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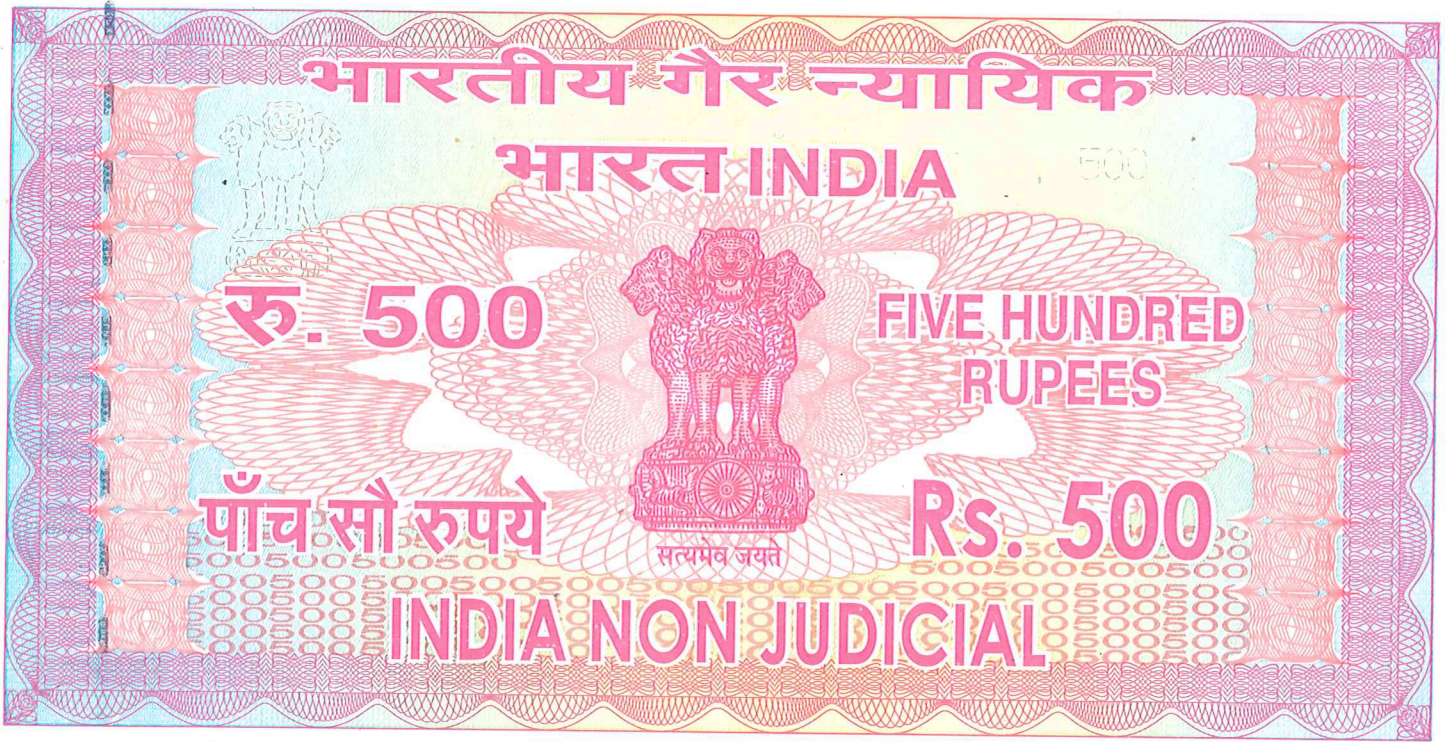
THIS STAMP PAPER FORMS AN INTEGRAL PART OF THE MONITORING AGENCY AGREEMENT DATED MARCH 04, 2024 EXECUTED BY AND BETWEEN POPULAR VEHICLES AND SERVICES LIMITED AND CARE RATINGS LIMITED.

GL No. 23827 Value Rs (00)
Issued to 11/10/2021

Popular Vehicles & Services Ltd
Killipattam Vendor
K.R. Sugatha Kumari Thankachy

K.R. Sugatha Kumari Thankachy Manangalam





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No. 14278.....Date 27-9-23

Value of Rs. 500.....

Sold to..... Popular Vehicles and Services Ltd

to be linked with SL. No. Memorials


A. KRISHNAKUMAR
STAMP VENDOR
EDAPPALLY



THIS MONITORING AGENCY AGREEMENT (THE “AGREEMENT”) is entered into this 04th day of March, 2024 at Ernakulam, Kerala by and among:

Popular Vehicles and Services Limited, a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at Kuttukaran Centre, Mamangalam, Cochin, Ernakulam 682 025, Kerala, India, (herein after referred to as the "**Issuer**" or the "**Company**", which expression shall unless repugnant to the context or meaning thereof mean and include its successors and permitted assigns) of the **FIRST PART**;

AND

CARE Ratings Limited, a company duly incorporated under the Companies Act, 1956, and having its registered office at Godrej Coliseum, 4th Floor, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai- 400022 in the capacity of monitoring agency appointed in terms of SEBI Regulations (*as defined herein below*) ("**CARE**" or the "**Monitoring Agency**", which expression shall, unless it is repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the **SECOND PART**.

The Company and the Monitoring Agency are hereinafter individually referred to as a "**Party**" and collectively as "**Parties**".

WHEREAS:

- A. The Company and the Selling Shareholder proposes to undertake an initial public offering of equity shares of face value ₹ 2 each of the Company (the "**Equity Shares**"), comprising a fresh issue of Equity Shares aggregating up to ₹2,500.00 million ("**Fresh Issue**") and an offer for sale of up to 11,917,075 Equity Shares by BanyanTree Growth Capital II, LLC (the "**Selling Shareholder**") ("**Offer for Sale**" and together with the Fresh Issue, the "**Offer**"), in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**SEBI ICDR Regulations**"), the Companies Act, 2013, as amended, including any rules, regulations, clarifications and modifications thereto, each as amended (the "**Companies Act**"), and other Applicable Laws (as defined herein) at such price as may be determined through the book building process under the SEBI ICDR Regulations (the "**Offer Price**"). The Equity Shares issued in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("**U.S. Securities Act**") or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act of 1933 and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on Regulation S ("**Regulation S**") under the U.S. Securities Act and in each case, in compliance with applicable laws of the jurisdictions where offers and sales are made. The Offer may also include allocation of Equity Shares, on a discretionary basis, to certain Anchor Investors (as defined in the Offer Documents (as defined below) by the

Company, acting through its IPO committee in consultation with the BRLMs (as defined below), in accordance with the SEBI ICDR Regulations.

