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Government of Punjab

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Certificate No. : IN-PB43375149014978V
Certificate Issued Date : 23-Sep-2023 01:04 PM
Certificate Issued By : pbakvema
Account Reference : NEWIMPACC (SV)/ pb7091004/ JALANDHAR/ PB-JL
Unique Doc. Reference : SUBIN-PBPB709100488125476530128V
Purchased by : CAPITAL SMALL FINANCE BANK LTD
Description of Document : Article 25 Counterpart or Duplicate
Property Description : Not Applicable
Area of Property : Not Applicable
Consideration Price (Rs.) : 0
 (Zero)
First Party : CAPITAL SMALL FINANCE BANK LTD
Second Party : LINK INTIME INDIA PRIVATE LIMITED AND OTHERS
Stamp Duty Paid By : CAPITAL SMALL FINANCE BANK LTD
Stamp Duty Amount(Rs.) : 100
 (One Hundred only)
Social Infrastructure Cess(Rs.) : 0
 (Zero)
Total Stamp Duty Amount(Rs.) : 100
 (One Hundred only)



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INDIA NON JUDICIAL Government of Punjab

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Certificate No. : IN-PB43375637213898V
Certificate Issued Date : 23-Sep-2023 01:05 PM
Certificate Issued By : pbakvema
Account Reference : NEWIMPACC (SV)/ pb7091004/ JALANDHAR/ PB-JL
Unique Doc. Reference : SUBIN-PBPB709100488124407275373V
Purchased by : CAPITAL SMALL FINANCE BANK LTD
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Stamp Duty Amount(Rs.) : 100
 (One Hundred only)
Social Infrastructure Cess(Rs.) : 0
 (Zero)
Total Stamp Duty Amount(Rs.) : 100
 (One Hundred only)



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DATED SEPTEMBER 28, 2023

SHARE ESCROW AGREEMENT

BY AND AMONGST

CAPITAL SMALL FINANCE BANK LIMITED

AND

THE SELLING SHAREHOLDERS

AND

LINK INTIME INDIA PRIVATE LIMITED

TABLE OF CONTENTS

1. DEFINITIONS	3
2. APPOINTMENT OF THE SHARE ESCROW AGENT AND ESTABLISHMENT OF ESCROW DEMAT ACCOUNT.....	8
3. DEPOSIT OF OFFERED SHARES AND ESCROW TERM.....	9
4. OWNERSHIP OF THE OFFERED SHARES	10
5. OPERATION OF THE ESCROW DEMAT ACCOUNT	11
6. REPRESENTATIONS AND OBLIGATIONS OF THE SHARE ESCROW AGENT	13
7. INDEMNITY AND LETTER OF INDEMNITY	15
8. TERMINATION	16
9. CLOSURE OF THE ESCROW DEMAT ACCOUNT	17
10. GENERAL	17
SCHEDULE A	30
SCHEDULE B	32
SCHEDULE C	ERROR! BOOKMARK NOT DEFINED.
SCHEDULE D	35
SCHEDULE E	37
SCHEDULE F	38
SCHEDULE G	39
SCHEDULE H	47
SCHEDULE I	50
SCHEDULE J.....	52
SCHEDULE K.....	53
SCHEDULE K1	55
SCHEDULE L	56
SCHEDULE M	57

SHARE ESCROW AGREEMENT

This **SHARE ESCROW AGREEMENT** (the “**Agreement**”) is entered into on September 28, 2023 at Jalandhar, by and amongst:

CAPITAL SMALL FINANCE BANK LIMITED, a company incorporated under the Companies Act, 1956 as amended and having its registered office at, Midas Corporate Park, 3rd Floor, 37, G.T. Road, Jalandhar 144 001, Punjab, India, hereinafter referred to as the “**Bank**”, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors-in-interest and permitted assigns, of the **FIRST PART**;

AND

Entities (as defined below) listed out in **Schedule A – Part A**, hereinafter referred to as the “**Investor Selling Shareholders**”, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns, of the **SECOND PART**;

AND

Persons (as defined below) listed out in **Schedule A – Part B**, hereinafter referred to as the “**Other Selling Shareholders**”, represented by their power of attorney holders, Mr. Munish Jain, Chief Operating Officer and Chief Financial Officer and Mr. Amit Sharma, Company Secretary and Compliance Officer, officials of the Bank, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include their legal heirs, administrators, executors and permitted assigns, of the **THIRD PART**;

AND

LINK INTIME INDIA PRIVATE LIMITED, a company incorporated under the Companies Act, 1956 as amended, and having its registered office at C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra, India (hereinafter referred to as the “**Share Escrow Agent**”), which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns, of the **FOURTH PART**.

In this Agreement, the Share Escrow Agent, the Bank, the Investor Selling Shareholders and Other Selling Shareholders are hereinafter individually referred to as a “**Party**” and collectively as “**Parties**”. The Investor Selling Shareholders and the Other Selling Shareholders are collectively referred to as the “**Selling Shareholders**” and individually as a “**Selling Shareholder**”;

WHEREAS:

- (A) The Bank hereto proposes to undertake an initial public offering of equity shares of face value of ₹10 (the “**Equity Shares**”) each of the Bank (the “**Offer**”), comprising a fresh issue of Equity Shares by the Bank (“**Fresh Issue**”) and an offer for sale of Equity Shares held by the Selling Shareholders, as set out in Schedule A of this Agreement (“**Offer for Sale**” and such Equity Shares, the “**Offered Shares**”) in accordance with the Companies Act, 2013, as amended, including any rules, regulations, clarifications and modifications thereto (“**Companies Act**”), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”) and other Applicable Laws (as defined herein), at such price as may be determined by the Bank in consultation with Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited), DAM Capital Advisors Limited¹ and Equirus Capital Private Limited (together, the “**Book Running Lead Managers**” or the “**BRLMs**”) through the book building process under the Schedule XIII of the SEBI ICDR Regulations (the “**Offer Price**”). The Offer shall include offers: (i) within India, to investors who are not U.S. persons and not persons acquiring for the account or benefit of U.S. persons, in “offshore transactions”, as defined in and in reliance on Regulation S (“**Regulation S**”) under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), (ii) outside the United States to investors that are not U.S.

¹ In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 and Regulation 23(3) of the SEBI ICDR Regulations, DAM Capital Advisors Limited will be involved only in marketing of the Offer. DAM Capital Advisors Limited has signed the due diligence certificate and has been disclosed as BRLM for the Offer.

persons nor persons acquiring for the account or benefit of U.S. persons, in “offshore transactions” as defined in and in reliance on Regulation S, and in each case in accordance with the Applicable Law of the jurisdictions where such offers and sales occur. The Offer may also include allocation of Equity Shares to certain Anchor Investors, in consultation with the Book Running Lead Managers, on a discretionary basis, in accordance with the SEBI ICDR Regulations. The Bank may, in consultation with the BRLMs consider a further issuance of specified securities, of up to 20% of the Fresh Issue or such other amount as may be allowed under applicable law for cash consideration, after filing of the DRHP with SEBI but prior to filing of the Red Herring Prospectus (as defined below) with the RoC (“**Pre-IPO Placement**”). The Pre-IPO Placement, if undertaken, will be at a price to be decided by the Bank in consultation with the BRLMs. If the Pre-IPO Placement is undertaken, the size of the Fresh Issue will be reduced to the extent of the Pre-IPO Placement subject to the Offer complying with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957.

- (B) The board of directors of the Bank (the “**Board of Directors**”), pursuant to a resolution dated August 11, 2023, have approved and authorized the Offer. Further, the shareholders of the Bank pursuant to a special resolution adopted pursuant to Section 62(1)(c) of the Companies Act, have approved the Fresh Issue at the extraordinary general meeting held on September 25, 2023.
- (C) The Bank proposes to file a draft red herring prospectus with the Securities and Exchange Board of India (“**SEBI**”), BSE Limited and National Stock Exchange of India Limited (together, “**Stock Exchanges**”) in accordance with the SEBI ICDR Regulations and subsequently, after incorporating comments and observations received from SEBI, the Bank proposes to file a red herring prospectus issued with respect to the Offer and upon successful completion of the Book Building Process, a prospectus issued with respect to the Offer, with the Registrar of Companies, Punjab and Chandigarh at Chandigarh (“**Registrar of Companies**” or “**RoC**”), the Stock Exchanges and SEBI in accordance with the Companies Act and the SEBI ICDR Regulations.
- (D) The Bank vide its communication dated July 14, 2023 had invited its shareholders to participate in the Offer for Sale (“**Letter of Participation**”), whereby the shareholders of the Bank were required to express their interest to offer their shares in the Offer. The Bank has received confirmation for participation in the Offer for Sale from the Selling Shareholders as set out in Schedule A. Subsequently, the Bank has shared the relevant drafts of the documentation required from the Selling Shareholders by communication date July 22, 2023 and the details of the share escrow account by communications dated, August 31, 2023 and September 13, 2023.
- (E) Each of the Investor Selling Shareholders has, severally and not jointly, authorised its participation in the Offer for Sale pursuant to its consent letter and resolutions listed out in Schedule A – Part A.
- (F) Each of the Other Selling Shareholders have, severally and not jointly, authorised their participation in the Offer for Sale pursuant to their respective consent letters listed out in Schedule A – Part B.
- (G) The Other Selling Shareholders have each provided a duly executed and valid power of attorney in favour of Mr. Munish Jain, Executive Director and Chief Financial Officer and Mr. Amit Sharma, Company Secretary and Compliance Officer, officials of the Bank to enter into this Agreement and any amendments thereto and provide such instructions, consents, confirmations, declarations, undertakings and indemnity, as may be required and to take decisions on their behalf in relation to the Offer.
- (H) Pursuant to the proposal dated July 14, 2021 read with email dated July 13, 2023, the Bank has appointed Link Intime India Private Limited as the Registrar to the Offer (“**Registrar**”).
- (I) Each of the Other Selling Shareholders have agreed to deposit their respective Equity Shares as specified in **Schedule B** in the Escrow Demat Account for the purpose of being offered pursuant to their respective portions of the Offer for Sale (“**Other Selling Shareholders Offered Shares**”), which are being held in escrow in accordance with the terms of this Agreement.
- (J) Each of the Investor Selling Shareholders have agreed to deposit their respective Equity Shares as specified in **Schedule B** on their respective Deposit Dates for the purpose of being offered pursuant to the Offer for Sale (the “**Investor Selling Shareholders Offered Shares**” and together with Other Selling Shareholders Offered Shares, “**Offered Shares**”) in escrow in accordance with the terms of this Agreement.

- (K) Subject to the terms of this Agreement, the Offered Shares are proposed to be transferred to the demat accounts of the successful Bidders (i) in terms of the Basis of Allotment approved by the Designated Stock Exchange (as defined hereinafter), in accordance with Applicable Law, and (ii) with respect to Anchor Investors, made on a discretionary basis as determined by the Bank, in consultation with the BRLMs, or such other arrangement as set out in the Offer Agreement, in accordance with the SEBI ICDR Regulations, and any other Applicable Law.
- (L) Subject to the terms of this Agreement, the Selling Shareholders have, severally but not jointly, agreed to authorise and appoint Link Intime India Private Limited to act as the Share Escrow Agent to the Offer and deposit the respective portions of the Offered Shares into an escrow account(s) opened by Link Intime India Private Limited with the Depository Participant. The Bank, in consultation with the BRLMs has consented to such appointment and Link Intime India Private Limited has provided its consent to act as the Share Escrow Agent to the Offer. The Share Escrow Agent confirms that it has read and fully understands the SEBI ICDR Regulations, the Companies Act, the SEBI Master Circular for Registrars to an Issue and Share Transfer Agents, dated May 17, 2023 (“**SEBI RTA Master Circular**”) and all the other relevant circulars, notifications, guidelines and regulations issued by the SEBI and other applicable laws, in so far as they are applicable to its scope of work undertaken pursuant to the Agreement and is fully aware of its obligations, duties and responsibilities and the consequences of any default on its part.

