

# ACQUISITION OF SHAREHOLDING AND CONTROL POLICY

*(For Base Layer NBFC – Investment and Credit Company)*

## 1. Preamble

This Policy is framed in compliance with the provisions of the Reserve Bank of India Act, 1934, the Master Direction – Non-Banking Financial Company – Scale Based Regulation (SBR) Directions, 2023, **Reserve Bank of India (Non-Banking Financial Companies – Acquisition of Shareholding or Control) Directions, 2025** (as amended from time to time), **the applicable provisions of the Companies Act, 2013**, and other applicable circulars and guidelines issued by the Reserve Bank of India.

The objective of this Policy is to ensure that:

- Any acquisition, transfer of shares, or change in control of the Company is undertaken in a transparent and compliant manner.
- Regulatory approvals are obtained wherever required.
- The integrity, financial soundness, and governance standards of the Company are preserved.
- The “Fit and Proper” criteria prescribed by RBI are strictly adhered to.

## 2. Objectives of the Policy

This Policy aims to:

- Define regulatory thresholds for share acquisition and control change.
- Lay down procedures for obtaining prior approval of RBI.
- Establish internal due diligence and approval mechanisms.
- Ensure compliance with public notice and reporting requirements.
- Prevent indirect or structured transactions intended to bypass regulatory requirements.
- Safeguard depositor and stakeholder interests.

## 3. Applicability

This Policy applies to:

- Promoters
- Shareholders
- Proposed investors
- Acquirers
- Directors
- Key Managerial Personnel
- Any person or entity proposing acquisition of shares or control

## 4. Requirement of prior written approval of RBI

The prior written permission of the Reserve Bank of India shall be required for:

1. Any takeover or acquisition of control of the Company, which may or may not result in change of management.

2. Any change in the shareholding of the Company, including progressive increases over time, which would result in acquisition/ transfer of shareholding of 26 per cent or more of the paid-up equity capital of the Company.

**Provided that, prior approval would not be required in case of any shareholding going beyond 26 per cent due to buyback of shares/reduction in capital where it has the approval of a competent Court or National Company Law Tribunal (NCLT) under the Companies Act, 2013. However, the same is to be reported to the Reserve Bank not later than one month from its occurrence.**

#### **5. Application procedure for RBI approval**

The Company shall submit an application, **through the RBI's PRAVAAH portal**, on the company letterhead, for obtaining prior approval of the Bank, along with the following documents:

1. Information about the proposed directors/shareholders.
2. Sources of funds of the proposed shareholders acquiring the shares in the NBFC.
3. Declarations regarding non-association with unincorporated bodies that accept deposits.
4. Declarations regarding criminal cases.
5. **Bankers' Report on the proposed directors/shareholders.**

#### **6. Requirement of prior public notice**

**Without prejudice to the prior approval requirements**, a public notice of at least 30 days shall be given **before** effecting the sale of, or transfer of the ownership by sale of shares, or transfer of control, whether with or without sale of shares.

- Such public notice shall be given by the Company and also by the other party or jointly by the parties concerned, **after obtaining the prior permission of the Reserve Bank.**
- The public notice shall indicate the intention to sell or transfer ownership/control, the particulars of transferee and the reasons for such sale or transfer of ownership/control.
- The notice shall be published in at least one leading national and in one leading local (covering the place of registered office) vernacular newspaper.

#### **7. Restrictions on investments from FATF non-compliant jurisdictions**

**In accordance with the 2025 Directions, the Company shall ensure that:**

- **A new investor from or through non-compliant Financial Action Task Force (FATF) jurisdictions shall not be allowed to directly or indirectly acquire 'significant influence' in the Company.**
- **Fresh investments (directly or indirectly) from such jurisdictions in aggregate shall be strictly less than the threshold of 20 per cent of the voting power (including potential voting power) of the Company.**

#### **8. Internal approval & board responsibility**

The Board of Directors shall:

- Ensure strict compliance with RBI Directions **and Section 89 and Section 90 of the Companies Act, 2013 regarding declarations in respect of beneficial interest in any share.**
- Periodically review shareholding structure.
- Monitor changes in beneficial ownership **and ensure filing of forms MGT-6 and BEN-2 with the Registrar of Companies (ROC) as required.**
- Ensure transparency in ownership.

## 9. Post-acquisition compliance

Post completion, the Company shall:

- Update shareholding register.
- File necessary ROC forms (e.g., **Form SH-4 for share transfers, DIR-12 for change in directors**).
- Update beneficial ownership records.
- Intimate RBI within prescribed timeline.
- Update KYC of shareholders.
- Update website disclosures if required.

## 10. Penalties for non-compliance

Failure to comply may result in:

- Regulatory action by RBI.
- Monetary penalties **under the RBI Act and the Companies Act, 2013**.
- Cancellation of Certificate of Registration.
- Direction to unwind transactions.
- Governance restrictions.

## 11. Effective date

This **ACQUISITION OF SHAREHOLDING AND CONTROL POLICY** has been approved by the Board of Directors of THIRUKOCHI FINCAP LIMITED at its meeting held on 12/03/2026.

Effective Date: 12/03/2026

Version:1