

**RELIGARE FINVEST LIMITED**  
**NOTICE TO THE 19<sup>TH</sup> ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 19<sup>th</sup> Annual General Meeting ('AGM') of the members of Religare Finvest Limited (the Company/ RFL) will be held at a shorter notice on Tuesday, May 27, 2014, at 2:30 P.M. at the registered office of the Company at D3, P3B, District Centre, Saket, New Delhi-110017 to transact the following businesses:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement of the Company for the financial year ended March 31, 2014 together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare final dividend on Preference Shares & Equity Shares for the financial year ended March 31, 2014.
3. To appoint a Director in place of -Ms. Kanchan Jain (DIN: 06532348) who retires from office by rotation and being eligible, offers herself for re-appointment.
4. To appoint a Director in place of Mr. Sunil Kumar Garg ( DIN: 01179441) who retires from office by rotation and being, eligible, offers himself for re-appointment.
5. To appoint M/s Price Waterhouse, Chartered Accountants (Firm Reg No:301112E) , as the Auditors of the Company to hold office from the conclusion of ensuing Annual General Meeting until the conclusion of next Annual General Meeting and fix their remuneration.

**SPECIAL BUSINESS**

**6. Appointment of Mr. H. Srikrishnan as Director**

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

**"RESOLVED THAT** Mr. H. Srikrishnan ( DIN: 00318563), who was appointed as an Additional Director by the Board of Directors with effect from June 27, 2013 in terms of Section 260 of the Companies Act, 1956 (corresponding to Section 161(1) of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, whose period of office shall be liable to determination by retirement of Directors by rotation."

**7. Borrowing powers of the Company under Section 180(1) (c) of the Companies Act, 2013**

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

**“RESOLVED THAT** in supersession of the earlier resolution passed under Section 293(1)(d) of Companies Act, 1956 at the Extra Ordinary General Meeting of the Company held on August 16, 2011, pursuant to Section 180 (1) (c) of the Companies Act, 2013 and the rules made thereunder (including statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with Circular No 04/2014 dated March 25, 2014 issued by Ministry of Corporate Affairs and all other applicable provisions, if any, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time any sum or sums of moneys which, together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rs. 20,000 Crore (Rupees Twenty Thousand Crores).

**8. Creation of charge on the property (ies) of the Company in regard to the borrowings of the Company under section 180(1) (a) of the Companies Act, 2013**

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

**“RESOLVED THAT** in supersession of the earlier resolution passed under Section 293(1)(a) of Companies Act, 1956 at the Extra Ordinary General Meeting of the Company held on May 10, 2013, pursuant to Section 180 (1) (a) of the Companies Act, 2013 and the rules made thereunder (including statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with Circular No 04/2014 dated March 25, 2014 issued by Ministry of Corporate Affairs and all other applicable provisions, if any, the consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof) to create mortgage, hypothecation and /or charge, assign receivables, in addition to the mortgages, hypothecations and/or charges created/to be created, receivables assigned by the Company, in such form and manner and with such ranking as to priority and for such time and on such terms as the Board may determine, all or any of the movable and /or immovable, tangible and/or intangible properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in certain events of default, in favour of the lender(s), agent(s), trustee(s) for securing the borrowings of the Company subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premium on pre-payment, remuneration of agent(s)/ trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation /fluctuation in the rates of exchange and all other monies payable by the Company in terms of loan agreement(s), heads of agreement(s), debenture trust deed or any other document entered into/to be entered into between the Company and the lender(s)/agent(s)/trustees, in respect of the said loans/borrowings/debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the lender(s)/ agent(s)/trustee(s).”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board is authorized to finalize, settle and execute such documents/deeds/writings/papers/agreements as may be required and to do all acts, deeds, matters and things, as it may in its absolute discretion deemed necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgage/charge as aforesaid and also to delegate all or any of the above powers to a Committee of Directors of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution”