NOW, THEREFORE, in consideration of the premises and mutual promises, agreements and covenants contained in this Agreement, and for good and valuable consideration, the sufficiency of which is hereby acknowledged by the Parties, each of the Parties hereby agrees as follows:

1. DEFINITIONS

- 1.1 All capitalized terms used in this Agreement, including the recitals, shall, unless specifically defined herein, have the meanings assigned to them in the Offer Documents (as defined below), as the context requires. In the event of any inconsistencies or discrepancies, the definitions in the Offer Documents shall prevail, to the extent of any such inconsistency or discrepancy. The following terms shall have the meanings ascribed to such terms below:

“**Affiliate**” with respect to any Party means (a) any other person that, directly or indirectly, through one or more intermediaries, Controls, or is Controlled by or is under common Control with such Party, (b) any other person which is a holding company, subsidiary or joint venture of such Party, and/or (c) any other person in which such Party has a “significant influence” or which has “significant influence” over such Party, where “significant influence” over a person is the power to participate in the management, financial, or operating policy decisions of that person, but is less than Control over those policies and shareholders beneficially holding, directly or indirectly, through one or more intermediaries, a 20% or more interest in the voting power of that person are presumed to have a significant influence over that person. For purposes of this definition, (i) the terms “holding company” and “subsidiary” have the meanings set out in Sections 2(46) and 2(87) of the Companies Act, 2013. For avoidance of doubt, the Promoters and members of the Promoter Group are deemed to be Affiliates of the Bank. The terms “Promoter” and members of the “Promoter Group” have the respective meanings set forth in the Offer Documents. None of the Investor Selling Shareholders or their respective affiliates will be considered as Affiliates of the Bank or other Party in terms of this Agreement. Notwithstanding the above, for the purposes of this Agreement, the Affiliates of an Investor Selling Shareholder shall only mean and refer to any entity controlled by such Investor Selling Shareholder. Any investee companies in respect of the Investor Selling Shareholders, which are not in control of the Investor Selling Shareholder shall not be considered “Affiliates” of such Investor Selling Shareholder;

“**Agreement**” shall mean this agreement entered into between the Parties as of the date hereof, and shall include reference to any amendments thereto;

“**Allot**” or “**Allotment**” or “**Allotted**” means, unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the respective portion of the Offered Shares pursuant to the Offer for Sale to the successful Bidders;

“Allotment Advice” shall mean a note or advice or intimation of Allotment sent to all Bidders who have been or are to be Allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange;

“Allottee” shall mean a successful Bidder to whom the Equity Shares are Allotted;

“Anchor Investor” shall mean a Qualified Institutional Buyer, who applies under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 100 million;

“Applicable Law” means any applicable law, bye-law, rule, regulation, guideline, circular, order, notification, rule, order or decree of any court or tribunal or any arbitral authority, or directive, delegated or subordinate legislation, as may be in force and effect during the subsistence of this Agreement issued by any Governmental Authority in any applicable jurisdiction, inside or outside India, including any applicable securities law in any relevant jurisdiction, regulations, circulars, directives, and notifications issued thereunder, the Banking Regulation Act, 1949, the Reserve Bank of India’s Guidelines, the Securities and Exchange Board of India Act, 1992, United States Securities Act of 1933, the Securities Contracts (Regulation) Act, 1956, the Foreign Exchange Management Act, 1999, the Companies Act, 1956 (wherever applicable), the Companies Act, 2013, and the rules and regulations issued thereunder, each, as amended, including the SEBI ICDR Regulations, the Listing Regulations, and the guidelines, instructions, rules, directions, notifications, communications, orders, circulars and regulations issued by any Governmental Authority;

“Arbitration Act” shall have the meaning given to such term in Clause 10.5 of this Agreement;

“Bank Notification” shall have the meaning given to such term in Clause 3.1 of this Agreement;

“Basis of Allotment” shall mean the basis on which the Equity Shares will be Allotted to successful Bidders under the Offer;

“Bid cum Application Form” shall mean the application form used by a Bidder to make a Bid (which, unless expressly provided, includes a Bid cum Application Form submitted by an ASBA Bidder, as applicable) and which will be considered as the application for Allotment for the purposes of the Red Herring Prospectus, the Prospectus, the Preliminary Offering Memorandum and the Offering Memorandum, as may be applicable;

“Bidder” means any prospective investor who makes a Bid, pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, includes an Anchor Investor;

“Board of Directors” has the meaning attributed to such term in the recitals of this Agreement;

“Book Running Lead Managers or BRLMs” shall have the meaning given to such term in Recital (A) of this Agreement;

“Bid/ Offer Closing Date” means except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●], a Punjabi daily newspaper with wide circulation (Punjabi being the regional language of Punjab, where our Registered and Corporate Office is located).;

“Companies Act” or **“Companies Act, 2013”** means Companies Act, 2013, as amended, along with the relevant rules and clarifications issued thereunder;

“Confidential Information” shall have the meaning given to such term in Clause 10.11(i) of this Agreement;

“Control” shall, have the meaning attributed to such term under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended, and the terms **“Controlling”** and **“Controlled”** shall be construed accordingly;

“**Corporate Action Requisition**” shall mean the instructions duly signed by the Bank, in the format as provided by the Share Escrow Agent (procured from the Depository), along with supporting documentation listed in **Schedule M**, as applicable, authorizing the Depository(ies) to debit the Sold Shares from the Escrow Demat Account and credit such Sold Shares to the demat account(s) of the Allottees in relation to the Offer;

“**Closing Date**” shall mean the date on which the Equity Shares are Allotted in the Offer in accordance with the Basis of Allotment approved by the Designated Stock Exchange, in accordance with Applicable Law.

“**Deposit Date**” shall in the case of Other Selling Shareholders mean the date of transfer of their respective portion of Equity Shares to the Escrow Demat account prior to or on September 28, 2023, or such other period as may be discussed among the Bank, the BRLMs the Share Escrow Agent and the Other Selling Shareholders, (in no event later than one working day prior to the tentative date of filing of the Red Herring Prospectus by the Bank with the RoC) and in the case of Investor Selling Shareholders means one working day prior to the tentative date of filing of the Red Herring Prospectus by the Bank with the RoC as set out in the Bank Notification or such other period as may be agreed among the Bank, the BRLMs the Share Escrow Agent and the Investor Selling Shareholders, as applicable;

“**Depositories**” shall mean the National Securities Depository Limited and the Central Depository Services (India) Limited;

“**Designated Date**” shall mean the date on which funds are transferred from the Escrow Demat Account and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, upon the finalisation of the Basis of Allotment, approved by the Designated Stock Exchange;

“**Designated Stock Exchange**” shall mean have the same meaning as set out in the Offer Documents;

“**Dispute**” shall have the meaning given to such term in Clause 10.5 of this Agreement;

“**Disputing Parties**” shall have the meaning given to such term in Clause 10.5 of this Agreement;

“**Draft Red Herring Prospectus**” shall mean the draft red herring prospectus to be filed with SEBI in terms of the SEBI ICDR Regulations and Companies Act, 2013 and which does not contain complete particulars of the Offer, including any addenda or corrigenda thereto;

“**Drop Dead Date**” shall mean such date after the Bid/Offer Closing Date not exceeding three Working Days from the Bid/Offer Closing Date, as may be mutually agreed by the Bank and the BRLMs;

“**Equity Shares**” shall have the meaning given to such term in Recital (A) of this Agreement;

“**Cash Escrow and Sponsor Bank Agreement**” shall mean the agreement to be entered into amongst the Bank, the Selling Shareholders, the BRLMs, the Syndicate Members, the Bankers to the Offer and the Registrar to the Offer, *inter alia*, for collection of the Bid Amounts from the Anchor Investors, transfer of funds to the Public Offer Account and where applicable, remitting refunds of the amounts collected from the Anchor Investors, on the terms and conditions thereof;

“**Escrow Demat Account**” shall mean the common dematerialized account opened by the Share Escrow Agent with the Depository(ies) to keep the Offered Shares in escrow in terms of this Agreement;

“**Event of Failure**” shall have the meaning given to such term in Clause 5.3;

“**Fresh Issue**” shall have the meaning given to such term in Recital (A) of this Agreement;

“**Governmental Authority**” shall include SEBI, the Stock Exchanges, the RoC, the RBI, and any national, state, regional, or local government or governmental, regulatory, statutory, administrative, fiscal, taxation, judicial or government-owned body, department, commission, authority, court, arbitrator, tribunal, agency or entity, in India or outside India;

“**SEBI ICDR Regulations**” shall have the meaning given to such term in Recital (A) of this Agreement;

“**IPO Committee**” shall mean the IPO committee of the Board of Directors;

“**Indemnified Party**” shall have the meaning given to such term in Clause 7.1;

“**Investor Selling Shareholder**” shall have the meaning given to such term in the Preamble;

“**Investor Selling Shareholder Demat Accounts**” shall mean the respective Selling Shareholder Demat Accounts of the Investor Selling Shareholders;

“**Investor Selling Shareholders Offered Shares**” shall have the meaning given to such term in the Preamble;

“**Offer**” shall have the meaning given to such term in Recital (A) of this Agreement;

“**Offer Agreement**” shall mean the agreement to be entered amongst the Bank, the Selling Shareholders and the Book Running Lead Managers, pursuant to which certain arrangements have been agreed to in relation to the Offer;

“**Offer Documents**” means the Draft Red Herring Prospectus, the Red Herring Prospectus, and the Prospectus to be filed with SEBI, the Stock Exchanges, and the Register of Companies, as applicable, together with the Preliminary Offering Memorandum and the Final Offering Memorandum and the pricing supplement to such offering documents, Confirmation of Allotment Notes, Bid cum Application Form including the Abridged Prospectus, and any amendments, supplements, notices, corrections or corrigenda to such offering documents and the Preliminary Offering Memorandum and the Final Offering Memorandum, as applicable;

“**Offer Price**” shall have the meaning given to such term in Recital (A) of this Agreement;

“**Lien**” shall mean any pre-emptive right, claim, equity, lien, pledge, mortgage, security interest, charge, trust, transfer restriction, encumbrance or any other right or interest, both present and future;

“**Offer for Sale**” shall have the meaning given to such term in Recital (A) of this Agreement;

“**Offered Shares**” shall have the meaning given to such term in Recital **Error! Reference source not found.** of this Agreement;

“**Other Selling Shareholder**” shall have the meaning given to such term in the Preamble;

“**Other Selling Shareholders Offered Shares**” shall have the meaning given to such term in Recital (H) of this Agreement;

“**Parties**” or “**Party**” shall have the meaning given to such terms in the Preamble;

“**Person(s)**” shall mean any individual, sole proprietorship, unincorporated association, body corporate, corporation, company, partnership, limited liability company, joint venture, Governmental Authority or trust or any other entity or organization;

“**Pricing Date**” shall mean the date on which the Bank, in consultation with the Book Running Lead Managers or or such other arrangement as set out in the Offer Agreement, will finalise the Offer Price;

“**Prospectus**” shall mean the prospectus to be filed with the RoC on or after the Pricing Date in accordance with the provisions of Section 26 of the Companies Act, 2013, SEBI ICDR Regulations containing, the Offer Price, inter alia, the size of the Offer and certain other information, including any addenda or corrigenda thereto;

“**Registrar**” shall have the meaning given to such term in the Recital G;

“**Red Herring Prospectus**” shall mean the red herring prospectus to be issued by the Bank in accordance with Section 32 of the Companies Act, 2013, SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda and corrigenda thereto;

“**RoC**” shall have the meaning given to such term in Recital (A) of this Agreement;

“**RoC Filing**” shall mean the filing of the Prospectus with the RoC in accordance with Section 32(4) of the Companies Act, 2013;

“**SEBI**” shall mean the Securities and Exchange Board of India;

“**Selling Shareholder**” shall have the meaning given to such term in the Preamble;

“**Selling Shareholder Demat Accounts**” shall mean the respective demat accounts of each Selling Shareholder, as set out in **Schedule B**;

“**Selling Shareholders’ Share Escrow Failure Notice**” shall have the meaning given to such term in Clause 5.6;

“**Share Escrow Agent**” shall have the meaning given to such term in the Preamble;

“**Share Escrow Failure Notice**” shall have the meaning given to such term in Clause 5.3 of this Agreement;

“**Sold Shares**” shall mean the Offered Shares that are Allotted in the Offer in accordance with the finalised Basis of Allotment;

“**Stock Exchanges**” shall have the meaning given to such term in Recital (C) of this Agreement; and

“**UPI Circulars**” shall mean the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and SEBI Circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 along with the circulars issued by the National Stock Exchange of India Limited having reference no. 23/2022 dated July 22, 2022 and reference no. 25/2022 dated August 3, 2022 and the circulars issued by BSE Limited having reference no. 20220722-30 dated July 22, 2022 and reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI in this regard;

“**Working Day**” means all days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, “Working Day” shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai or Jalandhar are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays in accordance with circulars issued by SEBI, including the UPI Circulars.

1.2 Interpretation

In this Agreement, unless the context otherwise requires:

- (i) In the event of any discrepancies or inconsistencies in the definitions set out in this Agreement and

those set out in the Offer Documents, the definitions provided in this Agreement shall prevail.

- (ii) References to ‘*Clauses*’ and ‘*Schedules*’ are reference to clauses of, and schedules to, this Agreement.
- (iii) References to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.
- (iv) Words denoting the singular shall include the plural and words denoting any gender shall include all genders.
- (v) Headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information only and shall not form part of the operative provisions of this Agreement or the schedules hereto and shall be ignored in construing the same.
- (vi) The schedules and recitals hereto shall constitute an integral part of this Agreement.
- (vii) References to days, months and years are to calendar days, calendar months and calendar years, respectively.
- (viii) References to this Agreement or to any other agreement, deed or instrument shall be construed as a reference to this Agreement or to such agreement, deed or instrument as the same may from time to time be amended, varied, supplemented or novated.
- (ix) The words “*directly*” or “*indirectly*” shall mean directly or indirectly through one or more intermediary Persons or through contractual or other legal arrangements and the words “*direct or indirect*” shall have correlative meanings.
- (x) Any reference to “*writing*” shall include printing, typing, lithography, transmissions in electronic form (including email) and other means of reproducing words in visible form but shall exclude text messages via mobile phones.
- (xi) The words “*include*” and “*including*” are to be construed without limitation unless the context otherwise requires or unless otherwise specified.
- (xii) References to any document includes any amendment or supplement to, or replacement, substitution or novation of, that document, but disregarding any amendment, supplement, replacement, substitution or novation made in breach of this Agreement.
- (xiii) Any consent required to be provided by the Managers shall mean the prior written consent of each of the Managers, as the case may be, unless expressly provided otherwise.
- (xiv) 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.
- (xv) The rights and obligations of each of the Parties under this Agreement are several (and not joint, or joint and several) and none of the Parties shall be responsible or liable, directly or indirectly, for any acts or omissions of any other Party.

2. APPOINTMENT OF THE SHARE ESCROW AGENT AND ESTABLISHMENT OF ESCROW DEMAT ACCOUNT

- 2.1 The Bank and the Selling Shareholders hereby severally and not jointly appoint Link Intime India Private Limited to act as the Share Escrow Agent under this Agreement, to open and operate the Escrow Demat Account with the Depository Participant and Link Intime India Private Limited hereby accepts such appointment on the terms and conditions set forth herein.

