



महाराष्ट्र MAHARASHTRA

2024

CT 037872

प्रधान मुद्रांक कार्यालय, मुंबई  
प.मु.वि.क्र. ८००००२०  
24 SEP 2024  
सक्षम अधिकारी ✓

श्री. विनायक ब. जाधव

For CATALYST TRUSTEESHIP LIMITED

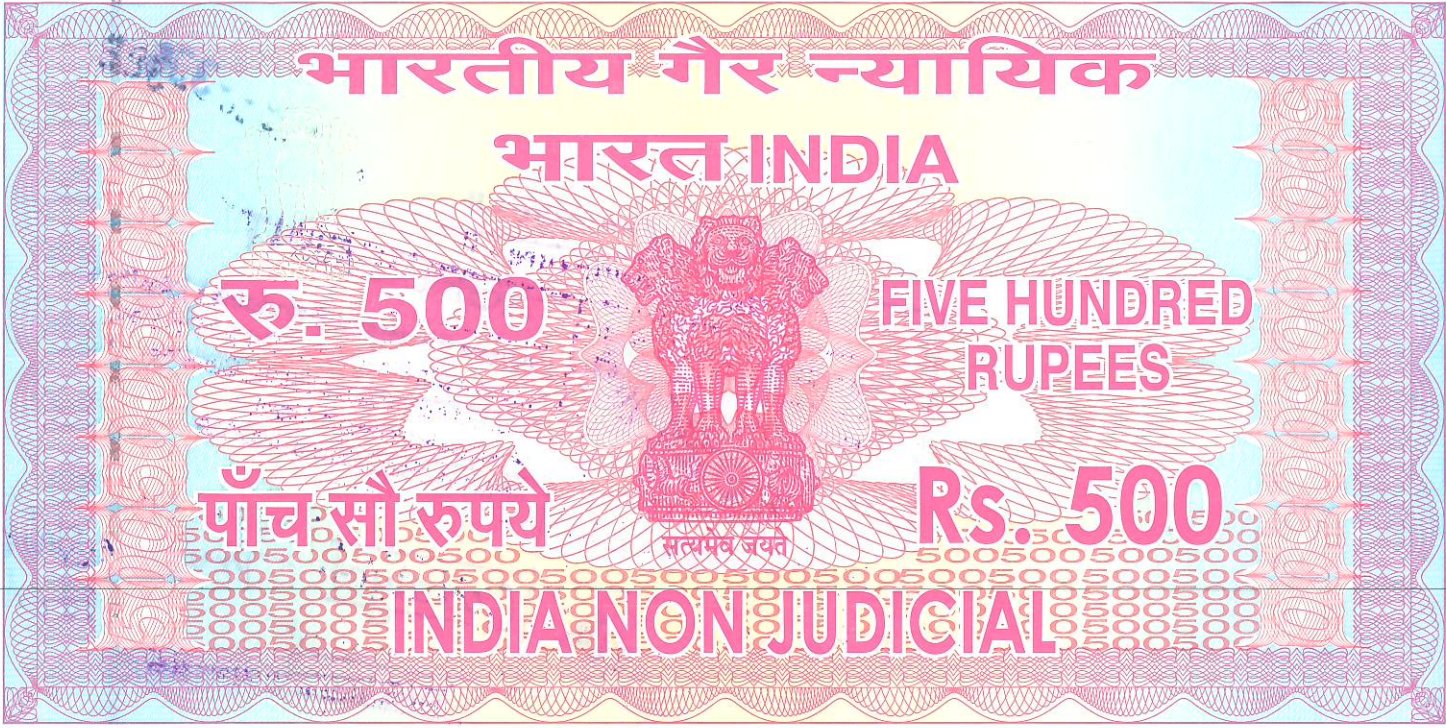
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Authorised Signatory



*Katlat*





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For CATALYST TRUSTEESHIP LIMITED

*Lehar*

Authorised Signatory

*Pratibha*



DEBENTURE TRUST DEED

EXECUTED BY

AVANSE FINANCIAL SERVICES LIMITED  
(COMPANY)

AND

CATALYST TRUSTEESHIP LIMITED  
(DEBENTURE TRUSTEE)

IN RESPECT OF

ISSUE OF UP TO 25,000 (TWENTY FIVE THOUSAND) SENIOR, SECURED, RATED, LISTED REDEEMABLE, NON-  
CONVERTIBLE DEBENTURES OF FACE VALUE OF RS 1,00,000/- (RUPEES ONE LAKH ONLY) EACH,  
AGGREGATING UP TO RS. 250,00,00,000/- (RUPEES TWO HUNDRED AND FIFTY CRORES ONLY) ("SERIES 40  
ISSUE") AND AN ADDITIONAL ISSUE OF UP TO 30,000 (THIRTY THOUSAND) SENIOR, SECURED, RATED,  
LISTED REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF RS 1,00,000/- (RUPEES ONE  
LAKH ONLY) EACH, AGGREGATING UP TO RS. 300,00,00,000/- (RUPEES THREE HUNDRED CRORES ONLY)  
("SERIES 41 ISSUE") ON A PRIVATE PLACEMENT BASIS

DATED AS OF OCTOBER 31, 2024



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## DEBENTURE TRUST DEED

This **DEBENTURE TRUST DEED** (hereinafter referred to as the "**Deed**") is made at Mumbai, Maharashtra on the 31<sup>st</sup> day of October, 2024, by and between:

**AVANSE FINANCIAL SERVICES LIMITED**, a public limited company incorporated under the Companies Act, 2013 and registered as a non-banking financial company with the Reserve Bank of India, having its registered and corporate office at 4th Floor, E-Wing, Times Square, Andheri – Kurla Road, Gamdevi, Marol, Andheri East, Marol Naka, Mumbai – 400 059 (hereinafter referred to as the "**Company**" or "**Issuer**", which expression shall, unless repugnant to the subject or context thereof, be deemed to mean and include its successors) of **THE ONE PART**;

AND

**CATALYST TRUSTESHIP LIMITED**, a company incorporated under the Companies Act, 1956 (1 of 1956) and having its registered office at GDA House, First Floor, Plot No. 85, S. No. 94 & 95, Bhusari Colony (Right), Kothrud, Pune, Maharashtra- 411038 and acting for the purposes of these presents through its branch office at Unit No-901, 9th Floor, Tower-B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai-400013, (hereinafter referred to as the "**Debenture Trustee**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns) of **THE OTHER PART**.