**9. Remuneration to Mr. H. Srikrishnan, Director of the Company for Advisory and Consultancy service**

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

**“RESOLVED THAT** pursuant to Section 188(1) of the Companies Act, 2013 ('the Act') read with Companies (Meetings of Board & its Powers) Rules, 2014 and subject to Section 197, 198 of the Act and any other applicable provisions of the Act and the rules therein, the consent of the Company be and is hereby accorded to approve the Advisory Services Agreement between Religare Finvest Limited('the Company') and Mr. H Srikrishnan (DIN: 00318563), Non-Executive Director of the Company for availing advisory and consultancy services from Mr. Srikrishnan for a consideration not exceeding in aggregate one percent of the net profit of the Company for each financial year, as computed in the manner laid down in Section 198 of the Company Act, 2013, or any other statutory modification(s) or re-enactment thereof, in one or more tranches, and in accordance with the terms and conditions of the Advisory Services Agreement.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby severally authorized to sign, execute the said draft agreement including any addendum / modification to the original agreement on behalf of the Company and to do all such acts, deeds and things as may be deemed necessary to give effect to the above resolution.

**RESOLVED FURTHER THAT** a certified true copy of this Resolution be provided to all concerned under the hand of any Director or the Company Secretary of the Company”.

**10. Service Provider Agreement to be entered into between the Company and Vayana Private Limited under the provisions of Section 188 of the Companies Act, 2013**

To consider and, it thought fit, to pass with or without modification(s) the following resolution as a **Special resolution**:

**“RESOLVED THAT** pursuant to Section 188(1) of the Companies Act, 2013 ('the Act') read with Companies (Meetings of Board & its Powers) Rules, 2014 and any other applicable provisions of the Act, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to enter into Service Provider Agreement ("Agreement") with Vayana Private Limited (Vayana) for the availing of services from Vayana in relation to the Supply Chain Finance platform on the terms and conditions as specified in the Agreement pursuant to Section 102 (1) of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the transaction fee for Vayana be and is hereby approved for 0.15% of the amount of every transaction with a maximum of Rs.1, 00, 000,000 (Rupees Ten Crores Only) per annum.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to sign, execute the said agreement including any addendum / modification to the original agreement on behalf of the Company and to do all such acts, deeds and things as may be deemed necessary to give effect to the above resolution.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized sign, execute, negotiate and file all such forms, papers and documents with the Registrar of Companies, NCT of Delhi & Haryana and/or any other Statutory Authority (ies), as may be required and to do all such acts, deeds, things and matters including appointing attorney(s) or authorized representative(s), as may be considered necessary or expedient, to give effect to this resolution.

**RESOLVED FURTHER THAT** a certified true copy of this Resolution be provided to all concerned under the hand of any Director or the Company Secretary of the Company".

#### **11. Issuance of Non-Convertible Debentures during the Financial Year 2014-2015**

To consider and, it thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**

**"RESOLVED THAT** pursuant to Section 42 of the Companies Act, 2013('the Act') and Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions of the Act, Memorandum & Articles of Association of the Company, regulations issued by the Securities and Exchange Board of India ("SEBI") including the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the regulations prescribed by the Reserve Bank of India from time to time and other applicable provisions, if any, approval of the Company be and is hereby accorded to authorize Board to borrow up to Rs. 3500 Crores (Rupees Thirty Five Hundred Crores Only), subject to the limit approved Section 180(1)(c) of the Act, under in one or more tranches by issuing Non-Convertible Redeemable Debentures (NCDs) of various types, including Subordinated, Fixed Rate, Floating Rate, Zero Coupon, Market Linked Debentures and any other category of Debentures which may be defined as Non-Convertible Debentures on private or public placement, both unsecured or secured against such security (the "Security") and on such terms as hereinafter provided.

**RESOLVED FURTHER THAT** the Company may secure the redemption amount of the NCDs by creating charge on immovable property and / or any kind of other assets / property of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 71(5) of the Act, the Company may create mortgage over the immovable property of the Company by executing Debenture Trust Deed(s) and such other assets of the Company by executing deed of hypothecation and such other documents which shall be entered into by and between the Company and the Debenture Trustee(s) (the "Security Trustee") as appointed from time to time for all or each of the tranches for benefit of the holders of the NCDs.