- 2.2 The Share Escrow Agent has opened the Escrow Demat Account and immediately on the opening/designation of the account had sent a written intimation to the Investor Selling Shareholders, the Book Running Lead Managers and the Bank providing details of the Escrow Demat Account. It is clarified that the details of the Escrow Demat Account have been shared with the Other Selling Shareholders previously by the Bank i.e. by communication dated August 31, 2023 and September 13, 2023 by electronic mail. Such written intimation has been sent through any mode as provided under this Agreement. The Escrow Demat Account shall be operated strictly in the manner set out in this Agreement.
- 2.3 The Bank hereby confirms and agrees to do all acts and deeds as may be necessary to empower the Share Escrow Agent to ensure opening of the Escrow Demat Account and/ or ensure operation of the Escrow Demat Account strictly in accordance with this Agreement and Applicable Law. Each of the Selling Shareholders agree, severally and not jointly, either by themselves or through their respective attorneys, as applicable, to extend such support as required under Applicable Law or requested by the Share Escrow Agent to ensure opening the Escrow Demat Account and/or ensure operation of the Escrow Demat Account in accordance with this Agreement and Applicable Law.
- 2.4 All costs, fees and expenses with respect to opening, maintaining and operating the Escrow Demat Account in accordance with the terms of this Agreement will be borne by the Bank and the Selling Shareholders as per the terms of the Offer Agreement.

3. DEPOSIT OF OFFERED SHARES AND ESCROW TERM

- 3.1 Each Investor Selling Shareholder severally and not jointly agrees to debit its respective portion of the Offered Shares from its respective Investor Selling Shareholder Demat Account and credit such Offered Shares to the Escrow Demat Account on or prior to the Deposit Date in respect of the Investor Selling Shareholders.
- 3.2 Each of the Other Selling Shareholders will deposit their respective Equity Shares as specified in **Schedule B** in the Escrow Demat Account on or prior to Deposit Date in respect of the Other Selling Shareholders, for the purpose of being offered pursuant to the Offer for Sale. In the event, the original number of Equity Shares deposited by the Other Selling Shareholders in the Escrow Demat Account, are more than the Offer for Sale portion of the Other Selling Shareholders, as specified in **Schedule K**, as finalised by the Bank in consultation with the Book Running Lead Managers or if any of the shareholder who has transferred their Equity Shares for participation in the Other Selling Shareholder category fails to submit appropriate and adequate documentation, the appropriate number of Equity Shares of the respective Other Selling Shareholders or shareholder deposited in the Escrow Demat Account, shall be credited to the respective Other Selling Shareholder Demat Accounts by the Share Escrow Agent, within 15 days from the date of intimation by the Bank to the Share Escrow Agent.
- 3.3 It is hereby clarified that the above mentioned debit of the respective portion of the Offered Shares from the respective Selling Shareholder Demat Accounts and the credit of the Offered Shares to the Escrow Demat Account shall not be construed or deemed as a transfer of title or any legal or beneficial ownership or interest to their respective portion of the Offered Shares by any of the Selling Shareholders in favor of the Share Escrow Agent or any other Person. The Share Escrow Agent hereby agrees and undertakes to hold in escrow such respective portion of the Offered Shares credited to the Escrow Demat Account for and on behalf of, and in trust for, the respective Selling Shareholders in accordance with the terms of this Agreement and Applicable Law, and shall instruct the Depositories not to recognize any transfer of Offered Shares which is not in accordance with the terms of this Agreement.
- 3.4 Each of the Selling Shareholders severally and not jointly undertakes to retain its respective Offered Shares in the Escrow Demat Account in accordance with the terms of this Agreement. Provided, however, that the Parties agree and acknowledge that if the Red Herring Prospectus is not filed with the RoC within a period of ten (10) Working Days of the Selling Shareholders depositing their respective Offered Shares into the Escrow Demat Account or such other date as may be mutually agreed between the Bank, the Selling Shareholders and the Book Running Lead Managers, the Share Escrow Agent (or any new share escrow agent appointed pursuant to this agreement) shall, upon receipt of instructions in writing from the Bank, in a form as set out in **Schedule J**, debit the respective Offered Shares from the Escrow Demat Account and credit the same into the relevant Selling Shareholder Demat Accounts, from which such Offered Shares were originally credited to the Escrow Demat Account by each of the Selling

Shareholders pursuant to Clause 3.1 and Clause 3.2, immediately upon receipt of such instruction. For abundant clarity, it is hereby agreed that the aforementioned period of ten (10) Working Days shall begin from the date of deposit of Equity Shares by last Investor Selling Shareholder.

- 3.5 Once the Offered Shares are credited back to the Selling Shareholder Demat Accounts, if the Bank and the Selling Shareholders, jointly and not severally, desire to file the Red Herring Prospectus with the RoC, the Selling Shareholders shall debit the Offered Shares from their respective Selling Shareholder Demat Accounts and credit such Offered Shares to the Escrow Demat Account again on or prior to the Deposit Date or a date as may be mutually agreed between the Bank, Selling Shareholders and the Book Running Lead Managers. If the Selling Shareholders fail to comply with the requirement to transfer the Offered Shares from their respective Selling Shareholder Demat Accounts to the Escrow Demat Account, the Bank reserves the right to reject the participation of such Selling Shareholders in the Offer.
- 3.6 The Share Escrow Agent shall provide a written/email confirmation on the credit of the Offered Shares to the Escrow Demat Account to the Bank, each of the Selling Shareholders or the authorized power of attorney holder and the Book Running Lead Managers, in a form as set out in **Schedule D** on the same Working Day which shall be the day of execution of this Agreement (in relation to the credit of the Offered Shares by the Other Selling Shareholders) or on the same Working Day on which the Offered Shares are credited to the Escrow Demat Account (in relation to the credit of the Offered Shares by the Investor Selling Shareholders).
- 3.7 Subject to and in accordance with the terms and conditions hereof, the Share Escrow Agent shall receive and hold in the Escrow Demat Account, the Offered Shares and shall release the Sold Shares to the Allottees in the manner provided in this Agreement. Notwithstanding the provisions of Clause 3.1 and Clause 3.2 above, the Share Escrow Agent shall immediately release and credit back to the respective Selling Shareholder Demat Accounts, their respective Offered Shares remaining to the credit of the Escrow Demat Account after credit of the Sold Shares to the demat accounts of the Allottees, if any, or on receiving intimation of the occurrence of an Event of Failure of the Offer, in the manner provided in this Agreement.

4. OWNERSHIP OF THE OFFERED SHARES

- 4.1 The Parties agree that during the period that the Offered Shares are held in escrow in the Escrow Demat Account, any dividend declared or paid on the Offered Shares shall be credited to the respective Selling Shareholders, to the extent of their respective portion of the Offered Shares and, if paid, shall be released by the Bank into a bank account, as may be notified in writing by the respective Selling Shareholders. In addition, in relation to the Offered Shares, each of the Selling Shareholders shall continue to exercise all their respective rights, including but not limited to voting rights attached to its Offered Shares, and enjoy any related benefits and entitlements, until such Offered Shares are credited to the demat accounts of the Allottees on the Closing Date. Notwithstanding the above and without any liability to the Selling Shareholders, the Bank confirms that the Allottees of the Sold Shares shall be entitled to dividends and other corporate benefits attached to the Offered Shares, if any, declared by the Bank after the Closing Date, subject to Applicable Law and such Sold Shares shall rank *pari passu* to the Equity Shares.
- 4.2 The Share Escrow Agent hereby agrees and confirms that the Share Escrow Agent shall have no rights in respect of the Offered Shares other than as provided for in this Agreement. The Share Escrow Agent hereby agrees and undertakes that the Share Escrow Agent shall not at any time, claim, have, be entitled to or exercise any voting rights or control over the Offered Shares and it shall not at any time, whether during a claim for breach of this Agreement or not, claim, have, be entitled to or exercise any voting rights, beneficial interest or control over the Offered Shares. The Parties agree that during the period that the Offered Shares are held in escrow in the Escrow Demat Account, each of the Selling Shareholders shall be entitled to give any instructions in respect of any corporate actions in relation to their respective Offered Shares, such as voting in any shareholders' meeting until the Closing Date; provided, however, that no corporate action, including any corporate action initiated or provided by the Bank will be given effect to, if it results in or has the effect of creating a Lien in favor of any Person or transfer of such Offered Shares to any Person, except pursuant to the Offer in accordance with the Red Herring Prospectus, the Prospectus and this Agreement.
- 4.3 The Parties hereby agree that notwithstanding anything stated in this Agreement and/or in any other agreement, each Selling Shareholder is, severally and not jointly, and shall continue to be, the beneficial

and legal owner of their respective portions of the Offered Shares until such Offered Shares are credited to the demat accounts of the Allottees on the Closing Date as Sold Shares. The Parties further agree that, if the Offered Shares, or any part thereof, are credited back to the respective Selling Shareholders pursuant to Clause 3.4, Clause 5 and Clause 9 of this Agreement, each such Selling Shareholder shall continue to be the legal and beneficial owner of its respective portion of the Offered Shares (or any part thereof) and shall continue to enjoy the rights attached to such Offered Shares as if no Offered Shares had been credited to the Escrow Demat Account by such Selling Shareholder.

4.4 The rights and obligations of each of the Parties under this Share Escrow Agreement and the representations, warranties, undertakings and covenants provided by each of the Parties are several (and not joint or joint and several) and none of the Parties shall be responsible or liable, directly or indirectly, for any acts or omissions of any other Party.

4.5 Notwithstanding anything stated to the contrary herein, the BRLMs will enjoy the rights and benefits as enumerated in this Agreement, but shall not be liable to any Party therein.

5. OPERATION OF THE ESCROW DEMAT ACCOUNT

5.1 On or about the Closing Date:

(i) The Bank shall provide a certified copy of the resolution of the Board of Directors or the IPO Committee, as the case may be, approving the Allotment, to the Share Escrow Agent, each of the Selling Shareholders and the Book Running Lead Managers.

(ii) The Bank shall (a) issue the Corporate Action Requisition to the Depositories and the Share Escrow Agent, to debit the Sold Shares from the Escrow Demat Account and credit the Sold Shares to the demat accounts of the Allottees pursuant to the Offer and (b) intimate each of the Selling Shareholders or their authorized power of attorney, the Share Escrow Agent and the Book Running Lead Managers of the issuance of the Corporate Action Requisition to the Depositories in the format provided in **Schedule E** along with a copy of the Corporate Action Requisition.

5.2 Upon receipt of the intimation of the issue of the Corporate Action Requisition from the Bank and after duly verifying that the Corporate Action Requisition is complete in all respects, the Share Escrow Agent shall ensure the debit of the Sold Shares from the Escrow Demat Account and credit to the respective demat accounts of the Allottees of such Sold Shares in relation to the Offer, in terms of the Corporate Action Requisition within the time period as specified in the Red Herring Prospectus and the Prospectus and as prescribed under the SEBI RTA Master Circular and other Applicable Law, and shall ensure that the Offered Shares remaining to the credit of the Escrow Demat Account (after credit of the Sold Shares to the Allottees as described above, and other than Equity Shares remaining to the credit of the Escrow Demat Account on account of failure to credit Equity Shares to the accounts of the Allottees, despite having received the Corporate Action Requisition in respect of such Equity Shares) (“**Balance Offered Shares**”) will be released and credited back to the respective Selling Shareholder Demat Accounts, as the case may be (subject to Applicable Law) immediately and no later than one (1) Working Day of the completion of transfer of Sold Shares to the demat accounts of the Allottees in accordance with Applicable Law. The Share Escrow Agent shall intimate each of the Bank, the Selling Shareholders and the BRLMs of the completion of the actions stated herein, in the format set forth herein as **Schedule L**. It is hereby clarified that for the purpose of this Clause 5.2, the (a) debit of the respective Offered Shares of each Selling Shareholder and/ or (b) credit of the respective Balance Offered Shares back to the respective Selling Shareholders shall, subject to rounding off and Applicable Law, be in the same proportion (between the Selling Shareholders) as the Offered Shares originally credited to the Escrow Demat Account by such Selling Shareholder pursuant to Clause 3.1 and Clause 3.2. It is further clarified that, with (i) the debit of the Sold Shares from the Escrow Demat Account and credit of the same to accounts of the Allottees; and (ii) the listing and commencement of trading of the Equity Shares on the Stock Exchanges, the monies received for the Final Sold Shares will be transferred from the Public Offer Account as per the terms of the Cash Escrow and Sponsor Bank Agreement executed in relation to the Offer.

5.3 In the event of an occurrence of any events of failure prior to the transfer of Sold Shares to the Allottees, as specified below (the occurrence of any of which shall be referred to as an “**Event of Failure**”), the Bank shall intimate the occurrence of the Event of Failure in writing to the Share Escrow Agent and the

Investor Selling Shareholders immediately and no later than three (3) Working Days from the date of occurrence of such event, and to the Other Selling Shareholders no later than three (3) Working Days from the date of occurrence of such event, and the Book Running Lead Managers, in a form as set out in **Schedule F** (“**Share Escrow Failure Notice**”):

- (i) any event due to which the process of bidding or the acceptance of Bids cannot start on the dates mentioned in the Offer Documents (including any revisions thereof), including the Offer not opening on the Bid/ Offer Opening Date or any other revised date agreed between the Parties for any reason;
- (ii) the RoC Filing does not occur on or prior to the Drop Dead Date for any reason;
- (iii) failure in completion of all regulatory requirements (including receipt of all necessary approvals and authorisations, and compliance with the conditions, if any, specified therein, in a timely manner) and receipt of and compliance with all consents, approvals and authorisations under applicable contracts, required in relation to the Offer;
- (iv) the Offer Agreement, the fee letter with the BRLMs or the Underwriting Agreement, after its execution, or the Offer become illegal or non-compliant with Applicable Law, or unenforceable for any reason or, if its performance has been enjoined or prevented by SEBI, any court or other judicial, statutory, government or regulatory body or tribunal having requisite authority and jurisdiction in this behalf or pursuant to any order or direction passed by any Governmental Authority having requisite authority and jurisdiction such as refusal by a Stock Exchange to grant the listing and trading approval or non-disposition of an application for a listing and trading approval by a Stock Exchange within the period specified under Applicable Law;
- (v) in accordance with Regulation 49(1) of the SEBI ICDR Regulations, if the minimum number of Allotees to whom Equity Shares are Allotted is less than 1,000 (one thousand);
- (vi) the declaration of the intention of the Bank in consultation with the Book Running Lead Managers or such other arrangement as set out in the Offer Agreement, to withdraw and/or cancel and/or abandon the Offer including at any time after the Bid/ Offer Opening Date until the date of Allotment (to the extent such withdrawal/ cancellation/ abandoning the Offer results in filing of fresh draft red herring prospectus under SEBI ICDR Regulations);
- (vii) in case of any failure to receive, the minimum subscription of 90% of the Fresh Issue in terms of the SEBI ICDR Regulations as of the Bid/ Offer Closing Date;
- (viii) the minimum number of Equity Shares as prescribed under Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 not having been Allotted in the Offer;
- (ix) The Offer shall have become illegal, non-compliant with Applicable Laws or, shall have been enjoined or prevented from completion, or otherwise rendered infructuous or unenforceable, including by any order or directions passed by SEBI, any court or other tribunal, judicial, statutory, regulatory or government authority or body having requisite authority and jurisdiction over the Offer, including, without limitation, refusal by a Stock Exchange to grant the listing and trading approval or non-disposition of an application for a listing and trading approval by a Stock Exchange within the period specified under Applicable Laws;
- (x) the Underwriting Agreement not having been executed on or prior to the date of the RoC Filing, unless such date is extended by the Book Running Lead Managers, the Bank and the Selling Shareholders, in writing;
- (xi) the Underwriting Agreement after its execution, or the Offer Agreement or the fee letter with the BRLMs, is rescinded or terminated in accordance with its terms; or
- (xii) such other event as may be mutually agreed upon by the Bank, Investor Selling Shareholders, the Book Running Lead Managers and such other arrangement in the Offer Agreement.