The Company and the Debenture Trustee shall be individually referred to as a "**Party**" and collectively as the "**Parties**".

### WHEREAS:

- A. With a view to raising debt for the Purpose (as defined below), the Company proposes to issue up to 25,000 (Twenty Five Thousand) senior, secured, rated, listed redeemable, non-convertible debentures of face value of Rs 1,00,000/- (Rupees One Lakh Only) each, aggregating up to Rs. 250,00,00,000/- (Rupees Two Hundred and Fifty crores only) ("**Series 40 Issue**") and an additional issue of up to 30,000 (Thirty Thousand) senior, secured, rated, listed redeemable, non-convertible debentures of face value of Rs 1,00,000/- (Rupees One Lakh Only) each, aggregating up to Rs. 300,00,00,000/- (Rupees Three Hundred crores only) ("**Series 41 Issue**") (hereinafter Series 40 Issue and Series 41 Issue shall collectively be referred to as the "**Debentures**") for cash at par, in dematerialised form on a private placement basis to certain identified investors (hereinafter referred to as the "**Issue**");
- B. The Debentures shall be issued on a private placement basis in accordance with the terms and conditions of the general information document to be issued by the Company having a validity of up to 1 (One) year from the date of opening of the first issuance under that general information document in terms of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**General Information Document**") together with the key information document, setting out the broad terms and conditions of the Debentures including but not limited to issue size, rating, listing, issue opening date, issue closing date, date of allotment, repayment date(s), the Coupon Payment Dates (as defined hereinafter), the Coupon (as defined hereinafter) payable on the Debentures and the Required Security Cover, which key information document shall supplement the General Information Document, in terms of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**Key Information Document**") read with a private placement offer cum application letter setting out the broad terms and conditions on which the Debentures are to be issued (hereinafter referred to as the "**Private Placement Offer cum Application Letter**") prepared as per Section 42 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014;
- C. The Company being duly empowered by its memorandum of association and articles of association, shall issue and allot the Debentures pursuant to the authority granted by the resolution(s) of the shareholders of the Company in the annual general meetings held on July 12, 2024 and September 27, 2023, pursuant to Section 42 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Section 180(1)(c) of the Act, respectively, and the resolution of the Board of Directors of the Company



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passed at its meeting held on April 30, 2024 read with the resolution passed by the Committee of Executives of the Board of Directors dated October 25, 2024 to the parties detailed in the **Schedule I (Debenture Holders at the time of Issue)** of **Part D** of this Deed, who shall subscribe to the Debentures;

- D. The Debentures shall be issued in dematerialised form and are subject to the provisions of the Depositories Act, 1996 and rules notified by the Central Depository Services (India) Limited (“**CDSL**”) and the National Securities Depository Limited (“**NSDL**”) from time to time. Therefore, the Company has entered into / will enter into an agreement with CDSL and NSDL respectively, for issuing the Debentures in dematerialised form;
- E. The Company has obtained credit rating for the Debentures being secured under these presents from the Rating Agency (as defined hereinafter), which has affirmed a rating of “CRISIL AA-” (pronounced as “CRISIL double A minus”) with “Stable” outlook to the Debenture issuance of the Company vide its rating letter dated August 26, 2024 and rating rationale dated August 26, 2024;
- F. The Debentures are to be listed on the Bombay Stock Exchange of India Limited (“**BSE**”) within a period of 3 (Three) working days from the date of closing of Issue (as defined hereinafter);
- G. The Debenture Trustee is registered with the Securities and Exchange Board of India as a debenture trustee under the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 and pursuant to the consent letter dated October 23, 2024 (bearing reference number CL/DEB/24-25/1444) addressed by the Debenture Trustee which has been accepted by the Company, the Debenture Trustee has agreed to act as the debenture trustee in trust and on behalf of and for the benefit of the Debenture Holder(s) and the Debenture Holder(s) from time to time, and each of their successors and assigns;
- H. The Debenture Trustee and the Company have entered into a Debenture Trustee Agreement (as defined hereinafter) whereby the Company has appointed the Debenture Trustee and the Debenture Trustee has agreed to be appointed as the debenture trustee, in trust for, on behalf of, and for the benefit of the Debenture Holder(s) and for purposes related thereto, including for holding the Security to be created by the Company in favour of the Debenture Trustee to secure the payment and other obligations of the Company in respect of the issuance of the Debentures, for the benefit of the Debenture Holder(s);
- I. One of the terms of the Issue of the Debentures is that the redemption of the principal amounts of debentures, Coupon, the remuneration of the Debenture Trustee, and all costs, charges, expenses and other monies payable by the Company in respect of the Debentures will be *inter alia* secured by way of a first ranking *pari passu* and continuing charge to be created by the Company over the Hypothecated Assets (as defined hereinafter);
- J. Accordingly, the Debenture Trustee has called upon the Company to execute a deed being these presents with a view to record the various terms, conditions and stipulations of the Debentures terms and conditions of the appointment of the Debenture Trustee as well as the Company's obligations in respect of the Debentures including, redemption of the Debentures, payment of the Coupon including Default Interest thereon (if applicable), outstanding remuneration of the Debenture Trustee, Break Costs (if any) and all costs, charges, expenses and other monies payable in accordance with the terms of the issue of the Debentures and the creation of Security (as defined hereinafter), and the Company has agreed to do so in the manner agreed by the Debenture Trustee, as hereinafter provided; and
- K. This Deed is split into the following sections: (i) Part A which sets out the terms of Debentures, which are standard in nature or are terms stipulated pursuant to statutory or regulatory requirements; (ii) Part B which sets out the terms of the Debentures which are specific to this issuance; (iii) Part C which sets out the meaning of capitalised terms and expressions used in the Deed; and (iv) Part D, which contains the Schedules and Annexures which are cross referred to under Part A, Part B or Part C of this Deed.