- B. The Board of Directors ("**Board**") have, *vide* a resolution passed at its meeting held on August 14, 2023 and August 31, 2023, authorized the Offer. The Shareholders have authorized the Fresh Issue pursuant to special resolutions passed at their meetings held on August 21, 2023 and September 8, 2023.
- C. The Company has appointed ICICI Securities Limited ("**ICICI**"), Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited) ("**Nuvama**") and Centrum Capital Limited ("**Centrum**") as the Book Running Lead Managers ("**BRLMs**") to manage the Offer. ICICI, Nuvama and Centrum are individually referred to as "**BRLM**" and collectively referred to as the "**BRLMs**".
- D. The Company has filed a draft red herring prospectus dated September 28, 2023 ("**Draft Red Herring Prospectus**") with the Securities and Exchange Board of India ("**SEBI**"), the National Stock Exchange of India Limited ("**NSE**") and the BSE Limited ("**BSE**" and together with the NSE, the "**Stock Exchanges**") for review and comments in accordance with the SEBI ICDR Regulations. After incorporating the comments and observations of the SEBI and the Stock Exchanges, the Company proposes to file the red herring prospectus ("**Red Herring Prospectus**") and the prospectus ("**Prospectus**") with the Registrar of Companies, Kerala at Ernakulam ("**RoC**"), the SEBI and the Stock Exchanges in accordance with the Companies Act and the SEBI ICDR Regulations.
- E. In terms of Regulation 41 of the SEBI ICDR Regulations and directions received by SEBI, the Company is required to appoint a credit rating agency as the monitoring agency, which shall monitor the use of the proceeds of the Offer in accordance with the terms of the Objects of the Offer (*as defined hereinafter*) in the Red Herring Prospectus and Prospectus. Accordingly, the Company has appointed CARE to act as the "**Monitoring Agency**" for monitoring the use of the Gross Proceeds in accordance with this Agreement and in accordance with the Applicable Laws including any directions issued by SEBI.
- F. In relation to the Offer, the Company has received in-principal approvals listing approvals from the BSE and NSE pursuant to letters, each dated November 8, 2023.
- G. This Agreement is executed and delivered to define the obligations of the Company to deposit the amount raised through the Fresh Issue in the Public Offer Monitoring Account(s) (*as defined hereinafter*) and the role of the Monitoring Agency to monitor the proceeds of the Offer or Gross Proceeds deposited in the Public Offer Monitoring Account(s) as per the schedule of utilization of proceeds of the Offer mentioned in the Red Herring Prospectus and Prospectus (the "**Utilization Schedule**").

NOW, THEREFORE, in consideration of the foregoing and the mutual promises, covenants, and agreements set forth in this Agreement, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged by the Parties, the Parties hereby agree as follows:

1. Definitions and Interpretation

1.1 Definitions:

“**Applicable Laws**” shall mean any applicable law, bye-law, rule, regulation, guideline, circular, order, notification, regulatory policy (including any requirement under, or notice of, any regulatory body), listing agreements with the Stock Exchanges (*as defined herein*), guidance, rule, order, judgment or decree of any court or any arbitral or other authority, or directive, delegated or subordinate legislation in any applicable jurisdiction, within or outside India, which may apply to the Offer or the Parties, including any jurisdiction in which the Company and other Company Entities operate and any applicable foreign investment or securities laws in any such relevant jurisdictions, at common law or otherwise, including the Securities and Exchange Board of India Act, 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities Contracts (Regulation) Rules, 1957, as amended, the Companies Act, 2013, the U.S. Securities Act (including the rules and regulations promulgated thereunder), the SEBI ICDR Regulations, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“**SEBI Listing Regulations**”), the SEBI (Prohibition of Insider Trading) Regulations, 2015, the FEMA and the guidelines, instructions, rules, communications, circulars and regulations issued by the Government of India (“**GoI**”), the Registrar of Companies, Securities and Exchange Board of India (“**SEBI**”), the Reserve Bank of India (“**RBI**”), the Stock Exchanges or by any Governmental Authority or any other governmental, statutory or regulatory authority or any court or tribunal including policies and administrative and departmental regulations and guidelines of Governmental Authorities, and similar agreements, rules, regulations, orders and directions, each, as amended, from time to time, in force in other jurisdictions where there is any invitation, offer or sale of the Equity Shares in the Offer.

“**Business Days**” shall mean all days other than Saturday or Sunday or a public holiday on which commercial banks in Mumbai are open for business.

“**Equity Shares**” shall mean equity shares of the Company of face value Rs. 2 each.

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

“**Monitoring Report**” or “**Report**” shall mean the report(s) issued by the Monitoring Agency (monitoring the use of Gross Proceeds including the Net Proceeds) that the Gross Proceeds have been utilized for the purpose as mentioned in the Utilization Schedule and the Offer Documents. The Report shall be submitted to the Company in the format prescribed under Schedule XI of the SEBI ICDR Regulations, and is reproduced in Schedule-I.

“**Net Proceeds**” for the purposes of this Agreement, shall mean proceeds of the Fresh Issue less the Company’s share of the Offer related expenses applicable to

the Fresh Issue, as set out in the Offer Document.

“Objects of the Issue” or **“Objects”** shall mean the objects of the Offer as set out in the Red Herring Prospectus and the Prospectus.