The Share Escrow Failure Notice shall indicate if the Event of Failure has occurred before or after the transfer of the Sold Shares to the Allottees in accordance with Clause 5.2 of this Agreement.

- 5.4 In the event of an occurrence of an Event of Failure prior to the transfer of the Sold Shares to the demat accounts of the Allottees, and upon receipt of the Share Escrow Failure Notice or the Selling Shareholders' Share Escrow Failure Notice, as the case may be: (i) the Share Escrow Agent shall not transfer any Offered Shares to any Allottee or any Person other than back to the respective Selling Shareholder Demat Accounts as per clause (ii) that follows, and (ii) the Share Escrow Agent shall credit such number of the Offered Shares as were deposited by each Selling Shareholder (such credit shall be in the same proportion as the Offered Shares originally credited to the Escrow Demat Account by such Selling Shareholder) standing to the credit of the Escrow Demat Account to the respective Selling Shareholder Demat Accounts immediately and no later than one (1) Working Day of receipt by the Share Escrow Agent of the Share Escrow Failure Notice, pursuant to Clause 5.3 of this Agreement, provided however that, in case any application money blocked in ASBA Accounts or the lying in the Escrow Account (in terms of the Cash Escrow and Sponsor Bank Agreement) or in case Bid Amounts have been transferred to the Public Offer Account, the Share Escrow Agent shall debit the Escrow Demat Account and credit the respective Offered Shares immediately to the respective Selling Shareholder Demat Accounts simultaneously with the unblocking of the ASBA Accounts or refund of such proceeds of the Offer by the Bank along with the bank statements showing no balance in the Escrow Account and Public Offer Account.
- 5.5 In the event of an occurrence of an Event of Failure after the transfer of the Sold Shares to the Allottees, but prior to receipt of final listing and trading approvals from the Stock Exchanges, and upon receipt of the Share Escrow Failure Notice or the Selling Shareholders' Share Escrow Failure Notice, as the case may be, the Bank along with the Selling Shareholders, and the Share Escrow Agent, and the Book Running Lead Managers, SEBI, the Stock Exchanges and/or the Depositories, as the case may be, shall take such appropriate steps for the credit of the transferred Sold Shares from the respective demat accounts of the Allottees back to the Escrow Demat Account after receipt of the Share Escrow Failure Notice, upon receipt of instructions in writing, in a form as set out in **Schedule I – Part A**, in accordance with the order/direction/guidance of SEBI/Stock Exchanges/Depositories and subject to Applicable Law. Any refund of equity shares to the Selling Shareholder Demat Accounts pursuant to this clause, shall be in accordance with Clause 5.4 above.
- 5.6 Provided, further, that upon the occurrence of an Event of Failure, if the Bank fails to issue the notice pursuant to the Clause 5.4 or Clause 5.5, as the case may be, within a period of 3 (three) Working Days from the date of occurrence of such Event of Failure, each of the Selling Shareholders shall be entitled to issue the Share Escrow Failure Notice substantially in the form set out in **Schedule I – Part B** (with a copy to the Book Running Lead Managers) ("**Selling Shareholders' Share Escrow Failure Notice**") subject to Applicable Law.
- 5.7 Immediately upon the credit of any of the Sold Shares into the Escrow Demat Account in accordance with Clause 5.5, the Bank shall instruct the Share Escrow Agent to, and the Share Escrow Agent shall immediately (on the same Working Day) transfer all such Sold Shares from the Escrow Demat Account to the respective Selling Shareholder Demat Accounts. For purposes of this Clause 5.6, it is clarified that, subject to Clause 3.7, the total number of Sold Shares credited to the Selling Shareholder Demat Account shall not exceed or be less than the number of Offered Shares originally credited to the Escrow Demat Account by such Selling Shareholder (subject to sub-division of the authorised capital of the Bank).
- 5.8 Further, in the event the original number of Equity Shares deposited by the Other Selling Shareholders in the Escrow Demat Account, as specified in **Schedule B**, are more than the Offer for Sale portion of the Other Selling Shareholders, as finalised by the Bank in consultation with the Book Running Lead Managers, as specified in **Schedule K**, the additional Equity Shares of the respective Other Selling Shareholders deposited in the Escrow Demat Account, shall be proportionately credited by the Escrow Agent to the respective Selling Shareholder Demat Accounts by the Share Escrow Agent, within 30 days from the date of the Red Herring Prospectus, upon receipt of instructions in writing, in a form as set out in **Schedule K1**.
- 6. REPRESENTATIONS, WARRANTIES AND OBLIGATIONS OF THE SHARE ESCROW AGENT**

- 6.1 The Share Escrow Agent represents, warrants, as on the date hereof, and on each date during the term of this Agreement, and undertakes and covenants to the Bank and each of the Selling Shareholders that:
- (i) it has been duly incorporated and is validly existing and is in good standing as a company under Applicable Law and that no steps have been taken for its winding up, liquidation or receivership under any Applicable Law, which prevents it from carrying on its obligations under this Agreement;
 - (ii) it is Solvent and no adverse order or injunction or decree, restraining it to carry activities as listed in this Agreement has been passed or made by a court of competent jurisdiction or a tribunal in any proceeding and to the best of its knowledge, no petition or application for the institution of any proceeding has been filed before any court of competent jurisdiction or a tribunal for its bankruptcy/insolvency, dissolution, liquidation, winding-up, or for the appointment of a receiver or liquidator over substantially the whole of its assets, which prevents it from carrying on its obligations under this Agreement; and no steps have been taken by it, voluntarily, for its dissolution, liquidation, receivership or winding up, which prevents it from carrying on its obligations under this Agreement. As used herein, the term “Solvent” means, with respect to an entity, on a particular date, that on such date, (i) the fair market value of the assets is greater than the liabilities of such entity, (ii) the present fair saleable value of the assets of the entity is greater than the amount that will be required to pay the probable liabilities of such entity on its debt as they become absolute and mature, (iii) the entity is able to realize upon its assets and pay its debts and other liabilities (including contingent obligations) as they mature or (iv) the entity does not have unreasonably small capital;
 - (iii) it has the necessary authority, approvals, competence, facilities and infrastructure to act as a share escrow agent and to discharge its duties and obligations under this Agreement;
 - (iv) No disciplinary or other proceedings have been commenced against it by SEBI which will affect the performance of its obligations under this Agreement and that it has not been debarred or suspended from carrying on such activities by SEBI, and that it shall abide by the stock exchange regulations, code of conduct stipulated in the Regulations, and the terms and conditions of this Agreement.
 - (v) the execution, delivery and performance of this Agreement and any other document related thereto has been duly authorised and does not and will not contravene (i) any Applicable Law, regulation, judgment, decree or order of any Governmental Authority, (ii) its charter documents, or (iii) any provisions of, or constitute a default under, any other agreement or instrument or undertaking to which it is a party or which is binding on any of its assets;
 - (vi) it shall (i) hold the respective Offered Shares credited to the Escrow Demat Account, in escrow for and on behalf of, in trust for, the respective Selling Shareholders in accordance with the provisions of this Share Escrow Agreement; and (ii) instruct the Depositories not to, recognize any transfer which is not in accordance with the provisions of this Share Escrow Agreement;
 - (vii) this Agreement constitutes a valid, legal and binding obligation on its part, enforceable against it in accordance with the terms hereof;
 - (viii) No mortgage, charge, pledge, lien, trust, security interest or other encumbrance shall be created by it over the Escrow Demat Account or the Offered Shares deposited therein; and
 - (ix) the Escrow Demat Account and the Offered Shares shall be kept separate and segregated from its general assets and represented so in its records.
- 6.2 The Share Escrow Agent undertakes to the Bank and the Selling Shareholders that it shall act with due diligence, care and skill while discharging its obligations under this Agreement and to notify each of the Bank, and the Selling Shareholders (with a copy to the BRLMs) in writing promptly if it becomes aware of any circumstance which would render any of the statements set out above to be untrue or inaccurate

or misleading in any respect. The Share Escrow Agent hereby agrees that it shall be solely responsible for the opening and operation of the Escrow Demat Account and shall retain the Offered Shares in the Escrow Demat Account until completion of the events mentioned in Clause 5 of this Agreement, as applicable, and further agrees and undertakes to implement all written instructions provided to it in accordance with the terms of this Agreement and exercise due diligence in the implementation of such written instructions and in accordance with Applicable Law. Provided that in the case of the occurrence of any event or situation that is not expressly provided for under this Agreement, the Share Escrow Agent shall seek necessary instructions from the Bank and the Selling Shareholder and any and all such instructions as are duly provided by the relevant authorized signatories of the Bank in writing (after prior written consent to such instructions from the Selling Shareholder and the BRLMs), shall be implemented by the Share Escrow Agent, in accordance with Applicable Law. It shall exercise due diligence in implementation of such written instructions.

- 6.3 The Share Escrow Agent shall provide to the Selling Shareholders, from time to time, statements of accounts, on a weekly basis, in writing, until closure of the Escrow Demat Account in terms of this Agreement.
- 6.4 The Share Escrow Agent agrees that it shall ensure that the Escrow Demat Account will not be operated in any manner and for any other purpose other than as provided in this Agreement. The Share Escrow Agent hereby agrees and undertakes not to comply with any instructions which are not provided in accordance with the terms of this Agreement, including, without limitation, any instructions from the Bank or any of the Selling Shareholders which are not provided in accordance with the terms of this Agreement.
- 6.5 The Share Escrow Agent hereby agrees that it will immediately inform the Bank, Selling Shareholders and BRLMs of any changes to declarations and changes to the representation and obligations made under this Agreement. In the absence of any such communication, the Parties to this Agreement can assume that there is no change to the above information.
- 6.6 The Share Escrow Agent acknowledges that the Bank and the Selling Shareholder may be subject to liability or loss if the Share Escrow Agent fails to comply with any of its obligations under this Agreement.

7. INDEMNITY AND LETTER OF INDEMNITY

- 7.1 The Share Escrow Agent hereby agrees to indemnify, and shall keep indemnified and hold harmless each of the Bank, each of the Selling Shareholders and each of their respective Affiliates and their employees, directors, officers, managers, advisors, agents, representatives, successors, intermediaries or other persons acting on its behalf and permitted assigns and/or and any other Person that, directly or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with such indemnified Person (each such Person, an “**Indemnified Party**”), fully indemnified, at all times, from and against any claims, actions, liabilities, causes of action (probable or otherwise), delay, damages, penalties, expenses, suits, demands, proceedings, awards, judgements, claims for fees, costs, charges, expenses (including, without limitation, interest, penalties, attorney fees, court costs, accounting fees, losses of whatsoever nature including reputational or arising from difference or fluctuation in exchange rates of currencies and investigation costs) loss of GST credits or demands, interests, penalties, late-fees or any amounts imposed by any tax authorities in India (including GST authorities), or other losses, of whatsoever nature, including reputational made, suffered or incurred, including pursuant to any legal proceedings instituted or threatened against any Indemnified Party or any other party, in relation to or resulting from or consequent upon or arising out of any delay or from breach of any representation, warranty or undertaking or in the performance of the obligations and responsibilities by the Share Escrow Agent including without limitation in relation to any act or omission or failure to perform its duties, obligations and responsibilities under this Agreement or arising out of the acts or omissions, any delay, negligence, fraud, misconduct, bad faith or wilful default of the Share Escrow Agent under this Agreement. It is hereby, clarified that the rights under Clause 7.1 available to an Indemnified Party is in addition to any rights, remedies or recourses available to such Indemnified Party under Applicable Law or equity otherwise including rights for damages.
- 7.2 The Share Escrow Agent also undertakes to immediately as on the date of the Agreement, execute and deliver and issue a letter of indemnity in a form as set out in **Schedule G** to the Book Running Lead

Managers on the date of this Agreement. The Share Escrow Agent acknowledges and agrees that entering into this Agreement with the requisite parties concerned and for performing its duties and responsibilities hereunder is sufficient consideration for the letter of indemnity in favour of the Book Running Lead Managers.

8. TERMINATION

8.1 This Agreement shall be effective from the date of this Agreement until its termination pursuant to Clause 8.2 or Clause 8.3 hereof.