**RESOLVED FURTHER THAT** the Company hereby authorizes the Security Trustee in whose favor the immovable property and / or other property is / are to be mortgaged / charged / hypothecated to exercise such powers as contained in the Debenture Trust Deed (s) / Deed of Hypothecation / any instrument creating charge in respect of the property on behalf of the Debenture Holders.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby severally authorized to act and decide on behalf of the Company and/or delegate the powers to Loan/Investment & Borrowing Committee of the Company in this regard in regard to the further terms of all the NCDs whether issued in one or more tranches and for each such tranche, to discuss, deliberate, negotiate, finalize and accept the terms as may be stipulated in the various security documents and agree to such changes and modifications as may be advised or required by the Security Trustee or the Credit Rating Agency and agree to such changes and modifications in the said terms as may be suggested from time to time and to do all such acts, deeds and things and further authorized to sign and execute all such agreements and documents as may be required, on behalf of the Company, in respect of the NCDs as a whole and/or for each tranche separately including but not limited to :

1. appoint eligible Rating Agency (ies) as the Credit Rating Agency to rate the NCDs to be issued, to negotiate and decided the terms and conditions of their appointment, to accept the ratings and to comply with the terms and conditions that may be laid down in respect of the ratings;
2. appoint any eligible trustee company as the Security Trustee, to hold upon trust the security for the benefit of the Debenture Holders and to negotiate and decide the terms and conditions of such appointment;
3. appoint legal counsel(s) in respect of transactions and to negotiate and decide the terms and conditions of such appointment;
4. appoint Registrar and Transfer Agent for NCDs and to negotiate and decide the terms and conditions of such appointment;
5. approve and authorize the issuance of Offer Document (information Memorandum) in respect of the NCDs to the potential offer;
6. decide the Opening and Closing Date for receiving application and deemed date(s) of allotment(s);
7. execute any agreement(s)/deed or any other documents as may be advised or required by the Debentures Trustee or Credit Rating Agency for each tranche;
8. apply to National Security Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") for the issuance of Letter(s) of Allotment / Debentures to the allottees in Dematerialized form;
9. apply with one or more recognized stock exchanges in India for listing of said NCDs under any tranche as may be decided;
10. take all such steps as may be necessary or expedient for the purpose of and pursuant to the issue and allotment of NCDs as required under the applicable provisions of Companies Act 2013 read with Companies(Share Capital and Debentures) Rules, 2014 and any other law in force

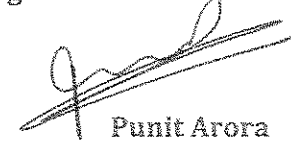
**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby severally authorized on behalf of the Company to delegate any/all of the powers mentioned herein above to any person under appropriate letter of authority or power of attorney as the case may be.

**RESOLVED FURTHER THAT** Common Seal of the Company, if required, may be affixed on the Instrument(s) in the presence of one Director and the Company Secretary/ any one of the above Officials of the Company

**RESOLVED FURTHER THAT** a certified true copy of this Resolution be provided to all concerned under the hand of Director(s) or Company Secretary of the Company”.

Place: New Delhi  
Date: May 27, 2014

By Order of the Board of Directors  
For Religare Finvest Limited



Punit Arora  
Company Secretary  
ACS 18880

D3, P3B, District Centre,  
Saket, New Delhi - 110017



**NOTES:**

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to Special Business at the AGM is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of member not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
3. Corporate Members intending to send their Authorized Representative to attend the Meeting are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM.
4. The Annual Report for the financial year ended March 31, 2014 containing, inter-alia, the Directors' Report, Auditors' Report and the audited financial statements are enclosed.
5. Members / Proxies should fill in the attendance slip for attending the AGM.
6. The Register of Directors and Key managerial Personnel and their shareholding will be available for inspection at the AGM.
7. The documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during business hours.
8. The final dividend on Preference Shares & Equity Shares as recommended by the Board of Directors for the year ended on March 31, 2014, when declared at the AGM will be paid to the members whose names appear : -
  - a. As beneficial owners as per list to be furnished by the Depositories in respect of the shares held in de-mat form as on the date of AGM; and / or
  - b. As members on the Register of Members of the Company as on the date of AGM
9. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their Demat accounts(s) dormant for long. Periodic statement of holding should be obtained from the concerned Depository Participant and holdings should be verified.
10. The Notice of the AGM and the Annual Report for the financial year ended 2014 will be available on the Company's website : [www.religareinvest.com](http://www.religareinvest.com).