“Offer Document” shall mean collectively, the Draft Red Herring Prospectus filed with SEBI, the Red Herring Prospectus to be filed with the Stock Exchanges, the RoC and SEBI and SEBI and the Prospectus to be filed with Stock Exchanges, the RoC and SEBI;

“Prospectus” shall mean the prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto.

“Public Offer Monitoring Account” shall have the meaning given to such term in Clause 3.4 of this Agreement.

“Stock Exchanges” shall collectively mean the BSE Limited and the National Stock Exchange of India Limited.

“Utilization Schedule” shall have the meaning given to such term in Recital G of this Agreement.

Terms not defined under this Clause or in this Agreement shall have the meaning ascribed to them in the Red Herring Prospectus/ Prospectus, unless the context specified otherwise.

- 1.2 In this Agreement, unless the context otherwise requires:
 - 1.2.1 words denoting the singular number shall include the plural and *vice versa*;
 - 1.2.2 words denoting a person shall include an individual, corporation, company, partnership, trust or other entity;
 - 1.2.3 heading and bold type face are only for convenience and shall be ignored for the purposes of interpretation;
 - 1.2.4 references to the word “include” or “including” shall be construed without limitation;
 - 1.2.5 references to this Agreement or to any other agreement, deed or other instrument shall be construed as a reference to such agreement, deed, or other instrument as the same may from time to time be amended, varied, supplemented or noted or any replacement or novation thereof;
 - 1.2.6 references to any Party to this Agreement or any other agreement or deed or other instrument shall include its successors or permitted assigns;

- 1.2.7 a reference to an article, clause, section, paragraph, schedule or annexure is, unless indicated to the contrary, a reference to an article, clause, section, paragraph, schedule or annexure of this Agreement; and
- 1.2.8 unless otherwise defined, reference to the word 'days' shall mean calendar days.

2. USE OF OFFER PROCEEDS

The Company proposes to raise finance by way of the Fresh Issue for the purposes set out in the "Objects of the Offer" section of the Red Herring Prospectus/ Prospectus and reproduced below:

- a. Repayment and/or pre-payment, in full or part, of certain borrowings, availed by the Company and certain of the Company's subsidiaries; and
- b. General corporate purposes

However, provided that the above shall be read in conjunction with and shall be superseded by the details mentioned in the Offer Document.

3. The Public Offer Monitoring Account

- 3.1 The Company hereby appoints CARE as the Monitoring Agency for the purposes of monitoring the use of the Gross Proceeds by the Company in accordance with the Objects of the Offer and the SEBI ICDR Regulations.
- 3.2 CARE agrees to act as the Monitoring Agency in accordance with the terms and conditions of this Agreement and subject to the SEBI Regulations and other Applicable Laws.
- 3.3 The appointment of CARE as the Monitoring Agency with respect to monitoring of the Gross Proceeds shall be without any prejudice to any existing or future arrangement between the Company and CARE, whether in the capacity of a monitoring agency or not, and all such arrangements between the Company and CARE shall be mutually exclusive of one another and on arm's length basis, as permissible under the Applicable Laws
- 3.4 Establishment of Public Offer Monitoring Account

The Company shall open an account, in which the Gross Proceeds shall be deposited from the Company's public offer accounts, opened in terms of the Cash Escrow and Sponsor Bank Agreement entered in relation to the Offer, with ICICI Bank Limited, after the receipt of listing and trading approval by the Company with respect to the Offer (the "**Public Offer Monitoring Account**"). While the Net Proceeds deposited in the Public Offer Monitoring Account will be utilized by the Company towards Objects of the Offer, the Monitoring Agency shall be liable to monitor Gross Proceeds in terms of this Agreement and Applicable Laws, including any direction issued by SEBI.

3.5 Deposits into and withdrawals from the Public Offer Monitoring Account

The Company shall submit the following information / documents to the Monitoring Agency:

- (a) A certificate to be issued by an independent auditor or a statutory in relation to utilization of Gross Proceeds, as the case may be, not later than ten (10) calendar days but not exceeding fifteen (15) calendar days, after the end of each quarter:
- (b) Subject to Applicable Laws, the declaration to be issued by any of the following person amongst:
 - (i) Chief Financial Officer or the Company Secretary and Compliance Officer; or
 - (ii) authorized officer of the Company, who is authorized by the Board of directors of the Company or a duly authorized committee of directors, (collectively referred to as the “**Authorised Signatories**”); detailing the utilization of the Net Proceeds in accordance with the Objects of the Offer to be provided. In the event, the Company is not in a position to obtain the signatures from one or both of the Authorised Signatories, then the Monitoring Agency may, in its sole discretion, allow the Company to obtain the signature from any other authorized signatory as authorized by the board of directors/duly authorised committee of the Company.

3.6 Determination and Notice of Amounts of Deposits and Withdrawals

In determining any amounts that had been withdrawn, paid, allocated or deposited pursuant to this Agreement, the Monitoring Agency shall be entitled to rely on all the quarterly budgets / requisitions/information/certificate of payment of the Company as shared by the Company and certificate of the statutory auditor or an independent chartered accountant shared by the Company.

3.7 Interim Use of Gross Proceeds including the Net Proceeds

- 3.7.1 Pending utilization of the Gross Proceeds for the purposes described in the Offer Document and the cash escrow and sponsor bank agreement, as executed, the Company shall have the flexibility to deploy the Net Proceeds in accordance with the SEBI Regulations and the Offer Document
- 3.7.2 The Company shall disclose the utilization of the Net Proceeds under a separate head in Company’s balance sheet along with details, for all such amounts that have not been utilized or in any other manner as may be required under the SEBI Listing Regulations, the SEBI

Regulations and Applicable Law.

3.8 Additional Information/Documentation

The Monitoring Agency may request for additional documents and information from the Company, which it considers necessary for the purposes of undertaking its obligations under this Agreement or as required under Applicable Laws by giving a prior notice to the Company of at least three Business Days in advance.