1. **PART A: STANDARD AND STATUTORY TERMS**



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## 1.1 APPOINTMENT OF DEBENTURE TRUSTEE

### 1.1.1 Settlement of Trust

The Company has appointed the Debenture Trustee as trustee for and on behalf of and for the benefit of Debenture Holder(s) pursuant to the Debenture Trustee Agreement. The Company hereby settles in trust with the Debenture Trustee, a sum of Rs. 1,000/- (Rupees One Thousand only). The Debenture Trustee hereby confirms receipt of and accepts the above amount of Rs. 1,000/- (Rupees One Thousand only) in trust hereby declared and hereby agrees to act in a fiduciary capacity as trustee for the sole and exclusive benefit of the Debenture Holder(s) and its/their transferees and assignees from time to time in relation to all amounts and properties received by it in respect of the Debenture Holders and in accordance with the terms and conditions of this Deed. The Debenture Trustee acknowledges that the Debenture Holder(s) have agreed to subscribe to the Debentures *inter alia* on this basis. The Debenture Trustee in such capacity as a trustee agrees:

- (a) to execute and deliver all documents, agreements, instruments and certificates contemplated by this Deed to be executed and delivered by the Debenture Trustee or as the Debenture Trustee shall deem advisable and in the best interest of the Debenture Holder(s);
- (b) to take whatever action shall be required to be taken by the Debenture Trustee by the terms and provisions of this Deed, to exercise its rights and perform its duties and obligations under such documents;
- (c) that it shall not revoke the trust(s) hereby declared until all the Secured Obligations in respect of the Debentures are irrevocably discharged and the Payments in respect of the Debentures are paid in full by the Company to the Debenture Holders and the Debenture Trustee in accordance with the terms of the Transaction Documents;
- (d) to exercise its rights and perform its duties and obligations under this Deed and the other Transaction Documents;
- (e) to act as the trustee for the benefit and interest of the Debenture Holder(s) and their successors, transferees and subject to the terms and provisions of this Trust Deed and the other Transaction Documents;
- (f) to hold the Security in trust on behalf of and for the benefit of the Debenture Holder(s), for the due discharge of the Secured Obligations, without any preference to or priority of any one over the others; and
- (g) subject to the terms and provisions of this Deed and other Transaction Documents, to take such other action in connection with the foregoing as the Debenture Holder(s) may from time to time direct.

PROVIDED that before initiating any action or exercising any right or performing any duty under this Deed or any of the other Transaction Documents, the Debenture Trustee shall, unless otherwise provided for in the Transaction Documents, seek written instructions from the Debenture Holder(s) and only upon receipt of relevant instructions from the Debenture Holder(s) in the manner set out in **Clause 2.1.19 of Part B** of this Deed, shall the Debenture Trustee exercise such rights and perform such duties and obligations referred to herein. Notwithstanding such requirement for instructions in writing, the Debenture Trustee shall never knowingly take any action inconsistent with the best interests of the Debenture Holder(s).

### 1.1.2 Resignation



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- (a) The Debenture Trustee may, at any time, without assigning any reason and without being responsible for any loss or costs occasioned thereby, resign as the trustee, provided that it shall have given at least 1 (One) month's prior notice in writing to the Company in that behalf and that it shall continue to act as Debenture Trustee until a successor trustee ("**Successor Trustee**") is appointed by the Company.
- (b) The Company shall, upon receipt of notice of resignation issued by the Debenture Trustee, take prompt steps to appoint another entity competent to act as trustee for the Debenture Holder(s) in place of the Debenture Trustee. Provided that any appointment of a successor trustee under this Clause shall only be filled after obtaining the written consent of the Majority Debenture Holder(s).
- (c) Any costs or expenses arising upon replacing the Debenture Trustee with a Successor Trustee shall be borne by the Company.

### 1.1.3 **Removal**

The Debenture Holder(s) may for sufficient cause, after giving not less than 21 (Twenty One) Business Days' notice in writing to the Company, remove the Debenture Trustee if so approved by the Super Majority Debenture Holders and nominate an entity competent to act as their trustee and require the Company to appoint such entity as the Successor Trustee. The Company shall within 15 (Fifteen) Business Days of receipt of such decision approved by the Debenture Holder(s) take all the necessary steps to appoint the entity so nominated as the Successor Trustee and complete all necessary formalities to give effect to such appointment; Provided that the Debenture Trustee shall continue to act as Debenture Trustee until the Successor Trustee is appointed by the Company. Any costs or expenses arising upon replacing the Debenture Trustee with a Successor Trustee shall be borne by the Company.

### 1.1.4 **Successor Trustee as the Debenture Trustee**

Upon the appointment of the Successor Trustee pursuant to the preceding **Clauses 1.1.2 (Resignation)** or **1.1.3 (Removal)** of **Part A** of this Deed, all references in this Deed to the Debenture Trustee shall unless repugnant to the context mean and refer to the Successor Trustee and the Successor Trustee shall without any further act or deed succeed to all the powers and authorities of the Debenture Trustee as if it had been originally appointed as the debenture trustee.

### 1.1.5 **Handover**

Simultaneously with replacement of the Debenture Trustee as aforesaid, the outgoing Debenture Trustee shall execute all such deeds and documents in favour of the Successor Trustee as are necessary to give effect to such replacement and further shall handover all Transaction Documents and documents in relation to security creation and perfection, which are available with the outgoing Debenture Trustee, to the Successor Trustee.

### 1.1.6 **Debenture Trustee Remuneration**

The remuneration of the Debenture Trustee shall be as per the terms of the consent letter dated October 23, 2024 addressed by the Debenture Trustee which has been accepted by the Company.

### 1.1.7 **Power and Right of Debenture Trustee to Inspect**

- (a) The Company will, at the cost and expense of the Company, permit the Debenture Trustee, its employees, officers, consultants, agents and nominees to examine the relevant books and records of the Company upon prior written notice and at such times and intervals as the Debenture Trustee may request.



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- (b) The Company shall maintain proper books of account in accordance with Applicable Law and permit the Debenture Trustee, its employees, officers, consultants, agents and nominees, at the Company's cost and expense, and the representatives of the Initial Debenture Holder(s) and such Debenture Holders who are affiliates of the Initial Debenture Holders, to visit and inspect any of the premises where its business is conducted and to have access to its relevant books of account and records in relation to this Issue.
- (c) Permit, at the cost and expense of the Company, visits and inspection of books of records, documents and accounts of the Company to the Initial Debenture Holder(s) and such Debenture Holders who are affiliates of the Initial Debenture Holders as and when required by them.