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**ITEM NO. 6**

The Board of Directors of the Company in its meeting held on June 27, 2013 pursuant to the provision of Section 260 of the Companies Act, 1956 (corresponding to Section 161(1) of the Companies Act, 2013), appointed Mr. H. Srikrishnan as an Additional Director of the Company to hold office till the conclusion of ensuing Annual General Meeting.

The Company is in receipt of notice from a member under Section 160 of the Companies Act, 2013 along with the deposit fee of Rs. 1,00,000 (Rs. One Lac only) proposing his candidature as a Director of the Company.

The Board accordingly recommends the **ordinary resolution** set out at Item No. 6 for the approval of the Members.

None of the other Directors of the Company and Key Managerial Personnel (KMP) and their relatives are in any way concerned or interested in said Resolution, except Mr. H. Srikrishnan to the extent of his appointment.

**ITEM NO. 7**

The members in its extra-ordinary general meeting held on August 16, 2011 had authorised the Board of Directors of the Company to borrow up to Rs. 20,000 Crores (Rupees Twenty thousand crores only) under the provisions of Section 293(1)(d) of the Companies Act, 1956.

However, Section 180(1)(c) of the Companies Act 2013, corresponding to Section 293(1)(d) of the Companies Act, 1956 was made effective September 12, 2013. Further, as per Circular No 04/2014 issued by Ministry of Corporate Affairs (MCA) dated March 25, 2014, the Company is required to have the borrowing limit under Section 293(1)(d) of the Companies Act 1956 revalidated as per the Companies Act 2013 by September 12, 2014 by way of special resolution.

Accordingly, the Board recommends the proposed resolution set out at Item No. 7 for approval of members by way of a **special resolution**.

None of the Directors and KMPs of the Company and their relatives are in any way interested or concerned in the said Resolution.

**ITEM NO. 8**

The members in its extra-ordinary general meeting held on May 10, 2013 had authorised the Board of Directors of the Company to create mortgage and/or charge on its movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the



Company in favor of the lenders/agent(s)/trustees, regarded as disposal of the Company's undertaking(s) within the meaning of Section 293(1) (a) of the Companies Act, 1956.

However, Section 180(1)(a) of the Companies Act 2013, corresponding to Section 293(1)(a) of the Companies Act, 1956 was made effective September 12, 2013. Thereafter, MCA issued Circular No 04/2014 dated March 25, 2014 which prescribed that the approval of the members under Section 293(1)(a) of the Companies Act 1956 will be effective up to one year from the date of the Circular. Hence, the existing approval will require revalidation under the Companies Act 2013 by September 12, 2014 by way of special resolution.

Being in the interest of the Company, the Board, therefore, recommends the proposed resolution set out at Item No. 8 for approval of members by way of a **special resolution**.

None of the Directors and KMPs of the Company and their relatives are in any way interested or concerned in the said Resolution.

#### **ITEM NO. 9**

The Company keeping in view the challenges and intricacies involved in the financial sector desires to engage persons of appropriate and relevant experience in the financial services industry to advise the Company on the various strategical matters.

Further, the Board of Directors of the Company in its meeting held on June 27, 2013, had appointed Mr. H. Srikrishnan as an additional director. A veteran banking professional for 25 years, Mr. H Srikrishnan brings with him a plethora of experience in financial service sector along with an astute understanding of cutting edge banking technology and business processes.

Given his background & credentials, Mr. H. Srikrishnan is a suitable candidate to advise the company for strategy as well as on operational and tactical aspect involved in the financial section and hence the Company proposes to engage advisory and consultancy services of Mr. H. Srikrishnan.