4. Appointment of Monitoring Agency

4.1 CARE, in its capacity as the Monitoring Agency, shall fulfil such duties and obligations as may be prescribed under the SEBI Regulations and the Applicable Laws, including the following:

- (a) delivering the Report (containing details of utilization in accordance with the Objects of the Offer set out under the Offer Documents and deviations, if any), and such other documents, agreements, instruments and certificates as are prescribed under the SEBI Regulations which are to be prepared, executed and/or delivered by a Monitoring Agency to the Company post receipt of all necessary information from the Company and the statutory auditor or an independent chartered accountant after each quarter, in the prescribed format in Schedule XI of the SEBI Regulations to the Company, and more particularly described in Schedule I of this Agreement (which shall stand amended and modified, without any further act, if there is any amendment to Schedule XI or other relevant provisions of the SEBI Regulations) on a quarterly basis until the utilization of 100% of the Gross Proceeds or termination of this Agreement in accordance with Clause 10 of this Agreement;
- (b) The Monitoring Agency will rely on the declarations/information/documents/statements provided by the management of the Issuer and the auditors/consultants appointed by the Issuer. Monitoring Agency shall not be required to verify the authenticity of such declarations/information/documents/ statements provided by the management and the auditors/consultants appointed by the Issuer. In case the Monitoring Agency is not satisfied with the responses or the representations of the Issuer, it reserves the right to issue a qualified report (with such disclaimers and limitations, if any) in instances where it deems fit and shall highlight its concerns along with the reasons. The Monitoring Agency also reserves the right to highlight any such concerns to SEBI.
- (c) Take such action and do such other acts, deeds or things as may be required under the provisions of the SEBI Regulations to discharge its responsibilities as the monitoring agency. This includes seeking clarifications on the information/ documents/ statements shared by the Company, seeking additional documents/ certifications/ bank statements/ independent legal opinions, etc. to help it effectively discharge its

responsibilities as a monitoring agency;

- (d) review of the information / documents / statements (including the bank statements) received from the Company with regard to the use of the Gross Proceeds including the status of activities proposed to be funded out of the Net Proceeds as stated in the Offer Documents;
- (e) CARE shall be issuing the Report till 100% of the Gross Proceeds raised through the Offer are utilized as per the SEBI Regulations.
- (f) CARE shall take due care to produce the Monitoring Reports that are free of errors to the best of its abilities and shall disclose to the extent possible the source of information in the Report.
- (g) CARE shall deploy personnel who are well-equipped to carry out the activity under this Agreement.
- (h) CARE will share a draft report with the Company and give reasonable time (up to 5 days) to the Company to revert with additional information or clarifications on the draft, before finalising the Report which shall be placed before the Audit Committee of the Board, promptly on its receipt.
- (i) All activities of CARE as a Credit Rating Agency, including Monitoring Agency activity under this Agreement, shall be subject to policies framed by CARE (including amendment/updation from time to time) under SEBI directives including but not limited to confidentiality policy, guidelines for dealing with conflict of interest for investment/ trading by Credit Rating Agencies.

4.2 The Monitoring Agency agrees to comply with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended with respect to the Company.

4.3 Payment of Monitoring Agency Fees

The Parties have agreed that the Company shall pay a non-refundable fee of Rs. 125000/- plus GST (at the applicable rate in force) for the first four quarters and Rs. 100000/- plus GST (at the applicable rates in force) for the subsequent quarters. The said fee shall be paid as follows:

The above-mentioned fees shall be payable on a quarterly basis to CARE, in advance i.e. before the submission of the quarterly report by CARE on status on utilization of Funds raised under the Offer.

The Company shall make the payment and other incidental expenses, if any, within the agreed timelines, as stated aforesaid.

5. Monitoring the Use of Gross Proceeds

5.1 The Company recognizes that compliance by the Monitoring Agency with the

terms of the SEBI Regulations and any other requirements stipulated by SEBI or the Stock Exchanges is dependent upon it furnishing to the Monitoring Agency, the requisite information/documents as and when required by the Monitoring Agency.

- 5.2 The Company shall provide all the required information, as per agreed timelines between the Company and the Monitoring Agency.
- 5.3 The Company shall inform the Monitoring Agency as to the use of the Gross Proceeds and shall be obliged to furnish such documents, papers and information as may be required for enabling the Monitoring Agency to effectively monitor the utilization of the Gross Proceeds.
- 5.4 For Monitoring Agency to perform its role effectively, the Company will fulfil its obligations including but not limited to sharing of the required information on a timely basis and timely payment of fee. In the absence of this, the Monitoring Agency may qualify its report duly capturing any non-cooperation from the Company, in terms of sharing the requisite information or non-payment of the fee and may also inform SEBI and the Stock Exchange/s where the security of Issuer is listed, of any non-cooperation by the Company.
- 5.5 The Company shall ensure that the Net Proceeds are utilized only for the purposes as mentioned in the Objects of the Offer and shall, at its cost, as and when called upon by the Monitoring Agency, take such steps as may be necessary to prove the same.
- 5.6 The Monitoring Agency shall have the right to inspect the records, registers and accounts of the Company as may be necessary for the purposes of carrying out its duties in accordance with monitoring of Gross Proceeds, provided that the Monitoring Agency has given at least three (3) Business Days prior notice in writing to the Company in this behalf.
- 5.7 In addition to the above, the Company shall provide all necessary assistance and infrastructure that may be required by the Monitoring Agency in connection with the performance of its duties pursuant to this Agreement.
- 5.8 The Company shall ensure that all relevant and necessary details as sought by the Monitoring Agency for preparation of the Report, is to be provided to the Monitoring Agency within 7 Business Days from the end of each quarter.
- 5.9 In accordance with the SEBI ICDR Regulations and any other applicable provisions of the SEBI Listing Regulations, the Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement on deviations, if any, in the utilization of the Net Proceeds of the Offer.
- 5.10 The Company shall, upon receipt of comments from the Board, Audit Committee or management of the Company, incorporate the same in the format as indicated in Schedule XI to the SEBI ICDR Regulations
- 5.11 The Company shall ensure that within forty-five (45) calendar days (or

such other days as may be prescribed under relevant SEBI Regulations) from the end of each quarter, Report of the Monitoring Agency is publicly disseminated by uploading it on its website as well as submitting to the Stock Exchanges.

