring agency for the purposes of monitoring the use of Gross Proceeds and the Pre-IPO Proceeds, as applicable, and on such terms and conditions as may be agreed to between the Company and the new monitoring agency. The Company shall ensure that the appointment of the new monitoring agency takes place immediately upon termination of the Monitoring Agency. The Monitoring Agency agrees that the Monitoring Agency shall continue to discharge its functions until this Agreement is terminated. On the appointment of a new monitoring agency, the Monitoring Agency shall extend all such support as may be required in terms of the SEBI ICDR Regulations and other Applicable Law towards taking over duties and responsibilities by the newly appointed monitoring agency as the monitoring agency, as required in terms of the SEBI ICDR Regulations and other Applicable Law, considering that the Company shall ensure that the appointment of the new monitoring agency takes place immediately upon termination of the Monitoring Agency being effective
- 6.5 Notwithstanding anything contained herein, the provisions of clauses 6 (*Term, Termination and Consequences of Termination*), 7 (*Limitation of Liabilities*), 8 (*Monitoring Agency Fee and Expenses*), 10 (*Indemnity*), 11 (*Warranty*), 12 (*Confidentiality*), 13 (*Disclaimer*), 15 (*Dispute Resolution*) and 18.6 (*Governing Law and Jurisdiction*) shall survive any termination of this Agreement.

## **7. LIMITATION OF LIABILITIES**

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

The Monitoring Agency undertakes to perform only such duties as are specifically set forth in this Agreement and as required under Applicable Laws

- 7.1 neither the Monitoring Agency nor its affiliates, third-party providers, or any of their respective directors, officers, shareholders, employees or agents, will be liable in contract, tort (including negligence), statutory duty or otherwise to anyone (including the Company, its affiliates and their respective directors, officers, shareholders, employees or agents, and any user of any Monitoring Agency Report issued under this Agreement) for any loss, liability, claim, injury or cost, whether direct or indirect and however caused (including by any contingency within or beyond the control of the Monitoring Agency or any of its affiliates, third-party providers, or any of their respective directors, officers, shareholders, employees or agents), arising from, in connection with, or in any way related to this Agreement (or any provision hereof) or the Monitoring Agency's services hereunder, including without limitation:
- i. the inability to issue any Monitoring Agency Report or monitor any Gross Proceeds and Pre-IPO Proceeds, as applicable, due to legislative, judicial or administrative decisions;
  - ii. the use or application or the veracity or viability of utilization by the Company of the Gross Proceeds and the Pre-IPO Proceeds, as applicable;

- iii. any compliance by the Monitoring Agency with any statutory notices, notices, directions, instructions or communications issued by regulatory authority, orders, judgments, decrees or writs entered or issued by any court;
- iv. the reliance by the Monitoring Agency on the due diligence conducted by statutory auditors and/or other experts retained by the Company and/or by the Monitoring Agency, as the case may be; or
- v. the reliance by Monitoring Agency on information/documents/statements of the Company, its statutory auditors, banks and/or other reliable third party sources, whether received from the issuer or such third party, and without any independent verification by the Monitoring Agency as to the authenticity, accuracy, completeness and/or truthfulness of any such information/documents/statements.

**7.2** in any event, the aggregate liability of the Monitoring Agency, its affiliates, third-party providers, or any of their respective directors, officers, shareholders, employees or agents, for any reason whatsoever related to this Agreement and/or the Monitoring Agency's services hereunder (inclusive of any Monitoring Agency Report issued hereunder) will not be more than the Monitoring Agency fee paid by the Company to the Monitoring Agency during the 12 (twelve) months prior to breach; provided that nothing in this Agreement attempts to limit or exclude the Monitoring Agency's liability for fraud, willful misconduct or any other type of liability that under the Applicable Law cannot be limited or excluded.

**7.3** In any event, the aggregate liability of the Company its affiliates, third-party providers, or any of their respective directors, officers, shareholders, employees or agents, for any reason whatsoever related to this Agreement hereunder will not be more than the Monitoring Agency Fee paid/payable by the Company, during the **12** months prior to breach; provided that nothing in this Agreement attempts to limit or exclude the Company's liability for gross negligence, fraud or wilful misconduct.