## 1.2 AMOUNT OF DEBENTURES AND COVENANT TO MAKE PAYMENTS

- 1.2.1 The Debentures constituted and issued are 25,000 (Twenty Five Thousand) senior, secured, rated, listed, redeemable non-convertible debentures having a face value of Rs. 1,00,000/- (Rupees One Lakh only) each of the aggregate nominal value of up to Rs. 250,00,00,000/- (Rupees Two Hundred and Fifty Crores only) and an additional issue of up to 30,000 (Thirty Thousand) senior, secured, rated, listed redeemable, non-convertible debentures of face value of Rs 1,00,000/- (Rupees One Lakh Only) each, aggregating up to Rs. 300,00,00,000/- (Rupees Three Hundred Crores only) on a private placement basis.
- 1.2.2 The tenure, the Coupon Rate, the periodicity of Payments, the mode of payment, the period of redemption and the terms of redemption, in relation to the Debentures are set out in detail in **Part B** of this Deed.
- 1.2.3 The Company covenants with the Debenture Trustee that it shall pay to the Debenture Holder(s), the applicable Coupon on the Due Date(s) and the Redemption Amount on the Maturity Date and all other monies in respect of the Debentures on the Due Date(s) mentioned herein or earlier (including in the case of any Event of Default or upon the occurrence of an Early Redemption Event or otherwise) and shall also pay all other amounts due in respect of the Debentures as stipulated and in accordance with the Financial Terms and Conditions. The Company shall make / release all Payments due by the Company in terms of the Transaction Documents to the Debenture Holder(s) in proportion to their dues.
- 1.2.4 The Company hereby agrees and covenants that it shall pay additional interest / default interest / penal interest on the occurrence of any events set out in **Clause 2.1.13 (Default Interest Rate)** and **Clause 1.5 (Listing of the Debentures)** of **Part A** of this Deed.
- 1.2.5 The obligations of the Debenture Holders to subscribe to the Debentures is conditional upon the fulfillment prior to the Deemed Date of Allotment, to the satisfaction of the Debenture Trustee (or where permissible under Applicable Law, waiver by the Debenture Trustee in writing in their sole discretion) of each of the Conditions Precedent. The Company shall be responsible for and use all efforts to ensure the satisfaction of each of the Conditions Precedent required to be fulfilled by it within the time prescribed herein.
- 1.2.6 The Company shall fulfill the Conditions Subsequent within the time period as more particularly set out thereto.
- 1.2.7 The Company shall make all Payments due by the Company in terms of the Transaction Documents in accordance with the terms of this Deed and in the event that this Deed does not provide for the same, as per the instructions of the Debenture Trustee.
- 1.2.8 On such payment being made by the Company, the Company will inform the Depository and accordingly the respective beneficial owner accounts of the Debenture Holder(s) will be adjusted. The Company's liability to the Debenture Holder(s) in respect of all their rights in respect of the Debentures, including for payment of Default Interest or otherwise shall cease and stand extinguished on the Final Settlement Date in accordance with the terms of this Deed. The Company shall inform the Debenture Trustee whenever any payment to the Debenture Holder(s) is made towards the Redemption Amount outstanding on the Debentures and any Coupon accrued thereon, including Default Interest (if any).



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### 1.3 APPLICATION MONIES IN RESPECT OF THE DEBENTURES

In accordance with Section 42 of the Act, the application monies received by the Company in respect of the present issuance of the Debentures shall be kept in a separate bank account maintained by the Company with a scheduled bank and shall not be utilised for any purpose other than:

(a) for adjustment against the allotment of Debentures; or

(b) for repayment of monies in the event the Company is unable to allot the Debentures.

### 1.4 FORM OF THE DEBENTURE

1.4.1 As the Debentures are to be issued in a dematerialised form, which are subject to the provisions of the Depositories Act, 1996 and the rules notified by the Depository from time to time, the Company and the Debenture Holder(s) are required to observe and follow the procedure laid down in **Schedule II** (*Depository Related Provisions*) of **Part D** of this Deed. Further, the guidelines issued by the Depository shall be followed by the Company, the Debenture Holder(s) and the Debenture Trustee;

1.4.2 The Financial Terms and Conditions shall be binding on the Company and all persons claiming by, through or under it and shall ensure on behalf of and for the benefit of the Debenture Trustee and all persons claiming by, through or under it. The Debenture Trustee shall be entitled to enforce the obligations of the Company under or pursuant to the Financial Terms and Conditions as if the same were set out and contained in this Deed which shall be read and construed as one document.

### 1.5 LISTING OF THE DEBENTURES

1.5.1 The Company shall list the Debentures on the Wholesale Debt Market Segment of the BSE within 3 (Three) working days from the date of closing of the Issue. The relevant stock exchange(s) shall list the Debentures only upon receipt of a due diligence certificate as per format specified by SEBI, from Debenture Trustee confirming creation of charge and execution of the Debenture Trust Deed.

1.5.2 In the event of the Company's failure to do so, to the extent that any Debenture Holders are foreign institutional investors or sub-accounts of foreign institutional investors, or qualified foreign investors or foreign portfolio investors, the Company shall immediately redeem any and all Debentures which are held by such are foreign institutional investors or sub-accounts of foreign institutional investors, or qualified foreign investors or foreign portfolio investors.

1.5.3 In case of delay in listing of the debt securities beyond 3 (Three) working days from the date of closing of the Issue, the Company will pay penal interest of 1% (One percent) p.a. over the Coupon Rate for the period of delay i.e. from the Deemed Date of Allotment till the date of listing of the Debentures, to the Debenture Holder(s).

### 1.6 BANK ACCOUNT DETAILS AND PRE-AUTHORISATION

1.6.1 In accordance with the terms of SEBI NCS Regulations, the Company hereby submits the following bank account details from which it proposes to pay the Payments in respect of the Debentures:

Beneficiary Name:	Avanse Financial Services Limited
Bank Account No.	915020028361470
IFSC CODE:	UTIB0000028
Bank Name	Axis Bank Limited
Branch Address:	Mangal Mahal, Turner Road, Bandra (W.), Mumbai- 400 050

1.6.2 The Company hereby pre-authorises the Debenture Trustee to seek debt redemption payment related information including any information in respect of the Payments made / to be made by the Company in



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relation to the Debentures from the aforesaid bank. The Company hereby agrees to submit a letter to the Debenture Trustee, duly acknowledged by the aforesaid bank agreeing to provide debt redemption payment related information including any information in respect of the Payments made by the Company in relation to the Debentures from the aforesaid bank to the Debenture Trustee.