6. Representations, Warranties and Covenants

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

6.1.1 this Agreement constitutes a valid, legal and binding obligations on the Company and is enforceable against the Company in accordance with the terms hereof.

6.1.2 the execution, delivery and performance of this Agreement and any other document related hereto by it has been duly authorised and do not and will not contravene any provisions of, or constitute a default under (a) any law, regulation, judgement, decree or order of any governmental authority, (b) its organisational documents, or (c) any other agreement or instrument or undertaking to which it is a party or which is binding on it or any of its assets;

6.1.3 it has the requisite power to open and maintain the Public Offer Monitoring Account and has taken all necessary corporate and other actions required to authorize the opening and maintenance thereof upon the terms referred to herein and the execution of all such documents as are necessary for the purpose thereof;

6.2 The Company shall at any time and from time to time upon the reasonable written request of the Monitoring Agency promptly and duly deliver or permit the delivery of any and all such further details, information, instruments and documents as the Monitoring Agency may consider necessary for the purpose of monitoring the Gross Proceeds of the Offer.

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

6.3.1 this Agreement constitutes a valid, legal and binding obligations on it and is enforceable against it in accordance with the terms hereof; and

6.3.2 the execution, delivery and performance of this Agreement and any other document related hereto by it has been duly authorised and do not and will not contravene any provisions of, or constitute a default under (a) any law, regulation, judgement, decree or order of any governmental authority, (b) its organisational documents, or (c) any other agreement or instrument or undertaking to which it is a party or which is binding on it or any of its assets.

6.3.3 it shall perform its duties with the highest standards of integrity and fairness and shall act in an ethical manner in all its dealings with the Company;

6.3.4 it shall act with due diligence, care and skill while discharging the work assigned to it in relation to the Gross Proceeds and performing its functions under this Agreement;

6.3.5 it will not take up any activities which are likely to be in conflict with its own interests, interests of the Company, the Offer, its activities as the Monitoring Agency or contrary to the directions issued by SEBI or under any other Applicable Laws;

6.3.6 it shall carry out its duties/responsibilities and complete all the formalities including corporate action within the specified time limits as required under law, including with respect to relevant statutes, guidelines issued by SEBI, stock exchange regulations, etc.; and

6.3.7 it has due authority and valid registration as required under Applicable Law to act as the monitoring agency for the Offer and it is not prohibited from acting as a monitoring agency by any judicial, regulatory or administrative body.

7. Directions of Stock Exchanges / SEBI / Statutory Authorities

In the event any instructions are received from any of the Stock Exchanges or SEBI or any other statutory authorities to the effect that the Public Offer Monitoring Account shall be frozen or that the Company shall not be allowed to make any payments to any of the specified parties then the Banker to the Offer shall be bound by such instructions and the Company acknowledges the same and shall also abide by such instructions, however, the Monitoring Agency undertakes to immediately intimate, within 7 (seven) Business Day the Company of such instruction/restriction unless such intimation is prohibited by Applicable Law or order of the court.

8. Rights and duties of Monitoring Agency and Indemnity

8.1 Particular rights and duties of the Monitoring Agency

8.1.1 The Monitoring Agency:

- (a) shall, except to such extent as may otherwise be provided herein, refrain from exercising any right, power or discretion vested in it as agent;
- (b) shall review the information/ documents/ statements (including bank statements) received from the Issuer showing use of the Gross Proceeds including the status of implementation of the activities proposed to be funded out of the Net Proceeds, as stated in the final Offer Document.

- (c) shall take such action and do such other acts, deeds or things as may be required under the provisions of the SEBI ICDR regulations and other Applicable Law to discharge its responsibilities as the Monitoring Agency. This includes seeking clarifications on the information/ documents/ statements provided by the Issuer, seeking additional documents/ certifications/ bank statements/ independent legal opinions, etc. to help it effectively discharge its responsibilities as a monitoring agency.
- (d) Shall deliver the Monitoring Report to the Company in the format as prescribed in the SEBI ICDR regulations, on a quarterly basis (or any other frequency as prescribed by SEBI in its SEBI ICDR regulations from time to time.
- (e) undertakes to perform only such duties as are specifically set forth in this Agreement and no implied covenants or obligations shall be read into this Agreement against the Monitoring Agency unless required under Applicable Law;
- (f) shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or indemnity satisfactory to it against such risk or liability is not reasonably assured to it;
- (g) may rely on any resolution, certificate, certificate of auditors approved by the Company, or any other statement, instrument, opinion, report, notice, request, direction, consent, order, appraisal or other paper or document believed by it to be genuine and to have been signed or presented to it pursuant to this Agreement by the proper party or parties;
- (h) shall be entitled to refrain from taking any action in accordance with any intimation given under this Agreement to the extent (and during the time that) such intimation is, in the reasonable determination of the Monitoring Agency, uncertain, ambiguous, incorrect, or inconsistent with the Objects of the Offer and the Utilization Schedule, provided that the Monitoring Agency shall not later than three (3) Business Days after the receipt of any such intimation, notify the Company of such uncertainty, ambiguity, incorrectness or inconsistency, and until such time as the aforesaid uncertainty, ambiguity, incorrectness or inconsistency is resolved, the Monitoring Agency shall not be required to take action in accordance with such written intimation as aforesaid, and shall be protected by the Company from any liability in connection therewith if such uncertainty, ambiguity, incorrectness or inconsistency has not been rectified by the Company within three (3) Business Days of the intimation received from the Monitoring Agency, save and except in case of any default, bad faith, fraud or negligence on the part of the Monitoring Agency;

- (i) may execute any of the powers hereunder or perform any duties hereunder through agents or attorneys, at its own cost and the Monitoring Agency shall be responsible for any misconduct or negligence on the part of any agent or attorneys appointed by it hereunder, provided the Company has been given prior intimation of appointment of such agents or attorneys and the Monitoring Agency has entered into arrangements / agreements with such agents or attorneys to indemnify the Monitoring Agency and the Company for all claims, losses, expenses and liabilities that the Monitoring Agency and / or Company might incur due the misconduct or negligence on the part of any such agent or attorneys;