**7.4** It is hereby clarified that neither of the Parties shall be liable to the other party for any indirect, incidental, exemplary, special or consequential damages, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and/or opportunity costs arising out of or in connection with this Agreement and/or the Monitoring Agency's services hereunder (inclusive of any Monitoring Agency Report issued hereunder) or any use by anyone of all or any part of any Monitoring Agency Report issued hereunder, even if the other Party has been advised of the possibility of such damage.

Provided that nothing in this Agreement attempts to limit or exclude the Monitoring Agency's liability for fraud, wilful misconduct or any other type of liability that under the Applicable Law cannot be limited or excluded.

## **8. MONITORING AGENCY FEES AND EXPENSES**

**8.1** Simultaneously with the execution hereof, the Company shall pay to the Monitoring Agency an amount as mutually agreed between the Parties for its services as Monitoring Agency, in addition to reimbursement for all legal, traveling, and other costs, charges, and/or expenses which the Monitoring Agency or its officers, employees or agents may incur in relation to execution of this Agreement and/or the performance or discharge of the obligations of the Monitoring Agency under this Agreement. All payments by the Company to the Monitoring Agency under this Agreement shall be made on receipt of suitable invoices on a quarterly/yearly (strike out whatever is not applicable) basis for accounting and statutory

purposes. Such invoices shall also be considered valid under this Agreement and shall be in compliance with all the statutory rules or guidelines in relation to tax laws and/or other regulatory requirements for the time being in force.

- 8.2 Tax deducted at source ('TDS') as per the provisions of the Income-tax Act, 1961 shall be deducted on all payments made to the Monitoring Agency, and the Company will promptly submit the TDS certificate to the Monitoring Agency for such deduction.
- 8.3 The Company shall reimburse the Monitoring Agency for all costs, charges and expenses incurred by it in relation to the services provided by it under this Agreement, which will be billed separately as incurred.
- 8.4 All amounts required to be paid herein shall not include Goods and Services Tax, if any, payable by the Monitoring Agency and shall be payable separately by the Company.
- 8.5 In the event, that the Agreement is terminated prior to issuance of the final Monitoring Agency Report upon utilization of 100% of the Net Proceeds and the Pre-IPO Proceeds, as applicable, the Company shall pay the fee for the services performed by the Monitoring Agency up to the date of such termination. The Company shall be liable to make payment to the Monitoring Agency of all expenses incurred till the date of termination of this Agreement and the accrued fee on a pro-rata basis.

## 9. UNDERTAKING

The Company hereby undertakes:

- 9.1 to arrange for meetings of the Monitoring Agency's representatives, whenever required by them, with the Company's management, bankers, and statutory auditors and any other officials or third parties as may be required by the Monitoring Agency from time to time;
- 9.2 to inform the Monitoring Agency immediately of any developments or material events the occurrence of which would require the Monitoring Agency to take into account for the purpose of its monitoring activity hereunder; and
- 9.3 to share all information, documents, previous monitoring agency reports, if any, reasons for termination of arrangement with the previous monitoring agency (if applicable) and all other information and documents (whether or not related to any previous monitoring agency report/activity conducted for the Company) with the Monitoring Agency.

## 9. INDEMNITY

- 10.1 To the fullest extent permitted by Applicable Law, the Company shall indemnify, defend and hold harmless the Monitoring Agency, its officers, directors, employees, shareholders and agents (each an "**Indemnified Person**" and collectively, the "**Indemnified Persons**") and keep them fully indemnified against any and all costs, claims, losses, expenses, damages, liabilities and/or injury (including without limitation, legal fees and any third party claims [and/or any claims for any taxes payable by the Monitoring Agency]) ("**Losses**") of whatever nature (whether foreseeable or not) and however caused which any Indemnified Person shall suffer or incur directly or indirectly as a consequence of, arising from or in connection with:
  - (i) any inaccurate, untrue, or misleading information/document/certificate/statement shared by



the Company, its statutory auditors, bankers, advisors or other third parties on which Monitoring Agency may have relied for the purpose of the issuance of any Monitoring Agency Report; (ii) reliance on any Monitoring Agency Report(s) by anyone (inclusive of the Company, its affiliates or any third party investor or other user of any Monitoring Agency Report); (iii) reliance on or disclosure of Monitoring Agency's Confidential Information by the Company, its affiliates or by any third party that has directly or indirectly obtained Monitoring Agency's Confidential Information from the Company or its affiliates; (iv) any breach of this Agreement (inclusive of any Schedule hereto) by the Company including, without limitation, any breach of Company's confidentiality covenants hereunder; and (v) any unauthorized use or publication or misuse of any Monitoring Agency Report(s); provided however that, this indemnity shall not apply to any Losses suffered by an Indemnified Person to the extent such Losses are attributable to the willful misconduct or fraud of the Monitoring Agency.