8.2 This Agreement shall automatically terminate upon the occurrence of the earlier of the following:

- (i) Completion of the events mentioned in Clause 5 in accordance with the terms of the Red Herring Prospectus, the Prospectus and Applicable Law;
- (ii) Occurrence/completion of an Event of Failure, as mentioned in Clause 5.3 above subject to the Share Escrow Agent having complied with all its obligations and undertakings under this Agreement, provided that the provisions of Clauses **Error! Reference source not found.**, **Error! Reference source not found.** and **Error! Reference source not found.** shall survive such termination;
- (iii) With respect to each Selling Shareholder, termination of the Offer Agreement by a Selling Shareholder;
- (iv) the declaration or occurrence of any event or initiation of proceeding of bankruptcy, insolvency winding up, liquidation or receivership (whether voluntary or otherwise) of or in respect of, or suspension or cessation of business (whether temporary or permanent) by the Share Escrow Agent. The Share Escrow Agent shall promptly issue a written notice to the Bank, the Selling Shareholders and the Book Running Lead Managers, on becoming aware of the occurrence of any such event or proceeding, including any pending, potential or threatened proceeding which is likely to result in the occurrence of such event. For the avoidance of doubt, it is clarified that on the occurrence of any event mentioned under this Clause 8.2(iv), the Bank and the Selling Shareholders may, in consultation with the BRLMs, appoint a substitute share escrow agent and shall enter into an agreement with such substitute share escrow agent substantially in the form and nature of this Agreement. Further, for the purposes of entering into an agreement with the substitute share escrow agent, the Bank, the Selling Shareholders and the BRLMs shall not be under any obligation to be guided by the directions of the Share Escrow Agent.

8.3 This Agreement may be terminated immediately by the Bank in the event of (i) fraud, negligence, misconduct, bad faith, or wilful default on the part of the Share Escrow Agent or (ii) breach by the Share Escrow Agent of its representations, obligations and undertakings in this Agreement. The Bank, in their discretion, shall reserve the right to allow a period of two (2) Working Days to the Share Escrow Agent from the receipt of written notice of such breach from the Bank to rectify, at its own cost, such breach, failing which the Bank may immediately terminate this Agreement. Such termination shall be operative only in the event that the Bank, in consultation with the Book Running Lead Managers, simultaneously appoint a substitute share escrow agent of equivalent standing, which substitute share escrow agent shall agree to the terms, conditions and obligations similar to the provisions hereof (including executing and delivering a letter of indemnity to the BRLMs substantially in the format set out in **Schedule G**). The erstwhile Share Escrow Agent shall, without any limitation, continue to be liable for all actions or omissions until such termination becomes effective and shall be subject to the duties and obligations contained herein and any surviving provisions thereof including the accrued rights of the parties hereunder and any provisions necessary for the interpretation and enforcement of any such accrued rights and obligations until the appointment of a substitute share escrow agent and shall provide all necessary cooperation and support to ensure smooth transition to such substitute share escrow agent and transfer any Offered Shares lying to the credit of the Escrow Demat Account in manner specified by the Bank. For the avoidance of doubt, it is hereby clarified that on the occurrence of any event mentioned under Clause 8.2(iv) and this Clause 8.3, the Bank may, in consultation with the Book Running Lead Managers, appoint immediately a substitute share escrow agent and shall enter into an agreement, substantially in the form of this Agreement, with the Bank and the Selling Shareholders and execute and deliver a letter of indemnity substantially in the form set out in **Schedule G** in favor of the Book Running Lead

Managers.

8.4 The Share Escrow Agent shall promptly issue a notice to the Parties, in any event no later than 1 (one) Working Day, on becoming aware of the occurrence of any of the events or proceedings as set out in Clause 8.2(iv) above, including any pending, potential or threatened proceeding which would likely result in the occurrence of such event.

8.5 It is clarified that in the event of termination of this Agreement in accordance with this Clause 8, the obligations of the Share Escrow Agent shall be deemed to be completed only when the Offered Shares lying to the credit of the Escrow Demat Account are transferred from the Escrow Demat Account to the respective Selling Shareholder Demat Accounts, and the Escrow Demat Account has been duly closed.

8.6 Survival

The provisions of Clauses 5.3, 5.4, 5.5 and 5.6 of Clause 5 (*Operation of the Escrow Demat Account*), Clause 6 (*Representations and Obligations of the Share Escrow Agent*), Clause 7 (*Indemnity and Letter of Indemnity issued as per Schedule G*), Clause 8.3, Clause 8.6 (*Survival*), Clauses 9 (*Closure of the Escrow Demat Account*) and Clause 10 (*General*) of this Agreement shall survive the termination of this Agreement.

9. CLOSURE OF THE ESCROW DEMAT ACCOUNT

9.1 In the event of termination of this Agreement, in accordance with Clause 8.2(i) or Clause 8.2(iv), the Share Escrow Agent shall close the Escrow Demat Account within a period of two (2) Working Days from completion of the events outlined in Clause 5 and shall send a prior written intimation to the Bank, Selling Shareholders and the Book Running Lead Managers relating to the closure of the Escrow Demat Account.

9.2 In the event of termination of this Agreement pursuant to Clause 8.2(ii) or Clause 8.2(iii), the Share Escrow Agent shall immediately (and in any event within one (1) Working Day of such termination, unless the Offered Shares have been transferred earlier to the respective Selling Shareholder Demat Accounts pursuant to this Agreement) transfer the respective portion of the Offered Shares which are lying to the credit of the Escrow Demat Accounts to respective Selling Shareholder Demat Accounts in accordance with Clauses 5.4 and Clause 5.5.

9.3 In the event of termination of this Agreement pursuant to Clause 8.3, the Share Escrow Agent shall within one (1) Working Day from the date of appointment of the substitute share escrow agent, debit all the Offered Shares in the Escrow Demat Accounts to the credit of the substitute share escrow demat account that shall be opened by the substitute share escrow agent.

9.4 In case of occurrence of an event as stipulated either under Clause 5.4 or Clause 5.5, the Share Escrow Agent shall close the Escrow Demat Account within two (2) Working Days post credit of the Sold Shares to the respective Selling Shareholder Demat Accounts in terms of Clause 5.4 or Clause 5.5, as applicable.

9.5 Upon debit and delivery of such Offered Shares which are lying to the credit of the Escrow Demat Account and closure of the Escrow Demat Account, as set out in this Clause 9, the Share Escrow Agent shall, subject to Clause 8.5, be released and discharged from any and all further obligations arising in connection with this Agreement other than as set out in this Agreement without prejudice however to the accrued rights of the Parties hereunder, provided that upon termination due to any event specified under Clause 8.2(ii) or Clause 8.3, the Share Escrow Agent shall continue to be liable for its acts and omissions until such termination and the appointment of a substitute share escrow agent in accordance with Clause 8.3, and shall provide all necessary cooperation and support to ensure smooth transition to such substitute share escrow agent.

10. GENERAL

10.1 Notices

All notices issued under this Agreement shall be in writing (which shall include e-mail or telex messages) and shall be deemed validly delivered if sent by registered post or recorded delivery to or left at the

addresses as specified below of the Parties respectively and the Book Running Lead Managers or such other addresses or facsimile numbers as each Party and each Book Running Lead Manager may notify in writing to the other.

If to the Share Escrow Agent:

Link Intime India Private Limited

C-101, 247 Park
L B S Marg
Vikhroli (West)
Mumbai 400 083
Maharashtra, India
Tel: +91 22 4918 6000
Email: haresh.hinduja@linkintime.co.in
Attention: Haresh Hinduja, Head - Primary Market

If to the Bank:

Capital Small Finance Bank Limited

Midas Corporate Park,
3rd Floor, 37, G.T. Road,
Jalandhar 144 001, Punjab, India
Email: munishjain@capitalbank.co.in; csfbipo@capitalbank.co.in
Attention: Mr. Munish Jain

If to the Investor Selling Shareholders

PI Ventures LLP

102, 10th Floor, Maker Chambers III,
Nariman Point,
Mumbai, Maharashtra – 400 021
Tel: +91 22 6750 3500
Email: narayanan@sekhsaria.com

Amicus Capital Private Equity I LLP

4th Floor, Rocklines House
9/1, Museum Road
Bangalore – 560 001
Tel: +91 80 4631 6600
Email: sunil@amicuscapital.in, mahesh@amicuscapital.in
Attention: Mr. Sunil Theckath Vasudevan, Mr. Mahesh Parasuraman

Amicus Capital Partners India Fund I

c/o Amicus India Capital Partners LLP
3rd Floor, Rocklines House
9/1, Museum Road
Bangalore – 560 001
Tel: +91 80 4631 6600
Email: mahesh@amicuscapital.in
Attention: Mr. Mahesh Parasuraman

Oman India Joint Investment Fund II

604/605/606, Lodha Supremus,
Opposite Kamala Mills /World Tower,
Senapati Bapat Marg, Lower Parel (W),
Mumbai-400013, Maharashtra.
Email: srinaths@oijif.com, ajay.limaye@oijif.com
Attention: Srinath Srinivasan, Ajay Limaye

If to the Other Selling Shareholders

Capital Small Finance Bank Limited

Midas Corporate Park,
3rd Floor, 37, G.T. Road,
Jalandhar 144 001, Punjab, India
Email: ofs@capitalbank.co.in
Attention: Mr. Amit Sharma

Any Party may change its address by a notice given to the other Parties in the manner set forth above.

Any notice sent to any Party shall also be marked to each of the other Parties to this Agreement.

10.2 Assignment

Except as otherwise provided for in this Agreement, the rights and obligations under this Agreement shall not be assigned by any Party to any Person. Any attempted assignment in contravention of this provision shall be considered as void.

10.3 Further Assurances

The Parties shall, with reasonable diligence, do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement in the manner contemplated herein, and each Party shall provide such further documents or instruments required by any other Party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, whether before or after the Closing Date.

10.4 Governing Law

This Agreement and rights and obligations of the Parties are governed by, and any claims or disputes relating thereto shall be governed by and construed in accordance with the laws of government of India and subject to Clause 10.5 below, the courts of Mumbai, India shall have exclusive jurisdiction in matters arising out of this Agreement.

10.5 Arbitration

- (i) In the event a dispute, controversy or claim arises out of or in relation to, or in connection with, the existence, validity, interpretation, implementation, enforceability, termination, alleged breach, or breach of this Agreement or legal relationship established by this Agreement (the “**Dispute**”), the Parties to such Dispute shall attempt, in the first instance, to resolve such Dispute through amicable discussions among such Disputing Parties (as defined hereinafter).
- (ii) If such Dispute cannot be resolved through amicable discussions within a period of fifteen (15) days after the first occurrence of the Dispute, the Parties (the “Disputing Parties”) shall, by notice in writing to each other, refer the Dispute to binding arbitration to be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996, as amended (the “**Arbitration Act**”).
- (iii) Any reference of the Dispute to arbitration under this Agreement shall not affect the performance of terms, other than the terms related to the matter under arbitration, by the Parties under this Agreement or any amendments or supplements to this Agreement.
- (iv) The arbitration shall be conducted as follows:
 - (a) all proceedings in any such arbitration shall be conducted and the arbitral award shall be rendered, in the English language;
 - (b) all Disputes between the Parties arising out of or in connection with this Agreement shall be referred to or submitted to arbitration in Jalandhar, India;

- (c) each Disputing Party shall appoint one arbitrator within a period of 15 days from the date of the notice, referring the Dispute to binding arbitration and the two arbitrators shall appoint the third or the presiding arbitrator within a period of 15 days of the receipt of the second appointed arbitrator's confirmation of his/her appointment by the latter disputing party. In the event that any of the Disputing Parties fail to appoint an arbitrator, or the arbitrators so appointed fail to appoint one other arbitrator as set forth in this Clause or if there are more than two disputing parties, then such arbitrator(s) shall be appointed in accordance with the provisions of the Arbitration Act, and each of the arbitrators so appointed shall have at least five years of relevant experience in the area of securities and/or commercial laws;
- (d) the arbitrators shall have the power to award interest on any sums awarded;
- (e) the arbitration award shall state the reasons on which it was based;
- (f) the arbitration award shall be final, conclusive and binding on the Parties and shall be subject to enforcement in any court of competent jurisdiction;
- (g) the Disputing Parties shall bear their respective costs incurred in arbitration, including the arbitration proceedings unless the arbitrators otherwise award or order;
- (h) the arbitrators may award to a Disputing Party its costs and actual expenses (including actual fees and expenses of its counsel) in the event it substantially prevails on the merits in any Dispute referred to arbitration under this Agreement;
- (i) the Disputing Parties shall cooperate in good faith to expedite the conduct of any arbitral proceedings commenced pursuant to this Agreement; and
- (j) subject to the foregoing provisions, the courts in Mumbai, India shall have jurisdiction in relation to proceedings, including with respect to grant of interim relief, brought under the Arbitration Act.
- (k) Nothing in this Clause 10.5 shall be construed as preventing any Party from seeking conservatory or similar interim relief in accordance with Applicable Law. The Parties agree that the High Court of Bombay shall have exclusive jurisdiction to grant any interim relief in relation to any Dispute under this Agreement.

10.6 Supersession

This Agreement supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, among the Parties relating to the subject matter hereof and as of the date hereof constitute the entire understanding of the Parties.

10.7 Amendments

No amendment, supplement, modification or clarification to this Agreement shall be valid or binding unless set forth in writing and duly executed by all of the Parties.

10.8 Third Party Benefit

Other than as stated in this Agreement, nothing herein expressed or implied is intended, nor shall it be construed to confer upon or give to any third party any right, remedy or claim under or by reason of this Agreement or any part hereof.

10.9 Successors

The provisions of this Agreement shall inure to the benefit of and be binding on the Parties and their respective successors (including, without limitation, any successor by reason of amalgamation, scheme of arrangement, merger, demerger or acquisition of any Party), permitted assign and legal representatives.

10.10 Severability

If any one or more of the provisions of this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect under Applicable Law, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained in this Agreement, and the remaining provisions of this Agreement shall be given full force and effect. The Parties will use their best reasonable efforts to negotiate and implement a substitute provision which is valid and enforceable and which as nearly as possible provides the Parties with the benefits of the invalid or unenforceable provision.