8.2 Indemnity

- a) The Company shall indemnify and hold harmless the Monitoring Agency, its directors, management and employees against all direct and reasonable costs (including but not limited to attorney fees), losses and damages incurred, including any third party claims and/or any claims for any order / award/ fines/ penalties which are made on the Monitoring Agency in respect of all or any part of the Public Offer Monitoring Account and which the Monitoring Agency may incur either as a consequence of breach of any provision of law, regulations or order of any court or regulatory, statutory, judicial and/or administrative authority by the Company or the breach or non-observance of any terms and conditions of this Agreement, including any breach of representations and warranties by the Company, unless such breach is not rectified within thirty (30) Business Days from the date of written notice thereon, provided further that the Company shall not be liable for any losses suffered by the Monitoring Agency arising out of misconduct, negligence, wilful default or failure on the part of the Monitoring Agency.
- b) In case of a breach of any provision of law, regulations or order of any court or regulatory, statutory, judicial and/or administrative authority having direct monetary implication on the company or non-observance / breach of any of the terms and conditions of this Agreement and/or any representations or warranties, or any non-observance or non-performance or failure to deliver or perform the services contemplated under this Agreement by the Monitoring Agency and/or its directors, management and employees, the Monitoring Agency shall, at its own cost and expense, indemnify, defend and hold the Company, its directors, management or employees free and harmless from and against any and all losses, liabilities, claims, damages, actions, costs and expenses, including attorney's fees and reasonable court costs arising out of such breach, as evidenced by the relevant documents. Notwithstanding anything mentioned herein above, the total liability of the Monitoring Agency shall not exceed the actual fees paid by the Company to the Monitoring Agency, at the time of invoking indemnity.

- c) It is hereby clarified that neither Party shall be liable to the other for any indirect, incidental, consequential, special, exemplary, damages arising out of or in connection with this Agreement even if the other Party has been advised of the possibility of such damage.
- d) This Clause 8.2 shall survive three (3) years from termination of this Agreement OR utilization of 100% of the Gross Proceeds including the Net Proceeds (as defined in clause 2 of this Agreement) whichever is earlier.

9. Limitation of Liability

- 9.1 The Monitoring Agency shall be at liberty to accept a certificate signed by any of the authorized signatories of the Company as to any fact or matter prima facie within the knowledge of the Company as sufficient evidence thereof and other than as required by Applicable Law(s), the Monitoring Agency shall not be in any way bound in any case to call for further evidence or be responsible for any loss that may be occasioned by their failing to do so.
- 9.2 The Monitoring Agency undertakes to perform only such duties (and the ancillary duties in connection therewith) as are specifically set forth in this Agreement and as are required by applicable laws.
- 9.3 Monitoring Agency shall have no responsibility, other than as required by Applicable Laws, to verify the authenticity of any order of a competent body, court or tribunal or any ruling of any arbitrator/s in proceedings between or concerning the other Parties and may rely, in good faith and without any liability, upon the contents thereof; Other than as required by Applicable Laws or by order of a court, tribunal, the Monitoring Agency shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or indemnity satisfactory to it against such risk or liability is not reasonably assured to it
- 9.4 The Monitoring Agency may, to the extent permitted by Applicable Laws, rely on any resolution, certificate, certificate of statutory auditor or independent chartered accountant appointed by the Company, or any other statement, instrument, opinion, report, notice, request, direction, consent, order, appraisal or other paper or document believed by it to be genuine and to have been signed or presented to it pursuant to this Agreement by the Company or its authorized official and whose specimen signatures are contained herein or any other persons as may be authorized by the Company in writing from time to time.
- 9.5 The Monitoring Agency, to the extent permitted by Applicable Laws, shall be entitled to refrain from taking any action in accordance with any intimation given under this Agreement to the extent (and during the time that) such intimation is in the reasonable determination of the Monitoring Agency, uncertain, ambiguous, incorrect, or inconsistent with the Objects of the Offer and the Utilization Schedule, provided that the Monitoring Agency shall not

later than three (3) Business Days after the receipt of any such intimation, notify the Company of such uncertainty, ambiguity, incorrectness or inconsistency, and until such time as the aforesaid uncertainty, ambiguity, incorrectness or inconsistency is resolved, the Monitoring Agency shall not be required to take action in accordance with such intimation as aforesaid, and shall be protected by the Company from any liability in connection therewith;

9.6 The recitals contained herein shall be taken as the statements of the Company, and the Monitoring Agency shall not be liable, to the extent permitted by Applicable Laws, for the use or any application by the Company of the Net Proceeds it receives pursuant to the Objects of the Offer and Utilization Schedule hereinafter;

9.7 Notwithstanding anything to the contrary contained herein, the Parties agree that, to the extent permitted by applicable laws, in no event shall either Party be liable for any indirect, incidental or consequential damages, or for any amounts claimed for lost business, opportunities or profits of the other Party, except in case of default, fraud, misrepresentation or negligence by such Party.

10. Termination

10.1 Neither Party has right to terminate this Agreement, except for the reasons as prescribed under the SEBI Regulations and any rules or guidelines framed thereunder from time to time, till CARE submit report confirming 100% utilization of the Gross Proceeds, as required under Applicable Law.

10.2 Both the Parties shall have an option to terminate this Agreement, by providing thirty (30) days prior written notice to other Party. The Party terminating this Agreement shall intimate SEBI and the Stock Exchange/s, in which the security of the Issuer is listed, the reason for termination of this Agreement along with the termination notice/letter. The termination shall be effective after 30 calendar days from the date of the termination notice or due date of publication of next Monitoring Agency Report, whichever is later.

10.3 During the termination notice period, CARE shall capture the reason for termination of the Agreement, in the report issued to the Issuer, during such period. The Monitoring Agency will display on its website regarding information of the termination of this Agreement.