- 1.6.3 The Company hereby further agrees and undertakes that it shall also inform the Debenture Trustee and the Debenture Holders of any change in aforesaid bank details within the timeline specified in the SEBI NCS Regulations and the Debenture Trustee shall act upon such change only upon submission of the duly acknowledged and accepted pre-authorisation letter from the successor /new account bank. The Company shall cause the new account bank to promptly acknowledge and agree for the same.
- 1.6.4 The Company shall provide information to the relevant stock exchange, the depository participants and the Debenture Trustee, about the status of redemption payment of the Debentures within the timeline specified in the SEBI NCS Regulations from the date of actual payment of the Redemption Amount or the Redemption Date, whichever falls earlier.
- 1.6.5 If default in the repayment of Debentures is continuing, the Company agrees and undertakes that it shall keep informed the Debenture Trustee, the relevant stock exchange and the Depository, about the updated status of the redemption payments of the Debentures by the second working day of April of each financial year until redemption of the Debentures.
- 1.6.6 The Company shall inform the relevant stock exchange and the Depository about any development or events including any restructuring in the Debentures or insolvency proceedings, etc., that could potentially have an impact on the redemption payments of the Debentures or trigger default in the payment of the Debentures, within 1 (One) working day from the happening of any such event of occurrence of any such development.
- 1.6.7 The Debenture Trustee pursuant to the SEBI NCS Regulations shall intimate the relevant stock exchange and the depository participants about the status of the redemption payments of the Debentures within the timelines as specified under the SEBI NCS Regulations.

## 1.7 SECURITY

- 1.7.1 The Security Interest to be provided by the Company for the discharge of the Secured Obligations shall consist of a first ranking *pari passu* and continuing charge created by way of hypothecation over the Hypothecated Assets, both present and future, in favour of the Debenture Trustee, under or pursuant to the Deed of Hypothecation to be executed at least 1 (One) day prior to filing of the listing application with BSE for listing of the Debentures (the "**Security**").
- 1.7.2 The security created over the Hypothecated Assets in terms of the Deed of Hypothecation shall continue to remain in force until released (whether partially or fully) in accordance with the terms of the Deed of Hypothecation.
- 1.7.3 The Company shall be bound to perfect the Security so created over the Hypothecated Assets by filing Form CHG-9 with the relevant Registrar of Companies, within and no later than 30 (Thirty) calendar days from the date of execution of the Deed of Hypothecation.
- 1.7.4 The Company shall ensure that the Required Security Cover is maintained at all times until the Final Settlement Date in accordance with the terms of the Transaction Documents. The value of the Hypothecated Assets for this purpose (both for initial and subsequent valuations), shall be the amount reflected as the value thereof in the books of accounts of the Company.
- 1.7.5 The Company shall not, create any further charge or encumbrance over the Hypothecated Assets save and except (i) as created in favour of the Debenture Trustee for the benefit of the Debenture Holders, under the terms of the Deed of Hypothecation, or (ii) the Permitted Security Interests, or (iii) as may be



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expressly permitted in terms of the Transaction Documents. The Company shall not sell, transfer, lease or otherwise dispose of in any manner whatsoever any assets constituting the Hypothecated Assets other than in ordinary course of business

- 1.7.6 Further, the charge created by Company under the terms of the Deed of Hypothecation shall be registered with Sub-registrar, Registrar of Companies, CERSAI, Depository etc., as applicable, within 30 (thirty) days from the date of execution of the Deed of Hypothecation. In case the charge is not registered anywhere or is not independently verifiable, then the same shall be considered a breach of covenants or terms of the Issue by the Company.
- 1.7.7 The Security created by the Company in favour of the Debenture Trustee under the terms of the Deed of Hypothecation shall be enforceable upon the occurrence of an Event of Default.
- 1.7.8 The Company hereby agrees and undertakes that the Company may, without the prior written consent of the Debenture Trustee and the Debenture Holders, create any Security Interest over the Hypothecated Assets on a first ranking *pari passu* basis, in favour of any Person including any creditor (or the security trustee(s) / debenture trustee(s) acting on their behalf) in respect of any Financial Indebtedness availed or to be availed by the Company by way of facilities / loans to be availed by the Company or any non-convertible debenture(s) to be issued by the Company and in each case, subject to the fulfilment of the following conditions:
- (a) maintenance of the Net Debt to Equity ratio in accordance with this Deed;
  - (b) the borrowing and/or the creation of such security / charge / encumbrance by the Company shall not result in any breach or non-maintenance of the Required Security Cover;
  - (c) there is no breach of financial covenants as set out under **Clause 2.5.4 (Financial Covenants) of Part B** of this Deed; and
  - (d) no Event of Default shall have been subsisting and the borrowing and/or the creation of such security / charge / encumbrance by the Company shall not result in the occurrence of any Event of Default under the terms of the Transaction Documents.
- 1.7.9 As long as (a) the Security Coverage Ratio is at least equal to the Required Security Cover until the Final Settlement Date; (b) no Event of Default has occurred; and (c) there is no breach of financial covenants as set out under Clause 2.5.4 (*Financial Covenants*) of Part B of this Deed, the Company shall, without the approval of the Debenture Trustee, be entitled to, make further issue(s) of debentures and raise further borrowings from time to time from such persons/ banks/ financial institutions or body corporate/ any other agency or sell assets by way of securitization/assignment as part of its normal fund raising activities as it deems fit.



#### TRUST OF PROCEEDS OF SALE / REALISATION OUT OF THE HYPOTHECATED ASSETS

The Debenture Trustee shall hold UPON TRUST the monies, received by it or by the Receiver so appointed by it, in respect of the Hypothecated Assets or any part thereof arising out of: -

- (a) any sale, calling in, collection or conversion under the right of making any entry or taking possession or making sale, calling in, collection or conversion under the powers contained herein in that behalf (hereinafter referred to as "**Power of Sale**");
- (b) income;
- (c) policy or policies of insurance; and
- (d) any other realisation whatsoever,

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and it shall, in the first place, by and out of the said monies reimburse itself and pay, retain or discharge all the costs, charges and expenses incurred in or about the entry, calling in, collection, conversion or the exercise of the powers and trusts under these presents, including its remuneration as herein provided, and shall utilise the balance monies towards payment of monies due to the Debenture Holder(s). Any monies remaining after making Payments of all amounts due to the Debenture Holder(s) shall be returned to the Company.