- i. The Company shall indemnify and hold harmless the Monitoring Agency its officers, directors, employees, shareholders and agents (each an "Indemnified Person" and collectively, the "Indemnified Persons") against all costs, losses, expenses, damages, (including without limitation, legal fees payable by the Monitoring Agency) ("Losses") and which any Indemnified Person shall suffer or incur as a consequence of, or arising from (i) any inaccurate, untrue, or misleading information/document/certificate/statement shared by the Company, its statutory auditors, bankers, advisors or other third parties on which Monitoring Agency may have relied for the purpose of the issuance of any Monitoring Agency Report;(iv) Any breach of this Agreement (inclusive of any Schedule hereto) by the Company including, without limitation, any breach of Company's confidentiality covenants hereunder; and (vii) any unauthorized use or publication or misuse of any Monitoring Agency Report(s); provided however that, this indemnity shall not apply to any Losses suffered by an Indemnified Person to the extent such Losses are attributable to the wilful misconduct or fraud of the Monitoring Agency as may be finally determined by a court of competent jurisdiction

- 10.2 In case of breach of any representations, warranties or undertakings provided by the Monitoring Agency to the Company, any provision of law, regulations or order of any court or regulatory, statutory, judicial and/or administrative authority in relation to the monitoring agency activity or obligations provided under this Agreement by the Monitoring Agency and/or its representatives, officers, directors, or other persons acting on behalf of the Monitoring Agency, the Monitoring Agency shall, at its own cost and expense, indemnify, defend and hold the Company its Affiliates, directors, management or employees free and harmless from and against any direct losses, claims, damages actions, costs and expenses, including, court costs, to the extent directly attributable to the Monitoring Agency and arising out of such breach payable by the Monitoring Agency, provided further that the Monitoring Agency shall not be liable for any losses suffered by the Company arising out of fraud, gross negligence, or wilful misconduct on the part of the Company as may be finally determined by a court of competent jurisdiction.

This clause shall survive the termination of this Agreement and/or resignation of the Monitoring Agency.

## 10. WARRANTY

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

## 11. CONFIDENTIALITY

### 12.1 ICRA's Confidentiality Obligation.

- (i) "**Confidential Information**" means any information regarding the Company, the Offer, and/or related information being monitored by ICRA in terms of this Agreement that ICRA receives from the Company, or the Company's respective group companies or authorized agents in connection with ICRA's services hereunder, accompanied by a written notice specifying the confidential nature of such information. The term "Confidential Information" does not, however, include: (i) information that is or becomes publicly known other than by an act of ICRA in contravention of this Agreement; (ii) information in possession of ICRA prior to the execution of this Agreement; (iii) information that becomes available to ICRA from a third party; (iv) information developed independently by ICRA; (v) information that has been aggregated or transformed in such a way that it is no longer identifiable as relating to any individual issuer; or (vi) information that is approved in writing by the Company for public disclosure.
- (ii) ICRA shall retain any Confidential Information and not disclose the same to third parties outside of ICRA, but such retained Confidential Information will remain subject to the confidentiality obligations contained in this Agreement.
- (iii) ICRA may, however: (i) disclose Confidential Information as required by law, regulation, judicial or governmental order, subpoena or other legal process or as required by any governmental or regulatory authority including any self-regulatory organization, securities market, or exchange or, as requested by any governmental or regulatory authority including any self-regulatory organization, securities market or exchange; (ii) publish or otherwise make publicly available (including by press release) any Monitoring Agency Report(s) regarding any utilization of Net Proceeds and the Pre-IPO Proceeds, as applicable, of any Offer that incorporates Confidential Information; and (iii) disseminate aggregated or transformed information as permitted under Clause 12.1 (v) below. The Company confirms

that, to the best of its knowledge, there are no third parties whose rights would be adversely affected by any such publication or dissemination. ICRA reserves the right to use, publish, disseminate, or license others to use, publish or disseminate any information provided by the Company or its agents or advisors not deemed Confidential Information.