11. Disclaimer

11.1 The Monitoring Report is intended for the jurisdiction of India only. This report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the report is to be construed as CARE providing or intending to provide any services in jurisdictions outside India, where it does not have the necessary licenses and/or registration to carry out its business activities referred to above.

11.2 Access or use of this report does not create a client relationship between CARE and the user.

- 11.3 CARE will not be aware that any user intends to rely on the Report or of the manner in which a user intends to use the Report. In preparing the Report, CARE will not have taken into consideration the objectives or particular needs of any particular user.
- 11.4 Neither CARE nor its affiliates, third-party providers, as well as their directors, officers, shareholders, employees or agents guarantee the accuracy, completeness or adequacy of the Report, and shall not have any liability for any errors, omissions or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the Report. CARE and each aforesaid party disclaim any and all express or implied warranties, including but not limited to any warranties of merchantability, suitability or fitness for a particular purpose or use or use.
- 11.5 CARE or its associates may have other commercial transactions with the Issuer to which the Report pertains. CARE may rate the Company or any debt instruments / facilities issued or proposed to be issued by the Issuer that is subject matter of this Report. CARE may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.
- 11.6 Unless required under any applicable law, this Report should not be reproduced or redistributed to any other person or in any form without prior written consent from CARE.
- 11.7 The Monitoring Agency Report does not constitute a commentary on the quality of the objects of the Offer, reasonableness of costs or spending by the Issuer against any objects/heads or assurance on outcome of such spending.
- 11.8 A Monitoring Agency will not be required to either verify or comment on the appropriateness of the usage of proceeds.
- 11.9 The Monitoring Agency, based on its due consideration, may accept a certificate signed by one of the authorised signatories of the Company/Issuer as sufficient evidence.
- 11.10 The Monitoring Agency is neither construed to be nor acting under the capacity or nature of an 'expert' as defined under Section 2(38) of the Companies Act, 2013. The Monitoring Agency is issuing the Report solely in the capacity of a Monitoring Agency and that the same shall not be construed to be an opinion of an expert, as it relies on certificates, confirmations and representations of reliable stakeholders such as auditors, banks and others.
- 11.11 The Monitoring Agency's role does not comprise, nor does it have wherewithal, to ensure that funds withdrawn from the Public Offer Monitoring Account are actually applied for the purpose for which they were withdrawn. The Monitoring Agency shall rely on the certificates submitted by the statutory auditor or an independent chartered accountant and information/document shared by the Company to submit its report on utilization of proceeds in

relation to the objects of the Offer.

- 11.12 The Monitoring Agency does not have the authority to approve/ disapprove any withdrawals of monies from bank accounts as the same is outside its scope of responsibilities.
- 11.13 Neither the Monitoring Agency nor any of its directors, officers, agents and employees shall be deemed to be a trustee for or have any fiduciary relationship with the Company, or any other person. Where the Monitoring Agency has acted in accordance with SEBI ICDR Regulations and its Agreement with the Company, it shall be deemed to have acted as if instructed to do so by the Company.
- 11.14 As Monitoring Agencies rely on the due diligence conducted by statutory auditors or other experts, the users of the Monitoring Agency Report shall not hold Monitoring Agency liable for any loss or liability arising out of their use of the Report.
- 11.15 The disclaimer mentioned in this Clause shall be read together with the disclaimer mentioned in the Report.

12. UNPUBLISHED PRICE SENSITIVE INFORMATION

In case any party ("**Disclosing Party**") is sharing any Unpublished Price Sensitive Information (UPSI) with the other party ("**Receiving Party**"), the Disclosing Party shall be required to share additional details as may be requested by the Receiving Party to comply with applicable Regulations, in such manner as may be informed, for recording in the Structured Digital Database ("SDD") of the Receiving Party. The Disclosing Party agrees to keep the Receiving Party informed of the details of UPSI if it records the Receiving Party as a recipient of such UPSI in its SDD.

In accordance with the SEBI (Credit Rating Agencies) Regulations, 1999 and relevant guidelines & circulars issued by RBI and SEBI from time to time, CARE shall treat all non-public information of the Company shared with CARE in connection with CARE's services hereunder on a confidential basis.

13. Miscellaneous

13.1 Partial Invalidity and Exercise of Remedies

If any provision hereof is invalid or unenforceable in any jurisdiction, then, to the fullest extent permitted by law, (i) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in order to carry out the intentions of the parties hereto in respect of and including any provision hereof which is invalid or unenforceable as nearly as may be possible; and (ii) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

13.2 Assignment

This Agreement shall be binding upon and inure to the benefit of each Party hereto and its successors and assigns. This Agreement is not intended to confer upon any Person other than the Parties hereto any rights or remedies.

However, a Party to this Agreement shall not assign its rights and/ or duties under this Agreement without prior written consent of the other Party.

13.3 Notices

Any notice, demand, communication or other request (individually, a “**Notice**”) to be given or made under this Agreement shall be in writing in the English language. Such Notice shall be delivered by hand, airmail (postage prepaid), recognized overnight courier service, email, facsimile or registered post to the party to which it is addressed at such party’s address specified below or at such other address as such party shall from time to time have designated by fifteen (15) Business Days’ written Notice to the party giving such Notice, and shall be deemed to have been duly given or made when delivered as aforesaid.