#### 1.9 DEBENTURE REDEMPTION RESERVE

At present under Applicable Law, any company that intends to issue debentures must create a debenture redemption reserve to which adequate amounts shall be credited out of the profits of the company until the redemption of the debentures ("**Debenture Redemption Reserve**"). However, at present under the Companies (Share Capital and Debentures) Rules, 2014, non-banking financial companies are exempt from this requirement in respect of privately placed debentures. Pursuant to this exemption, the Company does not presently intend to create any reserve funds for the redemption of the Debentures. However, in case of any change in Applicable Laws during the Tenor of the Debentures making it mandatory for the Company shall comply with the provisions relating to Debenture Redemption Reserve or those relating to investment or deposit in terms of the Act, the Company undertakes to comply with such provisions promptly.

#### 1.10 RECOVERY EXPENSE FUND

The Company shall create, maintain and utilise a reserve to be called the "Recovery Expense Fund" as per the provisions of and in the manner provided in the SEBI DT Master Circular issued by SEBI and any guidelines and regulations issued by SEBI, as applicable. Any balance in the Recovery Expense Fund, on the Final Settlement Date, shall be refunded to the Company for which a 'no-objection certificate (NOC)' shall be issued by the Debenture Trustee to the designated stock exchange. The Debenture Trustee shall satisfy that there is no 'default' on any other listed debt securities of the Company before issuing the no-objection certificate under the terms of this paragraph.

#### 1.11 REPRESENTATIONS AND WARRANTIES

In addition to the representations and warranties provided by the Company pursuant to **Clause 2.2.1 (Representations and Warranties)** of **Part B** of this Deed, the Company hereby represents and warrants, with reference to the facts and circumstances as on the date hereof, as follows:

(a) **POWER AND AUTHORITY:**

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Transaction Documents to which it is a party and the transactions contemplated by those Transaction Documents.

(b) **VALIDITY AND ADMISSIBILITY IN EVIDENCE:**

All approvals, Authorisations, consents, permits (third party, statutory or otherwise) required or desirable:

- (i) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party;
- (ii) to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and



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- (iii) to enable it or its subsidiaries to carry on its/their business, trade and ordinary activities, have been obtained or effected or will be obtained within the timelines set out in this Deed or if not specified under the Transaction Documents, within such timelines as may be specified under Applicable Law and are (or once obtained, will be) in full force and effect.

## 1.12 COVENANTS

### 1.12.1 AFFIRMATIVE AND REPORTING COVENANTS

The Company hereby covenants with the Debenture Trustee that the Company shall, in addition to the affirmative covenants set out in **Clause 2.5.1 (Affirmative Covenants)** of **Part B** of this Deed and **Clause 2.5.2 (Reporting Covenants)** of **Part B** of this Deed, (except as may otherwise be previously agreed in writing by the Debenture Trustee (acting upon the instructions of the Majority Debenture Holders)), undertakes to comply with the following covenants:

#### (a) Utilisation of proceeds of Debentures

- (i) The proceeds of the Debentures shall be utilised solely for the Purpose. The Company shall provide the Debenture Trustee with an end use certificate issued by an independent chartered accountant, certifying the purposes for which the proceeds of the Debentures have been utilized, within 45 (Forty-Five) days from the Deemed Date of Allotment.
- (ii) Pending full utilization of issue proceeds in the manner as detailed under the Transaction Documents, the Issuer shall be entitled to invest the issue proceeds in government securities, overnight mutual funds, and deposits with banks (which shall be rated at least 'AA+').
- (iii) The Company shall submit to BSE, along with quarterly financial results, a statement indicating the utilization of issue proceeds of non-convertible securities, in such format as may be specified by SEBI, which shall be continued to be given till such time the issue proceeds have been fully utilised or the purpose for which these proceeds of Debentures were raised has been achieved.
- (iv) The Company shall, submit to BSE, along with the quarterly financial results, a statement disclosing material deviation(s), if any, in the use of issue proceeds of non-convertible securities from the objects of the issue, in such format as may be specified by SEBI, till such proceeds have been fully utilized or the purpose for which the proceeds were raised has been achieved.
- (v) The proceeds of the Debentures shall be deployed by the Company on the Company's balance sheet, and in compliance with current applicable regulations including RBI guidelines on use of issue proceeds including with regard to use that is eligible for bank provided finance as per RBI's Master Circular on Bank Finance to Non-Banking Financial Companies (NBFCs), dated April 24, 2024, and all other Applicable Laws, including but not limited to RBI regulations including the RBI's Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 ("**Scale Based Regulation**").
- (vi) The Company undertakes that the proceeds of this Issue shall be utilized for the deployment of funds on its own balance sheet and not to facilitate resource requests of its group entities/ holding company/ associates.



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- (vii) The subscription amounts shall be used only for the Purpose, and shall not be used for investment in capital market instruments, real estate, or any speculative purpose, unsecured loans to companies, or any loans by non-banking financial companies to their subsidiaries, group companies/entities, or any purpose not eligible for bank finance as per RBI's Master Circular on 'Bank Finance to Non-Banking Financial Companies (NBFCs)', dated April 24, 2024 or any purpose that violates or is in contravention of Sanctions Law, Environmental Law or social laws, anti-corruption laws, any Applicable Laws, including but not limited to Scale Based Regulation, and the guidelines/regulations prescribed by the RBI, SEBI or any Governmental Authority.

(b) **Validity of Transaction Documents**

Ensure that the Transaction Documents shall be validly executed and delivered and will continue in full force and effect and will constitute valid, enforceable and binding obligations of the Company.

(c) **Further documents and acts**

Execute all such deeds, documents, instruments and assurances and do all such acts and things including the appointment of any consultant as the Debenture Trustee may reasonably require for exercising the rights under this Deed and the Debentures on behalf of and for perfecting this Deed or for effectuating and completing the Security intended to be hereby created or for ensuring that if applicable, the Security is adequately insured and is in proper condition and shall from time to time and at all times after the Security hereby constituted shall become enforceable, execute and do all such deeds, documents, assurance, acts, and things as the Debenture Trustee may require for facilitating realisation of the Hypothecated Assets and in particular the Company shall execute all transfers, conveyances, assignments and assurance of the Hypothecated Assets whether to the Debenture Trustee or to their nominees and shall give all notices and directions which the Debenture Trustee may think expedient.