- (iv) Any UPSI of the Company shared by the Company or Company's respective group companies or authorized agents in connection with ICRA's services hereunder, shall be accompanied by a written notice specifying that such information as a UPSI and ICRA shall treat such UPSI in compliance with Applicable Laws. In case any information shared by the Company is not accompanied with such written notice stating that the shared information is a UPSI, ICRA shall not be obliged under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, to treat the same as a UPSI; provided, however, that in accordance with the SEBI (Credit Rating Agencies) Regulations, 1999 and relevant guidelines & circulars issued by the Reserve Bank of India ("RBI") and SEBI from time to time, ICRA shall treat all non-public information of the Company shared with ICRA in connection with ICRA's services hereunder on a confidential basis.
- (v) ICRA may aggregate and/or transform any information provided so that it cannot be associated with the Company, or any issuer and publish, distribute, or use such aggregated or transformed information as part of ICRA general business activities or any other materials, to the extent the same is in compliance with the Applicable Laws. It is further clarified that the Monitoring Agency may utilize the information and/ or such insights as it may have gained at any stage in the course of its activity as a Monitoring Agency, in its activity as a credit rating agency.

**12.2** Company's Confidentiality Obligations: The Company agrees to keep the provisions of this Agreement and any other non-public information with respect to the related monitoring activity(ies) disclosed by ICRA to the Company, confidential and not to disclose such provisions or information to any person or entity except: (i) to the Company's group companies, officers, directors, employees and agents; and (ii) as required by the Applicable Law, or at the request of any governmental authority having jurisdiction. The Company will be responsible for any failure by any of the Company's group companies, officers, directors, employees, or agents to comply with these confidentiality restrictions.

### **13. DISCLAIMER**

**13.1** Disclaimer of advice: ICRA is not: (a) providing an audit opinion or any financial, legal, tax, advisory, consultative, or business services; or (b) advising on structuring, drafting, or negotiating transaction documentation. The Company should take independent legal, tax, financial, and other advice when structuring, negotiating, and documenting transactions. The Company hereby agrees that neither the services provided by the Monitoring Agency in terms of this Agreement nor any discussions with ICRA's employees constitute advice on business operations.

**13.2** Disclaimer of Warranties: All information, including the monitoring services agreed to be provided hereunder and other communications provided by ICRA relating to the Company, this Agreement, the Offer, any issue, is provided "as is" and without representation or warranty of any kind; in particular, neither ICRA nor its agents make any representation or warranty, express or implied, as to the accuracy, timeliness, completeness, merchantability or fitness for any particular purpose of any such information or communication.

- 13.3** Not an 'Expert': A Monitoring Agency is neither construed to be nor acting under the capacity or nature of an 'expert' as defined under Section 2(38) of the Companies Act. The Monitoring Agency shall issue each Monitoring Agency Report in terms of this Agreement and SEBI ICDR Regulations solely in the capacity of a Monitoring Agency and the same shall not be construed to be an opinion of an expert, as in issuing such Monitoring Agency Report, the Monitoring Agency will rely on certificates, confirmations, and representations of reliable stakeholders such as statutory auditors, banks and other representatives of the Company.
- 13.4** 'Freedom of contract' - The Monitoring Agency and/or its affiliates shall be free to enter into other commercial transactions with the Company, including credit rating agency arrangement or other intermediary arrangement, provided the same is permitted under Applicable Laws. It is further clarified that each such arrangement will be considered mutually exclusive including the fee agreed for such services and other terms and conditions of such service/ arrangement, except as otherwise expressly set forth herein.
- 13.5** ICRA is an independent Monitoring Agency and may determine, apply, and amend its approach, processes, and procedures in its sole discretion from time to time provided the same is in line with the SEBI ICDR Regulations.
- 13.6** Neither ICRA nor any of its directors, officers, agents, and employees shall be deemed to be a trustee for or have any fiduciary relationship with the Company, or any other person. Where the Monitoring Agency has acted in accordance with SEBI's ICDR regulations and its Agreement with the Issuer, it shall be deemed to have acted as if instructed to do so by the Company.
- 13.7** The Monitoring Agency is an independent Monitoring Agency and may determine, apply and amend its approach, processes and procedures in its sole discretion from time to time provided the same are in line with the SEBI ICDR Regulations