For the Company:

Popular Vehicles and Services Limited

Kuttukaran Centre, Mamangalam

Cochin, Ernakulam 682 025

Kerala, India

Tel: +91 484 2341 134

E-mail: cs@popularv.com

For the Monitoring Agency:

CARE Ratings Limited

4th Floor, Godrej Coliseum,

Somaiya Hospital Road, Off Eastern Express Highway,

Sion (East), Mumbai-400022

[Tel:+91 44228490811/13](tel:+914422849081113)

E-mail: Pradeep.Kumar@careedge.in

14. Governing Law and Dispute Resolution

14.1 This Agreement is governed by, and shall be construed in accordance with the laws of the Republic of India.

14.2 In the event of any grievance, difference, claim or dispute between the parties arising out of the activities under this Agreement, the parties will endeavour in the first instance to settle the dispute amicably through discussions between the parties involved;

- 14.3 If the dispute is not settled through mutual discussions/ negotiations within 30 (Thirty) days of the commencement of negotiations or if the outcome of such discussions is not satisfactory, the dispute may be referred to the SCORES portal in accordance with the SCORES guidelines issued by SEBI from time to time;
- 14.4 If any party is not satisfied with the outcome of 14.1 or 14.2 above, the dispute shall then be referred to arbitration in accordance with paragraph 3(b) of the SEBI master circular dated July 31, 2023 bearing reference number SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145, updated as on December 28, 2023 , as amended from time to time, and subject to any further directions or clarifications from SEBI ("**SEBI ODR Circulars**"), to be conducted at Mumbai Centre for International Arbitration, in accordance with the provisions of The Arbitration and Conciliation Act, 1996 ("**Act**") as amended from time to time. The arbitration shall be conducted as follows:
- a. the arbitration shall be conducted under and in accordance with the arbitration rules of the Mumbai Centre for International Arbitration Rules ("**MCIA Rules**");
 - b. all proceedings in any such arbitration shall be conducted, and the arbitral award shall be rendered, in English;
 - c. the seat and venue of the arbitration shall be in Mumbai, India
 - d. the Parties shall bear their respective costs of such arbitration proceedings unless otherwise awarded or fixed by the arbitrators;
 - e. the Parties shall cooperate in good faith to conduct arbitral proceedings commenced pursuant to this Agreement and the Parties agree that in the event that the arbitration proceedings have not concluded within a period of twelve months as prescribed under the Act, the arbitration proceedings shall automatically be extended for an additional period of six months, as permitted under and in terms of the Act, without requiring any further consent of any of the Parties.

15. Amendments and Waiver

- 15.1 Any amendments of any provision of this Agreement shall be in writing and signed by the parties hereto and shall have the same effect as if they were a part of these presents, unless decided otherwise.
- 15.2 Notwithstanding anything stated in this Agreement, the Parties to this agreement may, from time to time, or at any time, by mutual consent (in writing) waive such terms and conditions of this Agreement, so long as the same is not in contravention of the terms of the SEBI Regulations or Applicable Law.

16. English Language

This Agreement and all documents to be furnished or communications to be given or made under this Agreement shall be in the English language or, if in another language, shall be accompanied by a translation into English certified by a representative of the respective Party, which translation shall be the governing version thereof.

17. Confidentiality

During the currency of this Agreement, the Monitoring Agency shall not make public and disclose any information received by it from the Company to any other party, without prior written consent from the Company, which shall not be unreasonably withheld. However, the Monitoring Agency may disclose information to SEBI, Stock Exchange/s where the security of the Issuer is listed or to any government, judicial, regulatory authority, if required under SEBI Regulations or Applicable Law, without prior approval of the Company, but shall intimate the Company as soon as reasonably practicable. However, this does not preclude the credit ratings activity utilizing the insights gained from the monitoring agency activity in general and post publication of Monitoring Agency report, utilizing the information received from the Company in specific, for forming credit opinions.

18. Effectiveness of Agreement

This Agreement shall be effective on and from the date first hereinabove written as the date of execution and shall be in force for a period up to such date till 100% of the Gross Proceeds are utilized in accordance with Clause 3 of this Agreement and the Letter of Offer or till the termination as per the provisions of this Agreement.

19. Survival

Clause 1 (*Definitions and Interpretation*), clause 8.2 (*Indemnity*), clause 10 (*Termination*), 13.3 (*Notices*), 14 (*Governing Law and Dispute Resolution*), 17 (*Confidentiality*) and this clause 19 (*Survival*) shall survive the termination of this Agreement.

IN WITNESS WHEREOF, the Parties have entered into this Monitoring Agency Agreement on the date mentioned above

For Company


Authorized Signatory

For CARE Ratings Limited



Authorized Signatory

Schedule I

S.no	Info required to be sent both by the client and CA
1	Brief profile of the company
2	List of board of directors
3	Past 3 years financials
4	Details wrt banker and auditor (Name, designation, mail id, Mb.no)
5	Board of resolution wrt current issue
6	Details wrt authorized persons wrt dealing with MA (Name, designation, Mail id, Mb.no)
7	Escrow agreement where funds flow in and flow out
8	Bank statement wrt funds flow in and flow out

Information/Documents needed	Provide source of information/ certifications substantiating the utilisation
Whether all utilization is as per the disclosures in the Offer Document? If yes, then please share	
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document? If yes, then please share	
Whether the means of finance for the disclosed objects of the issue has changed? If yes, then please share	
Is there any major deviation observed over the earlier monitoring agency reports? If yes, then please share	
Whether all Government/statutory approvals related to the object(s) have been obtained? If yes, then please share	
Whether all arrangements pertaining to technical assistance/collaboration are in operation? If yes, then please share	
Are there any favorable/unfavorable events improving the viability of these object(s)? If yes, then please share	
Is there any other relevant information that may materially affect the decision making of the investors? If yes, then please share	

Sr. No	Item Head	Provide source of information/certifications substantiating the utilisation	Original cost (as per the Offer Document) in Rs. crore	Revised Cost in Rs. Crore

Sr. No	Item Head \$	Provide source of information/certifications substantiating the utilisation	Amount as proposed in the Offer Document	Amount utilized in Rs. Crore		
				As at beginning of the quarter	During the quarter	At the end of the quarter

§ Provide following details under Item Head:

- (a) Name of the object(s):
- (b) Brief description of the object(s):
- (c) Location of the object(s) (if applicable):

Sr. No.	Type of instrument and name of the entity invested in	Amount invested	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter*

* Where the market value is not feasible, provide NAV/NRV/Book Value of the same

Object(s)	Completion Date		Delay (no. of days/ months)
	As per the offer document	Actual*	

* In case of continuing object(s), please specify latest/revised estimate of the completion date.

Sr. No	Item Head	Amount	Provide source of information/certifications substantiating the utilisation