In comparison, if the Company is to engage outside consultants say Mckinsey, Boston Consulting Group (BCG) for advising the company in financial service sector then the cost of engaging such big consultants would be substantially higher.

Further, as per Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board & its Powers) Rules, 2014 states that any transaction with a related party which is not in the ordinary course of business or not at an arms' length will need prior approval of the Board. Further, in case of a Company having a paid up capital of Rs. 10,00,00,000 (Rupees Ten Crores).

Mr. H. Srikrishnan being the Company's director is a related party as per Section 2(76) of the Act and availing advisory and consultancy services from Mr. Srikrishnan would mean a related part transaction under the purview of the Companies Act, 2013 and accordingly will need approval of the shareholders of the Company by way of a special resolution.

The details about the proposed contract according to Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board & its Powers) Rules, 2014 are given below:

**a) The name of the related party and nature of the relationship:**

Mr. H. Srikrishnan who is a director on the Board of Religare Finvest Limited.

**b) The nature, duration of the contact and particulars of the contracts:**

Given the challenges and intricacies involved in the financial sector, the Company desires to engage persons of appropriate and relevant experience in the financial services industry to advise the Company on the various strategical matters. For this purpose, the Company proposes to engage advisory and consultancy services of Mr. H. Srikrishnan, RFL Board Member who carries with himself a plethora of experience in financial service sector along with an astute understanding of cutting edge banking technology and business processes.

**c) The material terms of the contract or arrangement including the value:**

- i. The Agreement will come into effect on the date of execution and unless terminated earlier, will expire upon discharge of obligations of the parties under the Agreement. The Agreement may be terminated at any time by either of the Party, with or without cause, by the terminating party serving a notice of ten (10) days prior to the intended termination date of this Agreement.
- ii. The intellectual property rights in work done or created by Mr. Srikrishnan, (whether alone or with other employees or advisors of RFL), during the period for which the services are provided will belong to RFL and/or its affiliates (as applicable). Mr. Srikrishnan is also required to keep confidential all the information shared by RFL in relation to the services provided by Mr. Srikrishnan.
- iii. Mr. Srikrishnan will also indemnify RFL against any and all loss incurred by RFL, which is arising directly from or in connection with any fraud on the part of Mr. Srikrishnan during the tenure and in the course of his association with RFL as an advisor.
- iv. The courts of New Delhi have exclusive jurisdiction.

**d) any advance paid or received for the contract or arrangement**

No

**e) The manner of determining the pricing and other commercial terms**

The commercial terms will be keeping in view the cost benefit analysis if the Company were to engage outside consultants (McKinsey, Boston Consulting Group) for advising the company in financial service sector. The Company will save substantially if the services are availed from Mr. H Srikrishnan than from outside consultants.

- f) **Whether all factors relevant to the contract have been considered , if not, the detail of factors not considered with the rationale for not considering those factors:**

All the relevant factors have been considered

- g) **Any other information relevant or important for the Board to take a decision on the proposed transaction.**

No

Accordingly, the Board recommends the proposed resolution set out at Item No. 9 for the approval of members by way of **special resolution**.

Except Mr. H Srikrishnan, none of the Directors and KMPs of the Company and their relatives are in any way interested or concerned in the said Resolution.

#### **ITEM NO. 10**

The Company proposes to engage in the business of Supply Chain Finance (SCF) and for which identified Vayana Private Limited ('Vayana') as the supplier of the services for the proposed line of business for the Company.

Vayana Private Limited provides a collaborative supply chain financing network providing last mile connectivity to SME's, Corporates and FI's. Further, Vayana is a related party of the Company as per Section 2(76) of the Companies Act, 2013('the Act'),

Therefore, any transaction, not being in the ordinary course of business with Vayana will require prior approval of the members under special resolution as per provisions of Section 188 of the Act read with Companies (Meetings of Board & its Powers) Rules, 2014.

The details about the proposed contract according to Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board & its Powers) Rules, 2014 are given below:

- a) **Name of the related party and nature of the relationship:**

Vayana Private Limited. Mr. H. Srikrishnan who is a director on the Board of Vayana is also an independent director of RFL.