(d) **Make the Relevant filings with the Registrar of Companies/SEBI**

Pursuant to the Act and the relevant rules thereunder, the applicable guidelines issued by SEBI and RBI, the Company undertakes to make the necessary filings of the documents mandated therein including the Form PAS-3 for return of allotment with the Registrar of Companies and/or SEBI within the timelines stipulated under the Act and the relevant rules thereunder.

(e) **Compliance with laws**

The Company shall comply with:

- (i) all laws, rules, regulations and guidelines (including the Act) as applicable in respect to the Issue, and obtain such regulatory approvals as may be required from time to time, including but not limited, in relation to the following" (i) the SEBI NCS Regulations, as may be in force from time to time during the currency of the Debentures; (ii) the provisions of the listing agreement entered into by the Company with the stock exchange in relation to the Debentures including the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended, modified or re-enacted from time to time), (collectively, "**SEBI Debt Listing Regulations**"); and (iii) the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the other notified rules under the Act (as amended, modified or re-enacted from time to time);
- (ii) comply with all the applicable provisions as mentioned in the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (as amended, modified or re-enacted from time to time), the SEBI NCS Regulations, the Act and/or any other



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notification, circular, press release issued by the SEBI, from time to time (as amended, modified or re-enacted from time to time);

- (iii) comply with all applicable guidelines issued by the Reserve Bank of India including without limitation the Scale Based Regulation, as amended from time to time, as applicable and/or any other notification, circular, press release issued by the RBI, from time to time (such covenant is hereinafter referred to as the "**RBI Compliance Covenant**");
- (iv) The Company shall, while submitting quarterly / annual financial results to the BSE disclose *inter alia* the following line items along with the financial results and the same shall be communicated to the Debenture Holder(s):

- A. debt- equity ratio of the company;  
B. debt service coverage ratio;  
C. interest service coverage ratio;  
D. outstanding redeemable preference shares (quantity and value);  
E. Capital redemption reserve / debenture redemption reserve (if applicable);  
F. net worth;  
G. net profit after tax;  
H. earnings per share;  
I. current ratio;  
J. long term debt to working capital;  
K. bad debts to Account receivable ratio;  
L. current liability ratio;  
M. total debts to total assets;  
N. debtors' turnover;  
O. inventory turnover;  
P. operating margin (%);  
Q. net profit margin (%).

Provided that if any information mentioned in the line items under paragraph (a) to paragraph (q) above is not applicable to the Company, it shall disclose such other ratio/equivalent financial information, as may be required to be maintained under Applicable Laws, if any.

(f) **Minimum Investment**

The Company shall ensure that the minimum investment made by any investor in the Debentures is at least Rs.1,00,00,000/- (Rupees One Crore only).

(g) **Notify the Debenture Trustee**

The Company shall provide / cause to be provided information in respect of the following promptly and no later than 2 (Two) Business Days from the occurrence of such event (unless otherwise specifically provided):

- (i) inform the Debenture Trustee promptly about any failure to create Security and about all orders, directions, notices of court/tribunal adversely affecting more than 5% (five per cent) of the Hypothecated Assets.
- (ii) inform the Debenture Trustee promptly of any amalgamation, merger or reconstruction scheme proposed by the Company.



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- (iii) inform the Debenture Trustee of any major change in the composition of its Board of Directors, which may amount to change in 'control' as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- (iv) any legal proceeding pending or threatened (in writing) investigation, regulatory notices or judicial orders against the Company, or any dispute between the Company and/or any Governmental Authority, which could result in a Material Adverse Effect or adversely affecting more than 5% (five per cent) of the Hypothecated Assets.
- (v) such information as the Debenture Trustee and/or the Debenture Holder(s) shall require, as to all matters relating to the business, property and affairs of the Company, that impact the interests of the Debenture Holder(s). Notwithstanding the aforesaid, if a request is made by the Debenture Trustee/ Debenture Holder(s), the Company shall be required to furnish all the relevant details to the Debenture Trustee, within 7 (Seven) Business Days of the receipt of such request.
- (vi) the Company agrees that it shall forward to the Debenture Trustee promptly, which information can be forwarded in electronic form or fax:
- A. a copy of the Statutory Auditors' and Directors' Annual Report, Balance Sheet and Profit & Loss Account and of all periodical and special reports at the same time as they are issued;
  - B. a copy of all notices, resolutions and circulars relating to new issue of debt securities at the same time as they are sent to shareholders/ holders of debt securities; and
  - C. a copy of all the notices, call letters, circulars, etc. of the meetings of debt security holders at the same time as they are sent to the holders of debt securities or advertised in the media.
- (h) notify the Debenture Trustee in writing, of any proposed change in the nature or scope or the business or operations of the Company or the entering into any agreement or arrangement by any person that may affect the assets and liabilities of the Company, at least 3 (Three) Business Days prior to the date on which such action is proposed to be given effect.

(i) **Furnish Information to Debenture Trustee**

Give to the Debenture Trustee or their nominee(s) (and to the Debenture Holder(s), if so requested), information in respect of the following within a maximum of 5 (Five) calendar days from the occurrence of such event (unless otherwise specifically provided):

- (i) Submit to the Debenture Trustee, if so requested, a statement that the assets of the Company which are available by way of security is/are sufficient to discharge the claims of the Debenture Holders as and when they become due.
- (ii) Such information as the Debenture Trustee or the Initial Debenture Holders, and such Debenture Holders who are affiliates of the Initial Debenture Holders, may require as to all matters relating to the business, property and affairs of the Company that materially impacts the interests of the Debenture Holders and provide access to relevant books of accounts and records in relation to this Issue and to enter into or upon and to view and inspect the state and condition of all the Hypothecated Assets, together with all records, registers in relation to the Hypothecated Assets as required by the Debenture Trustee.