10.11 Confidentiality

- (i) The Share Escrow Agent shall keep confidential all information and other materials passing between it and the other Parties in relation to the transactions contemplated by this Agreement, which was either designated as confidential or which by its nature is intended to be confidential (“**Confidential Information**”), and shall not divulge such information to any other Person or use such Confidential Information other than:
 - (a) its select employees, agents or advisors that it reasonably determines need to receive the Confidential Information in connection with the provisions and performance of this Agreement; or
 - (b) any Person to whom it is required by Applicable Law or any applicable regulation to disclose such information or at the request of any Governmental Authority.
- (ii) In relation to Clause 10.11 (i), the Share Escrow Agent shall procure/ensure that its employees and other Persons to whom the information is provided comply with the terms of this Agreement. In case the Share Escrow Agent is required to disclose Confidential Information, it shall ensure that the other Parties are duly informed prior to such disclosure being made so as to enable the Bank and/or the Selling Shareholders, as the case may be, to obtain appropriate injunctive or other relief to prevent such disclosure or minimize the disclosed information only to the extent required by Applicable Law, and the Share Escrow Agent shall cooperate with any action that the Bank and/or the Selling Shareholders, as the case may be, may request to maintain the confidentiality of such information as permitted under Applicable Law.
- (iii) Confidential Information shall be deemed to exclude any information:
 - (a) which is already in the possession of the receiving party on a non-confidential basis;
 - (b) which is publicly available or otherwise in the public domain at the time of disclosure to the other Parties; or
 - (c) which subsequently becomes publicly known other than through the breach of this Agreement by any of the Parties hereunder.

10.12 Specific Performance

The Parties agree that each Party shall be entitled to seek injunction, restraining order, recovery, specific performance or such other equitable relief as a court of competent jurisdiction may deem necessary or appropriate to restrain any other Party from committing any violation or enforce the performance of the covenants, representations, warranties and obligations contained in this Agreement. These injunctive remedies are cumulative and are in addition to any other rights and remedies the Parties may have at Applicable Law or in equity, including without limitation, a right for damages.

10.13 Specimen Signatures

All instructions issued by the Bank, the Selling Shareholders and the Share Escrow Agent shall be valid instructions if signed by one representative of each of the Bank, the Selling Shareholders and the Share Escrow Agent, as the case maybe, the name and specimen signatures of whom are annexed hereto as

Schedule H.

[Remainder of the page intentionally kept blank]

THIS SIGNATURE PAGE FORMS AN INTEGRAL PART OF THE SHARE ESCROW AGREEMENT ENTERED INTO BY AND AMONGST THE BANK, EACH SELLING SHAREHOLDER AND THE SHARE ESCROW AGENT.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties or their duly authorised signatories on the day and year first above written.

SIGNED FOR AND ON BEHALF OF CAPITAL SMALL FINANCE BANK LIMITED

Munish

Name: Munish Jain

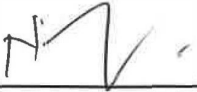
Designation: Executive Director



THIS SIGNATURE PAGE FORMS AN INTEGRAL PART OF THE SHARE ESCROW AGREEMENT ENTERED INTO BY AND AMONGST THE BANK, EACH SELLING SHAREHOLDER AND THE SHARE ESCROW AGENT.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties or their duly authorised signatories on the day and year first above written.

SIGNED FOR AND ON BEHALF OF PI VENTURES LLP




Name: Narayanan Venkitraman

Designation: Designated Partner

THIS SIGNATURE PAGE FORMS AN INTEGRAL PART OF THE SHARE ESCROW AGREEMENT ENTERED INTO BY AND AMONGST THE BANK, EACH SELLING SHAREHOLDER AND THE SHARE ESCROW AGENT.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties or their duly authorised signatories on the day and year first above written.

SIGNED FOR AND ON BEHALF OF AMICUS CAPITAL PRIVATE EQUITY I LLP



Name: Mahesh Parasuraman

Designation: Authorised Signatory

THIS SIGNATURE PAGE FORMS AN INTERGRAL PART OF THE SHARE ESCROW AGREEMENT ENTERED INTO BY AND AMONGST THE BANK, EACH SELLING SHAREHOLDER AND THE SHARE ESCROW AGENT.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties or their duly authorised signatories on the day and year first above written.

SIGNED FOR AND ON BEHALF OF AMICUS CAPITAL PARTNERS INDIA FUND I



Name: Mahesh Parasuraman


Designation: Authorised Signatory

Bank

THIS SIGNATURE PAGE FORMS AN INTERGRAL PART OF THE SHARE ESCROW AGREEMENT ENTERED INTO BY AND AMONGST THE BANK, EACH SELLING SHAREHOLDER AND THE SHARE ESCROW AGENT.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties or their duly authorised signatories on the day and year first above written.

SIGNED FOR AND ON BEHALF OF OMAN INDIA JOINT INVESTMENT FUND II



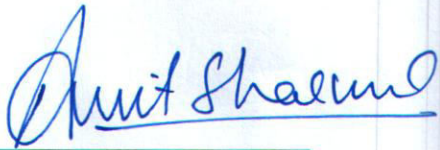
Name: Srinath Srinivasan
Designation: C E O



THIS SIGNATURE PAGE FORMS AN INTERGRAL PART OF THE SHARE ESCROW AGREEMENT ENTERED INTO BY AND AMONGST THE BANK, EACH SELLING SHAREHOLDER AND THE SHARE ESCROW AGENT.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties or their duly authorised signatories on the day and year first above written.

SIGNED FOR AND ON BEHALF OF OTHER SELLING SHAREHOLDERS



Name: AMIT SHARMA

Designation: Company Secretary.

THIS SIGNATURE PAGE FORMS AN INTERGRAL PART OF THE SHARE ESCROW AGREEMENT ENTERED INTO BY AND AMONGST THE BANK, EACH SELLING SHAREHOLDER AND THE SHARE ESCROW AGENT.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties or their duly authorised signatories on the day and year first above written.

SIGNED FOR AND ON BEHALF OF LINK INTIME INDIA PRIVATE LIMITED

A handwritten signature in blue ink is written over a circular purple stamp. The stamp contains the text "LINK INTIME INDIA PVT. LTD." around the perimeter and "1997" at the bottom. The signature is written in a cursive style.

Name: Dnyanesh Gharote

Designation: Vice President

SCHEDULE A

S. No.	Name of Shareholders	No. of Equity Shares offered	% of total pre-Offer paid-up Equity Share capital	Address and Contact Details	Date of consent	Date of corporate action/board resolution/ power of attorney
A. Investor Selling Shareholders						
1.	PI Ventures LLP	Up to 337,396	0.95	102, 10 th Floor, Maker Chambers III Nariman Point Mumbai 400 021 Tel: 022 6750 3500 E-mail id: narayanan@sekhsaria.com	September 27, 2023	September 26, 2023
2.	Amicus Capital Private Equity I LLP	Up to 604,614	1.71	4 th floor, Rockline House 9/1 Museum Road Bangalore 560 001 Tel: 080 4631 6602 Mobile: 98672 48884 E-mail id: mahesh@amicuscapital.in	September 27, 2023	July 24, 2023
3.	Amicus Capital Partners India Fund I	Up to 70,178	0.20	c/o Amicus India Capital Partners LLP 3rd Floor, Rockline House 9/1, Museum Road Bangalore – 560 001 Tel: 080 4631 660 Email: sunil@amicuscapital.in, mahesh@amicuscapital.in	September 27, 2023	July 24, 2023
4.	Oman India Joint Investment Fund II	Up to 836,728	2.37	604/605/606, Lodha Supremus, Opposite Kamala Mills /World Tower, Senapati Bapat Marg, Lower Parel (W), Mumbai-400013, Maharashtra Tel: 022 2421 0760 / 022 2421 00018 E-mail id: srinaths@oijif.com; ajay.limaye@oijif.com; shrikant@oijif.com	September 27, 2023	August 9, 2023
S. No.	Name of Shareholders	No. of Equity Shares offered	% of total pre-Offer paid-up Equity Share capital	Address and Contact Details	Date of consent	Power of Attorney Details
B. Other Selling Shareholders						
1.	Vijay Kumar Bhandari (jointly with Sneha Bhandari)	Up to 50,000	0.14	1704, WALLACE APTS, SLEATER ROAD, GRANT ROAD-WEST, MUMBAI, MAHARASHTRA, 400007 Tel: +91-9820426803 Email: vk_bhandari@rediffmail.com	August 11, 2023	August 11, 2023
2.	Rachna Monga	Up to 30,000	0.08	91, New Jawahar Nagar, Jalandhar, 144001, Punjab Tel: + 91-9878639611 Email: mongarachna@hotmail.com	August 04, 2023	August 04, 2023

S. No.	Name of Shareholders	No. of Equity Shares offered	% of total pre-Offer paid-up Equity Share capital	Address and Contact Details	Date of consent	Date of corporate action/board resolution/ power of attorney
3.	Rashpal Singh (jointly with Surinder Kaur)	Up to 200,000	0.57	HEIMDALSVIEIEN, 15 3117, TONSBERG, NORWAY Tel: 0047-91809867 Email: prabhjit86@gmail.com	August 15, 2023	August 28, 2023
4.	Darshna Devi	Up to 22,704	0.06	GALI BABU NANAK CHAND VAKIL WALL, HOUSE NO. 80, WARD NO. 3, MANDI DABWALI, SIRSA-125104 Tel: +91-9876063350 Email: CAJINDAL@GMAIL.COM	August 18, 2023	August 18, 2023
5.	Nalini Rampilla	Up to 37,000	0.10	Flat No. 101, First Floor, Vamsiram Jyothi Lotus Apartments, Road No. 12, HUDA HEIGHTS, NEAR LOTUS POND, Banjara Hills, Hyderabad-500034 Tel: +91-9820939740 Email: NALINI.KALYANA@GMAIL.COM	August 03, 2023	August 03, 2023
6.	Ramesh Kaur	Up to 167,200	0.47	95, DEVONSHIRE ROAD, SMETHWICK, WEST MIDLANDS, B67 7QQ, U.K. Tel: +44 7459898818 Email: hammysamra1995@gmail.com	August 24, 2023	August 24, 2023
7.	Kalyana Chakravarthy Pilla	Up to 49,000	0.14	Flat No. 101, First Floor, Vamsiram Jyothi Lotus Apartments, Road No. 12, HUDA HEIGHTS, NEAR LOTUS POND, Banjara Hills, Hyderabad-500034 Tel: +91-9820939740 Email: P.KALYANA@GMAIL.COM	August 03, 2023	August 03, 2023
8.	Shardha Ram	Up to 365	0.00	NIMMA WALA CHOWK, SAMRAI, JALANDHAR, 144418 Tel: +91-9501562243 Email: Jyotigoyal5142@gmail.com	August 17, 2023	August 18, 2023
9.	Baldev Raj Rallan	Up to 2,000	0.01	1013-C, Adarsh Nagar, Phagwara, P.O. Satnam Pura, District Kapurthala, PIN-144402 Tel: +91-9464786711/+91-8986600357 Email: brrifs@gmail.com	August 17, 2023	August 17, 2023
10.	Ram Lal	Up to 4,000	0.01	VPO Samrai, Patti Red Gate, Tehsil, Phillaur-Jalandhar, 144418 Tel: 01826275007/+91-9780005874 Email: ram_lal@capitalbank.co.in	August 17, 2023	August 17, 2023
11.	Sandeep Rallan	Up to 1,500	0.00	H.No. 1013-C, Adarsh Nagar, Near Gaba Colony, P.O. Satnam Pura, Phagwara, District Kapurthala, PIN-144402 Tel: +91-9411310938 Email: sandeoprallan@gmail.com	August 17, 2023	August 17, 2023
Total (C)		24,12,685	6.82			

SCHEDULE B**DETAILS OF THE DEMAT ACCOUNTS OF THE INVESTOR SELLING SHAREHOLDERS**

Sr. No	Name of Investor Selling Shareholder	Number of Equity Shares to be deposited	Depository	Client ID	Depository Participant	DP ID	Account Name
1.	PI Ventures LLP	337,396	NSDL	10243084	Union Bank of India	IN302603	PI Ventures LLP
2.	Amicus Capital Private Equity I LLP	604,614	NSDL	11264881	HDFC Bank Limited	IN300216	Amicus Capital Private Equity I LLP
3.	Amicus Capital Partners India Fund I	70,178	NSDL	10007047	SBI - SG Global Securities Services Private Limited	IN303786	Amicus Capital Partners India Fund I
4.	Oman India Joint Investment Fund II	836,728	NSDL	10005024	SBI - SG Global Securities Services Private Limited	IN303786	Oman India Joint Investment Fund II

DETAILS OF THE DEMAT ACCOUNTS OF THE OTHER SELLING SHAREHOLDERS

Sr. No	Name of Other Selling Shareholder	Number of Equity Shares to be deposited	Depository	Client ID	Depository Participant	DP ID	Account Name
1	Vijay Kumar Bhandari (jointly with Sneh Bhandari)	50,000	NSDL	26115315	Kotak Securities Limited	IN300214	Vijay Kumar Bhandari (jointly with Sneh Bhandari)
2	Rachna Monga	30,000	CDSL	19552687	SBICAPS Securities Limited	12047200	Rachna Monga
3	Rashpal Singh (jointly with Surinder Kaur)	200,000	NSDL	10044955	Findoc Investmart Private Limited	IN304088	Rashpal Singh (jointly with Surinder Kaur)
4	Darshna Devi	22,704	NSDL	61803046	HDFC Bank Limited	IN301549	Darshna Devi
5	Nalini Rampilla	37,000	CDSL	18259800	Zerodha Broking Limited	12081600	Nalini Rampilla
6	Ramesh Kaur	167,200	NSDL	10077552	Findoc Investmart Private Limited	IN304088	Ramesh Kaur
7	Kalyana Chakravarthy Pilla	49,000	CDSL	18929651	Zerodha Broking Limited	12081600	Kalyana Chakravarthy Pilla
8	Shardha Ram	365	CDSL	00062040	MaxGrowth Capital Private Limited	12066200	Shardha Ram
9	Baldev Raj Rallan	2,000	CDSL	07133700	Sharekhan Limited	12036000	Baldev Raj Rallan
10	Ram Lal	4,000	NSDL	12905064	IDBI Bank Limited	IN300450	Ram Lal
11	Sandeep Rallan	1,500	CDSL	07103743	Sharekhan Limited	12036000	Sandeep Rallan

SCHEDULE D

[On the letterhead of the Share Escrow Agent]

Date:

To

The Bank, the Selling Shareholders and the Book Running Lead Managers

Dear Sirs,

Sub: Notice of transfer of Offered Shares to the Escrow Demat Account pursuant to Clause 3.4 of the Share Escrow Agreement

Pursuant to Clause 3.4 of the Share Escrow Agreement, we write to inform you that the Offered Shares (i.e. [●] Equity Shares) have been credited to the Escrow Demat Account today.