- b) **The nature, duration of the contact and particulars of the contracts:**

The contract is for connecting corporates and SMES by providing platform services. In terms of the contract, both the corporate (which will be RFL's customer) and the SMES will be on the platform. This would facilitate funding of transactions as upon acceptance of the invoice by the corporate on the Vayana Platform for the goods purchased from the SMES, RFL will fund the SMES. The Contract will come into effect upon execution and will remain in force unless terminated by either party as per the terms of the contract.

- c) **The material terms of the contract or arrangement including the value**

- i. The Agreement will come on effect on the date of execution and remain effective unless terminated by either party. Each party has a right to terminate the agreement a) by giving a written notice of 30 days or b) in case of breach of any provision of the agreement, if such breach is not rectified by the breaching party within 7 days of being notified of occurrence of such breach.
- ii. As regards indemnification, Vayana has unlimited indemnity for a third party claim, for breach/ non-performance/ inadequate performance of its obligations under the agreement, any acts of error, misconduct and misfeasance. For any software malfunction or any security breach which is attributable to Vayana. Vayana' liability is limited to Rs. 100,000 or the total fees payable to Vayana, at the time at which the liability arises, whichever is higher. Neither party is liable for any consequential, indirect, incidental, special or punitive damages.
- iii. The courts of Chennai, Tamil Nadu have exclusive jurisdiction. Any dispute between the Vayana and RFL can be referred to arbitration to be held in Chennai, Tamil Nadu and to be conducted in accordance with Arbitration and Conciliation Act, 1996. The arbitration is to be conducted by a sole arbitrator, appointed jointly by the parties.
- iv. With respect to RFL's data, Vayana has given various undertakings and representations regarding maintaining confidentiality of data and adopting adequate measures to ensure data security and data privacy.
- v. The arrangement between RFL and Vayana is exclusive to the extent that supply chain funding will be done by RFL on the Vayana Platform only, for any customer introduced to RFL by Vayana.
- vi. Further, each party has agreed to not offer employment or employ any person engaged by the other party, who was engaged directly or indirectly in providing services on the Vayana platform, for the term of the agreement and for a period of 12 months after termination of the agreement.

**d) Any advance paid or received for the contract or arrangement;**

No advance has been paid or received.

**e) The manner of determining the pricing and other commercial terms**

Pricing is determined on per transaction basis. The fee shall be 0.15% of value of each transaction with a maximum of Rs.10,00,00,000 (Rs. Ten Crores Only) per annum.

Vayana is charging similar fee from other customers namely Corporation Bank, Indian Overseas Bank (IOB), Capital Float and IDFC.

**f) Whether all factors relevant to the contract have been considered , if not, the detail of factors not considered with the rationale for not considering those factors:**

All the relevant factors have been considered.

g) Any other information relevant or important for the Board to take a decision on the proposed transaction.

No.

The Board recommends the proposed resolution set out at Item No. 10 for approval of members by way of a **special resolution**.

Except Mr. H Srikrishnan, none of the Directors and KMPs of the Company and their relatives are in any way interested or concerned in the said Resolution.

**ITEM NO. 11**

The provisions of Section 42 of the Companies Act, 2013 read with Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014, state that every offer or invitation to subscribe to securities (which includes debentures) of the Company on a privately placed basis will require the prior approval of the members by a Special Resolution for each of the offers or invitations.


However, for the issuance of non-convertible debentures on a private placement basis, a one-time prior approval of the members in a year for all the offers or invitations of non-convertible debentures during the year will be sufficient for the purpose of this Section.

Accordingly, the Board recommends the proposed resolution set out at Item No.11 for the approval of members by way of **special resolution**.

None of the Directors and KMPs of the Company and their relatives are in any way interested or concerned in the said Resolution.

Place: New Delhi  
Date: May 27, 2014

By Order of the Board of Directors  
For Religare Finvest Limited

  
Punit Arora  
Company Secretary  
ACS 18880

D3, P3B, District Centre,  
Saket, New Delhi - 110017