#### **14. STAMP DUTY**

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

#### **15. DISPUTE RESOLUTION**

- 15.1** This Agreement shall be governed by, and shall be construed to be in accordance with, the laws of the Republic of India.
- 15.2** In the event of any grievance, difference, claim or dispute between the parties arising out of the activities under this Agreement, the parties will endeavour in the first instance to settle the dispute amicably through discussions between the parties involved within fifteen 15 calendar days of commencement of discussions (or such longer period that may be mutually agreed upon by the Parties to the Dispute in writing).
- 15.3** Any dispute arising between the Parties under this Agreement shall be resolved amicably by the Parties by harnessing the institutional mediation, conciliation and/or online arbitration

services offered by an independent arbitration institution in India which shall be mutually decided between the Parties

**15.4** If the dispute is not settled through mutual discussions / negotiations within 15 days of the commencement of negotiations or if the outcome of such discussions is not satisfactory, the parties shall :

(i) in accordance with the Master Circular for Online Dispute Resolution updated as of December 28, 2023, issued by SEBI bearing circular number SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/195 (“**ODR Circular**”) and by harnessing online conciliation and/or online arbitration as specified in the ODR Circular (“**Option 1**”);

**OR**

(ii) by harnessing the institutional mediation, conciliation, and/or online arbitration services offered by an independent arbitration institution in India which shall be mutually decided between the Parties (“**Option 2**”).

**15.5** The mediation/conciliation/arbitration proceedings shall be conducted under the Arbitration and Conciliation Act, 1996 (“**Arbitration Act**”) as per the ODR Circular or through an independent arbitration institution, as the case may be, in English language and the seat and venue of the proceedings shall be Mumbai or such other place as may be mutually decided between the Parties. Whereas the courts situated in Mumbai shall have exclusive jurisdiction.

**15.6** The Parties shall choose either Option 1 or Option 2 as mentioned above by striking the other left-out option at the time of execution of this Agreement. However, in the case of not exercising a specific choice, Option 1 shall be deemed to have been exercised by the Parties.

**15.7** The Parties shall bear costs incurred in the mediation/conciliation/arbitration as may be provided under the ODR Circular **OR** as per the rules framed by the independent arbitration institution in this regard.

**15.8** The disputing Party shall cooperate in good faith to expedite, to the maximum extent practicable, the conduct of any proceedings commenced pursuant to this Agreement.

## **16. AML REGULATION WARRANTY**

16.1 You represent and warrant that our services shall not at any time be used for or in connection with any activity or transaction that may contravene applicable anti-money laundering, counter-terrorism financing, or other laws (“**AML Regulations**”). You agree to provide (or cause to be provided to ICRA) all the information necessary to enable us to comply with AML Regulations. If we do not receive sufficient information to enable us to comply to our satisfaction with relevant legislation, we may be required to suspend or terminate the provision of services without notice and in such case, we will not be obliged to produce any work product or information developed by ICRA in connection with such services.

Additional information regarding the relationship between you and the entity making payment on your behalf (if applicable):



- (i) You agree and acknowledge that all fees for the Monitoring of the proceeds by ICRA shall be paid by you. You agree and acknowledge that we shall not accept payment of Fee from an entity unrelated to you except otherwise provided herein or agreed by ICRA in writing.
- (ii) Notwithstanding the above, ICRA reserves the right to refuse to accept any third-party payment at ICRA’s sole discretion. ICRA may require additional information regarding the identity of the entity making payment on your behalf, the relationship between you and this other entity, and/or the source of funds.
- (iii) In the event of any change in the information provided under this clause you agree to promptly notify ICRA about such change in writing.
- (iv) If any other entity is making or makes payment of Fee on your behalf, you agree to provide the following details:

Reasons for having another entity make payment on your behalf:	
Relationship between you and the entity making payment on your behalf:	
Name of the entity who will make payment of Fee on your behalf	

**17. HUMAN RIGHTS**

The Parties hereby agree –

- (i) to cultivate a work environment that promotes dignity, respect, and equal opportunity for all employees. The Parties commit to upholding labor rights, prohibiting forced labor and child labor, ensuring fair wages, providing safe working conditions, and respecting the right to freedom of association and collective bargaining;
- (ii) to conduct their operations in an environmentally sustainable manner, striving to minimize negative environmental impacts and actively contribute to combating climate change; and
- (iii) in case of human rights violations, to report, address, and collaborate in good faith to resolve any claims. They commit to continuously improving the promotion and protection of human rights within their operations.