Capitalized terms not defined herein shall have the meaning assigned to such terms in the Share Escrow Agreement.

For and on behalf of **LINK INTIME INDIA PRIVATE LIMITED**

Authorised Signatory

Name:

Designation:

Encl: Annexure A

Annexure A

[Copy of demat statement reflecting the credit of Offered Shares]

SCHEDULE E

[On the letterhead of the Bank]

Date:

To

Share Escrow Agent and the Selling Shareholders

Copy to: The Book Running Lead Managers

Re: Allotment of Equity Shares in the initial public offering of the equity shares of Capital Small Finance Bank Limited

Dear Sir,

In accordance with the Clause 5.1(ii) of the Share Escrow Agreement the Corporate Action Requisition has been issued. A copy of the Corporate Action Requisition is enclosed hereto.

Capitalized terms not defined herein shall have the meaning assigned to such terms in the Share Escrow Agreement.

Yours sincerely,

For and on behalf of **CAPITAL SMALL FINANCE BANK LIMITED**

Authorised Signatory

Name:

Designation:

Encl – Corporate Action Requisition

SCHEDULE F

[On the letterhead of the Bank]

Date:

To

The Share Escrow Agent, the Selling Shareholders and the Book Running Lead Managers

Dear Sirs,

Sub: Share Escrow Failure Notice pursuant to Clause 5.3 of the share escrow agreement dated [●] (the “Share Escrow Agreement”)

Pursuant to Clause 5.3 of the Share Escrow Agreement, we write to inform you that an Event of Failure has occurred in the nature of [●].

[The Event of Failure has occurred before the transfer of the Sold Shares to the Allottees in accordance with the Clause 5.4 of the Share Escrow Agreement.]

[The Event of Failure has occurred after the transfer of the Sold Shares to the Allottees in accordance with the Clause 5.5 of the Share Escrow Agreement.]

The Share Escrow Agent is requested to credit back the Offered Shares from the Escrow Demat Account to the Selling Shareholder Demat Accounts in accordance with Clause 5 of the Share Escrow Agreement.

Thereafter, the Share Escrow Agent is requested to close the Escrow Demat Account pursuant to Clause 9 of the Share Escrow Agreement.

Capitalized terms not defined herein shall have the meaning assigned to such terms in the Share Escrow Agreement.

Kindly acknowledge the receipt of this letter.

For and on behalf of **CAPITAL SMALL FINANCE BANK LIMITED**

Authorised Signatory

Name:

Designation:

SCHEDULE G

LETTER OF INDEMNITY

Date: September 28, 2023

To

**Nuvama Wealth Management Limited
(Formerly known as Edelweiss Securities Limited)**

801 - 804, Wing A, Building No 3,
Inspire BKC, G Block
Bandra Kurla Complex, Bandra East
Mumbai, Maharashtra – 400 051

DAM Capital Advisors Limited

One BKC, Tower C,
15th Floor, Unit No. 1511,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051
Maharashtra, India

Equirus Capital Private Limited

1201, C Wing, Marathon Futurex,
N.M. Joshi Marg, Lower Parel
Mumbai 400 013,
Maharashtra, India

(collectively, the “**Book Running Lead Managers**” or “**BRLMs**”)

Dear Sirs,

Re: Letter of indemnity in favour of the Book Running Lead Managers pursuant to the share escrow agreement entered into amongst Capital Small Finance Bank Limited (the “Bank”), the Selling Shareholders and Link Intime India Private Limited (the “Share Escrow Agent”) dated September 28, 2023.

The Bank hereto proposes to undertake an initial public offering of equity shares of face value of ₹10 (the “**Equity Shares**”) each of the Bank (the “**Offer**”), comprising a fresh issue of Equity Shares by the Bank (“**Fresh Issue**”) and an offer for sale of Equity Shares held by the Selling Shareholders, as set out in Schedule A of this Agreement (“**Offer for Sale**” and such Equity Shares, the “**Offered Shares**”) in accordance with the Companies Act, 2013, as amended, including any rules, regulations, clarifications and modifications thereto (“**Companies Act**”), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”) and other Applicable Laws (as defined herein), at such price as may be determined by the Bank in consultation with Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited), DAM Capital Advisors Limited² and Equirus Capital Private Limited (together, the “**Book Running Lead Managers**” or the “**BRLMs**”) through the book building process under the Schedule XIII of the SEBI ICDR Regulations (the “**Offer Price**”). The Offer shall include offers: (i) within India, to investors who are not U.S. persons and not persons acquiring for the account or benefit of U.S. persons, in “offshore transactions”, as defined in and in reliance on Regulation S (“**Regulation S**”) under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), (ii) outside the United States to investors that are not U.S. persons nor

² In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 and Regulation 23(3) of the SEBI ICDR Regulations, DAM Capital Advisors Limited will be involved only in marketing of the Offer. DAM Capital Advisors Limited has signed the due diligence certificate and has been disclosed as BRLM for the Offer..

persons acquiring for the account or benefit of U.S. persons, in “offshore transactions” as defined in and in reliance on Regulation S, and in each case in accordance with the Applicable Law of the jurisdictions where such offers and sales occur. The Offer may also include allocation of Equity Shares to certain Anchor Investors, in consultation with the Book Running Lead Managers, on a discretionary basis, in accordance with the SEBI ICDR Regulations. The Bank may, in consultation with the BRLMs consider a further issuance of specified securities, of up to 20% of the Fresh Issue or such other amount as may be allowed under applicable law for cash consideration, after filing of the DRHP with SEBI but prior to filing of the Red Herring Prospectus (as defined below) with the RoC (“**Pre-IPO Placement**”). The Pre-IPO Placement, if undertaken, will be at a price to be decided by the Bank in consultation with the BRLMs. If the Pre-IPO Placement is undertaken, the size of the Fresh Issue will be reduced to the extent of the Pre-IPO Placement subject to the Offer complying with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957.

Link Intime India Private Limited has been appointed as the share escrow agent (the “**Share Escrow Agent**”) in relation to the Offer by the Bank, and the Selling Shareholders, in accordance with the Share Escrow Agreement dated September 28, 2023 (the “**Agreement**”). The Share Escrow Agent confirms that it has read and fully understands the SEBI ICDR Regulations, the Companies Act and all the relevant circulars, notifications, guidelines and regulations issued by the Securities and Exchange Board of India and other applicable laws, in so far as they are applicable to its scope of work undertaken pursuant to the Agreement and is fully aware of its obligations, duties and responsibilities and the consequences of any default on its part.

The Share Escrow Agent acknowledges that the Book Running Lead Managers may be exposed to liabilities or losses if the Share Escrow Agent fails to comply with any of its duties, obligations and responsibilities under the Agreement and other legal requirements applicable to it in relation to the Offer.

The Share Escrow Agent undertakes to each of the Book Running Lead Managers that it shall act with due diligence, care and skill while discharging its duties, obligations and responsibilities under the Agreement and this Letter of Indemnity. The Share Escrow Agent further represents, warrants and undertakes to each of the Book Running Lead Managers to: (i) implement all written instructions, including electronic instructions, in respect of the Offer and the terms of the Agreement; (ii) provide all notices and intimations to the Book Running Lead Managers as contemplated under the Agreement and this Letter of Indemnity; (iii) ensure that the Escrow Demat Account (as defined in the Agreement) will not be operated in any manner and for any other purpose other than as provided in the Agreement; (iv) ensure compliance with all Applicable Law; and (v) comply with the terms and conditions of the Agreement and this letter of indemnity.

Further, pursuant to the provisions of the Agreement and in consideration of its appointment as the ‘Share Escrow Agent’ (as indicated hereinabove), the Share Escrow Agent has undertaken to execute and deliver this Letter of Indemnity in favor of the Book Running Lead Managers to indemnify, at all times, each of the Book Running Lead Managers and their Affiliates and each of their respective employees, directors, officers, managers, advisors, agents, successors, permitted assigns, representatives and any other Person that, directly or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with such indemnified Person (each such Person, a “**Manager Indemnified Party**”).

The Share Escrow Agent hereby absolutely, irrevocably and unconditionally undertakes and agrees to keep each Manager Indemnified Party, fully indemnified, at all times, from and against any losses, liabilities, claims, actions, causes of action, damages, suits, demands, proceedings, awards, judgements, claims for fees, costs, charges, expenses (including, without limitation, interest, penalties, attorney fees, accounting fees, losses arising from difference or fluctuation in exchange rates of currencies and investigation costs) or losses or other professional fees (“**Losses**”), of whatsoever nature made, suffered or incurred, including pursuant to any legal proceedings instituted or threatened against any Manager Indemnified Party or any other party, in relation to or resulting from or consequent upon or arising out of (i) any failure, deficiency, error, any breach or alleged breach of any provision of law, regulation or order of any court or legal, regulatory, statutory, judicial or administrative authority; (ii) any breach or alleged breach any representation, warranty, obligations or undertaking or in the performance of the obligations and responsibilities by the Share Escrow Agent; (iii) the acts or omissions, error, failure, any delay, negligence, fraud, misconduct, bad faith, wilful default or deficiency of the Share Escrow Agent under the Agreement and this Letter of Indemnity, or the performance thereof; (iv) any information provided by the Share Escrow Agent to the Book Running Lead Managers which is untrue, incomplete or incorrect in any respect; (v) infringement of any intellectual property, rights of any third party; and (vi) anything done or omitted to be done through the negligence, default or misconduct by the Share Escrow Agent or of its officers, directors, employees or agents.

The Share Escrow Agent shall further indemnify, reimburse and refund all Losses incurred by each of the Manager Indemnified Parties in connection with investigating, preparing or defending any investigative, administrative, judicial or regulatory action or proceeding in any jurisdiction related to or arising out of such activities, services, or role, whether or not in connection with pending or threatened litigation to which any of the Managers Indemnified Parties is a party, in each case as such expenses are incurred or paid including in addressing investor complaints which otherwise would have been addressed by the Share Escrow Agent in the performance of the services contemplated under the Agreement and this Letter of Indemnity and in responding to queries relating to such services from SEBI and/or the stock exchanges and/or any other statutory or regulatory authority or a court of law.

The Share Escrow Agent hereby agrees that failure of any Manager Indemnified Party to exercise part of any of its right under this Letter of Indemnity in one or more instances shall not constitute a waiver of those rights in another instance or a waiver by any other Manager Indemnified Party of any of its rights established herein. The Share Escrow Agent agrees that the obligations of the Share Escrow Agent under the Share Escrow Agreement are incorporated in this Letter of Indemnity mutatis mutandis.

This Letter of Indemnity shall be effective from the date of execution of the Agreement and shall survive the expiry or termination of the Agreement. The provisions of this Letter of Indemnity shall not be affected by any limitations or other clauses set out in the Agreement and shall be in addition to any other rights that each of the Manager Indemnified Parties may have at common law or otherwise.

The Share Escrow Agent acknowledges and agrees that each of the Book Running Lead Managers shall have all the rights specified under the provisions of the Agreement but shall not have any obligations or liabilities to the Share Escrow Agent or the Bank or the Selling Shareholders or any other party, expressed or implied, direct or indirect, under the terms of the Agreement or this Letter of Indemnity. Further, the Bank and the Selling Shareholders entering into the Share Escrow Agreement is sufficient consideration for issuing this Letter of Indemnity in favour of the Managers.

All capitalized terms set forth herein that are not defined herein shall have the respective meanings ascribed to such terms in the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus filed by the Bank with the regulatory authorities in connection with the Offer. In case of any inconsistency between the terms of the Agreement and this Letter of Indemnity, this Letter of Indemnity will prevail.

This Letter of Indemnity may be amended or altered only with the prior written approval of each of the Book Running Lead Managers. The Share Escrow Agent shall inform each of the Book Running Lead Managers of any amendment to the Agreement and provide the Book Running Lead Managers a copy of such amendment.

In the event of a dispute, controversy or claim arises out of or in relation to or in connection with the existence, validity, interpretation, implementation, termination, enforceability, breach or alleged breach of this Letter of Indemnity, including any non-contractual disputes or claims (“**Dispute**”), the parties to the Dispute (the “**Disputing Parties**”) shall attempt in the first instance to resolve such dispute amicably through negotiations between the Disputing Parties. If the dispute is not resolved through negotiations within 30 (thirty) days of commencement of discussion on the Dispute (or such longer period as the Disputing Parties may agree to in writing) then either of the Disputing Parties may by notice in writing to each of the other Disputing Parties, refer the dispute for resolution by binding arbitration to be conducted in accordance with the procedure under the Arbitration and Conciliation Act, 1996, as amended. All arbitration proceedings shall be conducted and the arbitral award shall be rendered in the English language. The seat and place of the arbitration shall be Mumbai, India.

Notwithstanding the power of the arbitrators to grant interim relief, the Disputing Parties shall have the power to seek appropriate interim relief from the courts of Mumbai, India. Further, the Disputing Parties shall co-operate in good faith to expedite, the conduct of any arbitral proceedings commenced pursuant to the Agreement and/or this Letter of Indemnity.

This Letter of Indemnity may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original, but all such counterparts shall constitute one and the same Agreement.

Any notices, requests, demands or other communication required or permitted to be given under this Letter of Indemnity or for the purpose of this Letter of Indemnity shall be written in English and shall be delivered in

person, or sent by courier or by certified or registered mail, postage prepaid or transmitted by facsimile or e-mail and properly addressed as follows:

In case of the BRLMs:

**Nuvama Wealth Management Limited
(Formerly known as Edelweiss Securities Limited)**

801 - 804, Wing A, Building No 3,
Inspire BKC, G Block
Bandra Kurla Complex, Bandra East
Mumbai, Maharashtra – 400 051
Email: IBLegal.Compliance@nuvama.com
Attn: Bhavana Hansraj Kapadia

DAM Capital Advisors Limited*

One BKC, Tower C,
15th Floor, Unit No. 1511,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051
Maharashtra, India
Email: rajesh@damcapital.in
Attn: Rajesh Tekadiwala

** In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 and Regulation 23(3) of the SEBI ICDR Regulations, DAM Capital Advisors Limited will be involved only in marketing of the Offer. DAM Capital Advisors Limited has signed the due diligence certificate and has been disclosed as BRLM for the Offer.*

Equirus Capital Private Limited

1201, C Wing, Marathon Futurex,
N.M. Joshi Marg, Lower Parel
Mumbai 400 013,
Maharashtra, India
Email: venkat.s@equirus.com
Attn: Venkatraghavan S

In case of the Share Escrow Agent:

Link Intime India Private Limited

C-101, 247 Park
L.B.S. Marg, Vikhroli (West)
Mumbai 400 083
Maharashtra, India
Telephone: 022 49186000
E-mail: haresh.hinduja@linkintime.co.in
Attention: Mr. Haresh Hinduja – Head, Primary Market

All notices, requests, demands or other communications required or permitted under this Letter of Indemnity shall: (i) if delivered personally or by overnight courier, be deemed given upon delivery; (ii) if delivered by facsimile or e-mail, be deemed given when electronically confirmed; and (iii) if sent by registered mail, be deemed given when received.

Yours sincerely,

THIS SIGNATURE PAGE FORMS AN INTEGRAL PART OF THE LETTER OF INDEMNITY PROVIDED BY THE SHARE ESCROW AGENT TO THE BOOK RUNNING LEAD MANAGERS PURSUANT TO THE SHARE ESCROW AGREEMENT ENTERED INTO BY AND BETWEEN THE BANK, EACH OF THE SELLING SHAREHOLDERS AND THE SHARE ESCROW AGENT

IN WITNESS WHEREOF, this Agreement has been executed by the Parties or their duly authorized signatories, on the day and year first above written

For and on behalf of **Link Intime India Private Limited**




Authorized Signatory

Name: Dnyanesh Gharote

Designation: Vice President

THIS SIGNATURE PAGE FORMS AN INTEGRAL PART OF THE LETTER OF INDEMNITY PROVIDED BY THE SHARE ESCROW AGENT TO THE BOOK RUNNING LEAD MANAGERS PURSUANT TO THE SHARE ESCROW AGREEMENT ENTERED INTO BY AND BETWEEN THE BANK, EACH OF THE SELLING SHAREHOLDERS AND THE SHARE ESCROW AGENT.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties or their duly authorized signatories, on the day and year first above written.

For and on behalf of **Nuvama Wealth Management Limited (Formerly known as Edelweiss Securities Limited)**




Authorized Signatory

Name: Neetu Ranka

Designation: ED and Co-Head, ECM – Corporate Finance

THIS SIGNATURE PAGE FORMS AN INTEGRAL PART OF THE LETTER OF INDEMNITY PROVIDED BY THE SHARE ESCROW AGENT TO THE BOOK RUNNING LEAD MANAGERS PURSUANT TO THE SHARE ESCROW AGREEMENT ENTERED INTO BY AND BETWEEN THE BANK, EACH OF THE SELLING SHAREHOLDERS AND THE SHARE ESCROW AGENT.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties or their duly authorized signatories, on the day and year first above written.

For and on behalf of **DAM Capital Advisors Limited**




Authorized Signatory

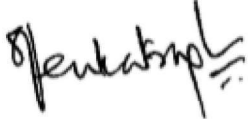
Name: Sachin K. Chandiwal

Designation: MD – Corporate Finance

THIS SIGNATURE PAGE FORMS AN INTEGRAL PART OF THE LETTER OF INDEMNITY PROVIDED BY THE SHARE ESCROW AGENT TO THE BOOK RUNNING LEAD MANAGERS PURSUANT TO THE SHARE ESCROW AGREEMENT ENTERED INTO BY AND BETWEEN THE BANK, EACH OF THE SELLING SHAREHOLDERS AND THE SHARE ESCROW AGENT.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties or their duly authorized signatories, on the day and year first above written.

For and on behalf of **Equirus Capital Private Limited**



Authorized Signatory

Name: Venkatraghavan S.


Designation: Managing Director – ECM

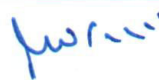
Date: September 28, 2023

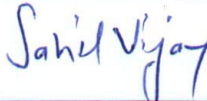
SCHEDULE H

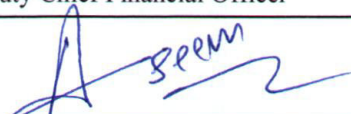
LIST OF AUTHORISED SIGNATORIES

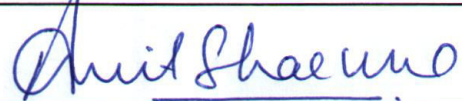
CAPITAL SMALL FINANCE BANK LIMITED

Name	Sarvjit Singh Samra
Designation	Managing Director & CEO
Specimen signature	

Name	Munish Jain
Designation	Executive Director and Chief Financial Officer
Specimen signature	

Name	Sahil Vijay
Designation	Chief Treasury Officer
Specimen signature	


Name	Aseem Mahajan
Designation	Deputy Chief Financial Officer
Specimen signature	

Name	Amit Sharma
Designation	Company Secretary
Specimen signature	

Investor Selling Shareholders

Pi Ventures LLP

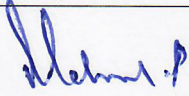
Specimen Signatures

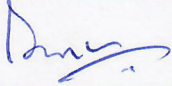
Name	Narayanan Venkitraman
Designation	Designated Partner
Specimen signature	

Investor Selling Shareholders

Amicus Capital Private Equity I LLP

Specimen Signatures


Name	Mahesh Parasuraman
Designation	Authorised Signatory
Specimen signature	

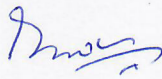
Name	Sunil Theckath Vasudevan
Designation	Authorised Signatory
Specimen signature	

Investor Selling Shareholders

Amicus Capital Partners India Fund I

Specimen Signature


Name	Mahesh Parasuraman
Designation	Authorised Signatory
Specimen signature	

Name	Sunil Theckath Vasudevan
Designation	Authorised Signatory
Specimen signature	

Investor Selling Shareholder

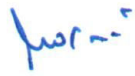
Oman India Joint Investment Fund II

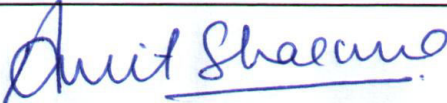
Specimen Signatures

Name	SRINATH SRINIVASAN
Designation	CEO
Specimen signature	




Signatory details of Power of Attorney on behalf of the Other Selling Shareholders

Name	Munish Jain
Designation	Executive Director and Chief Financial Officer
Specimen signature	

Name	Amit Sharma
Designation	Company Secretary
Specimen signature	

Specimen Signature

Name	Dnyanesh Gharote
Designation	Vice President
Specimen signature	

SCHEDULE I

PART A

ON THE LETTERHEAD OF THE BANK

Date: [●]

To,

The Share Escrow Agent and the Depositories

Copy to: The Book Running Lead Managers and the Selling Shareholders

Re: Allotment of Equity Shares in the IPO of Capital Small Finance Bank Limited

Dear Sir,

Pursuant to Clause 5.5 of the share escrow agreement dated [●] (“**Share Escrow Agreement**”), the Share Escrow Agent and the Depositories are requested to debit the Sold Shares from the demat accounts of the Allottees and credit such Offered Shares to the Escrow Demat Account, within 1 (one) Working Day of the receipt of this letter.

Capitalized terms not defined herein shall have the meaning assigned to such terms in the Share Escrow Agreement.

Yours sincerely,

For and on behalf of **Capital Small Finance Bank Limited**

Authorised Signatory

PART B

ON THE LETTERHEAD OF THE RELEVANT SELLING SHAREHOLDER

Date: [●]

To,

The Share Escrow Agent and the Depositories

Copy to: The Book Running Lead Managers and the Bank

Re: Allotment of Equity Shares in the IPO of Capital Small Finance Bank Limited

Dear Sir,

Pursuant to Clause 5.6 of the share escrow agreement dated [●] (“**Share Escrow Agreement**”), the Share Escrow Agent and the Depositories are requested to debit the Sold Shares from the demat accounts of the Allottees and credit such Offered Shares to the Escrow Demat Account, within 1 (one) Working Day of the receipt of this letter.

Capitalized terms not defined herein shall have the meaning assigned to such terms in the Share Escrow Agreement.

Yours sincerely,

For and on behalf of *[relevant Selling Shareholder]*

Authorised Signatory

SCHEDULE J

Date: [●]

To,

The Share Escrow Agent and the Depositories

Copy to: The Book Running Lead Managers and the Selling Shareholders

**Re: Share Escrow Failure intimation pursuant to Clause 3.4 of the share escrow agreement dated [●]
("Share Escrow Agreement")**

Dear Sir,

This is to intimate the Share Escrow Agent that the Red Herring Prospectus has not been filed with the RoC within 10 Working Days of the Offered Shares being credited into the Escrow Demat Account by the Investor Selling Shareholders.

Pursuant to Clause 3.4 of the Share Escrow Agreement, the Share Escrow Agent is requested to credit back the Offered Shares from the Escrow Demat Account to the respective demat accounts of the Selling Shareholders, in accordance with Clause 3.4 of the Share Escrow Agreement.

Thereafter, the Share Escrow Agent is requested to close the Escrow Demat Account pursuant to Clause 9 of the Share Escrow Agreement.

Capitalized terms not defined herein shall have the meaning assigned to such terms in the Share Escrow Agreement, the RHP and the Prospectus.

Yours sincerely,

For and on behalf of **Capital Small Finance Bank Limited**

Authorised Signatory

SCHEDULE K
DETAILS OF THE OFFERED SHARES

Sr. No	Name of Selling Shareholder	Original number of Equity Shares deposited	Depository	Client ID	Depository Participant	DP ID	Account Name
1	PI Ventures LLP	337,396	NSDL	10243084	Union Bank of India	IN302603	PI Ventures LLP
2	Amicus Capital Private Equity I LLP	604,614	NSDL	11264881	HDFC Bank Limited	IN300216	Amicus Capital Private Equity I LLP
3	Amicus Capital Partners India Fund I	70,178	NSDL	10007047	SBI - SG Global Securities Services Private Limited	IN303786	Amicus Capital Partners India Fund I
4	Oman India Joint Investment Fund II	836,728	NSDL	10005024	SBI - SG Global Securities Services Private Limited	IN303786	Oman India Joint Investment Fund II
5	Vijay Kumar Bhandari (jointly with Sneh Bhandari)	50,000	NSDL	26115315	Kotak Securities Limited	IN300214	Vijay Kumar Bhandari (jointly with Sneh Bhandari)
6	Rachna Monga	30,000	CDSL	19552687	SBICAPS Securities Limited	12047200	Rachna Monga
7	Rashpal Singh (jointly with Surinder Kaur)	200,000	NSDL	10044955	Findoc Investmart Private Limited	IN304088	Rashpal Singh (jointly with Surinder Kaur)
8	Darshna Devi	22,704	NSDL	61803046	HDFC Bank Limited	IN301549	Darshna Devi
9	Nalini Rampilla	37,000	CDSL	18259800	Zerodha Broking Limited	12081600	Nalini Rampilla
10	Ramesh Kaur	1,67,200	NSDL	10077552	Findoc Investmart Private Limited	IN304088	Ramesh Kaur
11	Kalyana Chakravarthy Pilla	49,000	CDSL	18929651	Zerodha Broking Limited	12081600	Kalyana Chakravarthy Pilla

12	Shardha Ram	365	CDSL	00062040	MaxGrowth Capital Private Limited	12066200	Shardha Ram
13	Baldev Raj Rallan	2,000	CDSL	07133700	Sharekhan Limited	12036000	Baldev Raj Rallan
14	Ram Lal	4,000	NSDL	12905064	IDBI Bank Limited	IN300450	Ram Lal
15	Sandeep Rallan	1,500	CDSL	07103743	Sharekhan Limited	12036000	Sandeep Rallan

SCHEDULE K1

Date: [•]

To,

The Share Escrow Agent and the Depositories

Copy to: The Book Running Lead Managers and the Selling Shareholders

Re: Instruction pursuant to Clause 5.8 of the share escrow agreement dated [•] (“Share Escrow Agreement”)

Dear Sir,

This is to instruct the Share Escrow Agent to immediately credit the following Equity Shares to the respective Other Selling Shareholders in their respective Selling Shareholders Demat Account:

Sl. No.	Name of the Other Selling Shareholder	Number of Equity Shares
1.	[•]	[•]

Yours sincerely,

For and on behalf of **Capital Small Finance Bank Limited**

Authorised Signatory

SCHEDULE L

ON THE LETTERHEAD OF THE SHARE ESCROW AGENT

Date: [●]

To,

The Bank, Book Running Lead Managers and Selling Shareholders

Re: Allotment of Equity Shares in the IPO of Capital Small Finance Bank Limited

Dear Sir,

The corporate actions contemplated by clause 5.2 of Share Escrow Agreement have been completed.

Capitalized terms not defined herein shall have the meaning assigned to such terms in the Share Escrow Agreement.

Yours sincerely,

For and on behalf of **LINK INTIME INDIA PRIVATE LIMITED**

Authorised Signatory

SCHEDULE M

[Copy of demat statement reflecting the credit of Offered Shares to be included herein.]