**18. MISCELLANEOUS**

**18.1 Amendments**

No modification or amendment to this Agreement and no waiver of any of the terms or conditions hereof shall be valid or binding unless made in writing and duly executed by or on behalf of an authorized representative of both Parties. Notwithstanding the above, the

Monitoring Agency shall have the right to unilaterally amend the terms of this Agreement in case of any changes as mandated by SEBI and/or RBI or any other applicable statutory or regulatory authority, from time to time, and such amendment will be binding on both Parties.

## **18.2 Benefit of Agreement**

Except as otherwise expressly set forth herein, this Agreement is solely for the benefit of the Parties. Everyone comprising the Monitoring Agency is entitled to the benefit of all protective provisions in this Agreement. Nothing in this Agreement will give any person, except a successor, any legal or equitable right, remedy or claim.

## **18.3 Severability**

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

## **18.4 Waiver**

Notwithstanding anything contained in this Agreement, the Monitoring Agency may, from time to time, or at any time at its sole discretion, waive any term or condition of this Agreement without prejudice to the rights of the Monitoring Agency in respect of any subsequent breach thereof as long as the same is not in contravention of the terms of the SEBI ICDR Regulations.

## **18.5 Notices**

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

In the case of the Company:

Name: Patel Retail Limited

Address: Plot No. M-2, Anand Nagar, Additional MIDC, Ambernath (East) - 421506, Ambernath, Maharashtra, India

Phone No.: +91 7391043825

Email: cs@patelrpl.net

Attention:

In the case of the Monitoring Agency:

Name: ICRA LIMITED

Address: Floor, Electric Mansion, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025

Phone No.: 022-61693300

Email: shivakumar@icraindia.com

Attention: Mr. L Shivakumar

Provided that a Party may change its notice details upon giving a 5 days' notice to the other Party of the change. Any notice given under this Agreement shall, in the absence of earlier receipt, be deemed to have been duly given as follows:

- if delivered personally, upon delivery;
- if sent by post to an address within the same country, two (2) days after the date of posting;
- if sent by post to an address outside the country of dispatch, six (6) days after the date of posting; and
- if sent by email, the day after the email was successfully sent.

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

### **18.6 Governing Law and Jurisdiction**

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

### **18.7 Force Majeure**

Notwithstanding anything to the contrary in this agreement: the monitoring agency shall not in any event be liable for any failure or delay in the performance of its obligations hereunder if it is prevented from so performing its obligations due to any act of god, flood, drought, earthquake, landslide, hurricane, cyclone, typhoon, pandemic/epidemic, famine, fire, explosion, riots or civil disturbance, war (whether declared or undeclared), act of public enmity, terrorist act, military action, lockdown declared by government or regulatory order/ notification, other action of government/ other authorities, court order, or industry-wide/region-wide/ nation-wide strike, lockout, work-to-rule action, go slow or similar labor action, general failure of electricity or other supply, technical failure, accidental or mechanical or electrical breakdown, computer/network failure or any reason which is beyond the control of monitoring agency ("force majeure event"); in such case, the monitoring agency may in its sole discretion continue with the services or suspend or terminate the services and/or this agreement with no additional cost or liability to the monitoring agency; and in the event of suspension or termination of services and/ or this agreement by the monitoring agency on account of a force majeure event, monitoring agency shall be entitled to receive the fees accrued for the services provided in accordance with this agreement till the date of such suspension or termination.

### **18.8 Assignment**

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

### **18.9 Relationship**

This Agreement shall not be deemed to constitute a partnership joint venture or agent-principal relationship between the Parties. This Agreement will not be deemed to create any fiduciary

relationship between the Parties. It is agreed that the Parties are independent entities engaged in the conduct of their own businesses and that this Agreement is being entered into on a principal-to-principal basis.

#### **18.10 Effectiveness of Agreement**

This Agreement shall be effective on and from the date first hereinabove written as the date of execution and shall be in force till all of the Net Proceeds and the Pre-IPO Proceeds, as applicable, are utilized in accordance with this Agreement and the Prospectus or till the termination hereof as per the provision of this Agreement.

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

#### **SIGNED ON BEHALF OF ICRA**



[Rahul Patni \(Nov 29, 2024 12:29 GMT+5.5\)](#)

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Name: Mr. Rahul Patni  
Title: Associate Director

#### **SIGNED ON BEHALF OF THE COMPANY**



[Dhanji Patel \(Nov 29, 2024 12:37 GMT+5.5\)](#)

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Name: Mr. Dhanji Raghav ji Patel  
Title: Chairman & Managing Director