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- (iii) Within 15 (Fifteen) calendar days after the end of each calendar quarter, furnish to the Debenture Trustee and Debenture Holders, an updated list of Receivables constituting the Hypothecated Assets, sufficient to maintain the Required Security Cover.
- (iv) Furnish quarterly (unless specified otherwise, in which case, reports shall be submitted according to the specified timeline) report to the Debenture Trustee (and to the Debenture Holders), containing the following particulars: -
- A. Periodical status/performance reports from the Company within 7 (Seven) days of the relevant board meeting or within 45 (Forty-Five) days of the respective quarter, whichever is earlier;
  - B. Updated list of the names and addresses of the Debenture Holder(s);
  - C. Details of the Coupon and principal payments to be made, but unpaid and reasons for the non-payment thereof;
  - D. The number and nature of grievances received from the Debenture Holder(s) and resolved by the Company, and those grievances not yet solved to the satisfaction of the Debenture Holder(s);
  - E. Certificate from an independent Chartered Accountant, on a quarterly basis giving the value of Receivables comprising the Hypothecated Assets including compliance with the covenants of the Disclosure Document(s) and certifying maintenance of the Required Security Cover (or such higher security cover as may be prescribed) as per the terms of the Disclosure Document(s) and/or the Debenture Trust Deed along with the financial results of the Company;
  - F. Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holder(s). The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of its compliance.
- (v) Notify the Debenture Trustee of the occurrence of any social, labour, health and safety, security or environmental incidents, accidents in relation to the business of the Company.
- (vi) Notify the Debenture Trustee of all relevant information of any Environmental Claim (pending or threatened, in writing), any circumstances reasonably likely to result in an Environmental Claim, or any event which would or, if substantiated, is reasonably likely to result in any impact on the reputation of any Debenture Holder arising out of or in connection with any negative publicity (as determined by the Debenture Holders in its sole discretion ) regarding such Debenture Holders or any liability for any Debenture Holder.
- (vii) Promptly inform the Debenture Trustee of such additional information as the Debenture Holders / the Debenture Trustee may require from time to time relating to social, environmental, health, labour, safety and other aspects.
- (viii) The Company shall submit the following reports/ certification to the Trustee within the timelines mentioned below:



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Reports/Certificates	Timelines for submission Requirements to Debenture Trustee
Security cover certificate in the format prescribed under Annexure- VA of the SEBI DT Master Circular	Quarterly basis within 75 days from end of each quarter except last quarter of financial year when the submission is to be made with 90 (ninety) days or within such timelines (which are stricter than the timelines specified herein) as prescribed under Applicable Law.
Valuation report and title search report for the immovable/movable assets, as applicable	Once in three years within 75 days from the end of the financial year or within such timelines (which are stricter than the timelines specified herein) as prescribed under Applicable Law.

- (ix) The Company shall submit a certificate from its statutory auditor to the Debenture Trustee on a quarterly basis, giving the value of Receivables comprising the Hypothecated Assets including compliance with the covenants of the Disclosure Document(s) in the manner as may be specified by SEBI from time to time and certifying maintenance of the Required Security Cover (or such higher security cover as may be prescribed) as per the terms of the Disclosure Document(s) and/or the Debenture Trust Deed along with the financial results of the Company in the manner and format as specified by SEBI.
- (x) The Company shall submit a certificate from the statutory auditor of the Company to the Debenture Trustee on a half-yearly basis (or such other duration as may be prescribed under Applicable Law), regarding maintenance of the Required Security Cover (or such higher security cover as may be prescribed) and compliance with the covenants set out in this Deed, along with financial results.
- (xi) The Company undertakes to provide all information/ documents required to be submitted to the Debenture Trustee, to enable it to carry out the due diligence in terms of SEBI Master Circular, as amended, replaced or modified from time to time.
- (xii) On a quarterly basis, the Company shall furnish the compliance status with respect to financial covenants of the listed debt securities certified by statutory auditor of listed entity to the Debenture Trustee pursuant to Chapter VI of the SEBI DT Master Circular, (including any amendments or restatements thereof).
- (xiii) The Company shall provide to the Debenture Trustee such information as it may require for any filings, statements, reports that the Debenture Trustee is required to provide to any Governmental Authority under Applicable Law.
- (xiv) Notify the Debenture Trustee in writing, if it becomes aware of any fact, matter or circumstance which would cause any of the representations and warranties under any of the Transaction Documents to become untrue or inaccurate or misleading in any respect.
- (xv) Provide to the Debenture Trustee such further information regarding the financial condition, business and operations of the Company as the Debenture Trustee may reasonably request in relation to the Payments due to be made on the Debentures.
- (xvi) The Company shall also promptly furnish to the Debenture Trustee the details of all the grievances received by them and shall comprise the following:
- Names of the complainants/Debenture Holders.



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2. Nature of grievances/complaints.
3. Time taken for redressal of complaint/grievances etc.
4. The steps taken by the Company to redress the same.

(xvii) The Company shall promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holder(s). The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of its compliance. All grievances relating to the Issue may be addressed to the compliance officer of the Company ("**Compliance Officer**") giving full details such as name, address of the applicant, date of the application, application number, number of Debentures applied for, amount paid on application and the place where the application was submitted. The Company shall make best efforts to settle investor grievances expeditiously and satisfactorily within 30 (Thirty) days from the date of receipt of such complaint. In case of non-routine complaints and where external agencies are involved, the Company shall make best endeavours to redress these complaints as expeditiously as possible. The Compliance Officer of the Company may also be contacted in case of any pre-issue/post issue related problems.

(j) The Company shall promptly inform the stock exchange of all information having bearing on the performance/operation of the Company, price sensitive information or any action that shall affect payment of Coupon or dividend or redemption of the Debentures.

(k) The Company shall submit a certificate to the stock exchange regarding status of payment of Coupon or dividend or repayment or redemption of principal of the Debentures within 1 (One) working day of it becoming due, in the manner and format as specified by the SEBI from time to time.

(l) **Required Security Cover**

The Company shall maintain the Required Security Cover as required under the Deed of Hypothecation at all times until the Final Settlement Date.

(m) **Transfer of unclaimed Redemption Amounts.**

The Company shall comply with the provisions of the Act relating to transfer of unclaimed redemption and coupon amounts of Debentures to Investor Education and Protection Fund ("**IEPF**"), if applicable to it.

(n) **Security**

The Company hereby further agrees, declares and covenants with the Debenture Trustee as follows:

- (i) The Debentures shall be secured by way of a first ranking *pari passu* and continuing charge on the Hypothecated Assets by executing the Deed of Hypothecation at least 1 (One) day prior to filing of the listing application with BSE for listing of the Debentures;
- (ii) It shall perfect the security over the Hypothecated Assets by filing Form CHG-9 with the Registrar of Companies in relation thereto within 30 (Thirty) calendar days from the date of execution of the Deed of Hypothecation;
- (iii) The Company shall, if applicable, keep the Hypothecated Assets adequately insured, in a proper condition and shall pay all taxes, cesses, insurance premium with the Hypothecated Assets within the time permissible under Applicable Laws;



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- (iv) The Company covenants that it shall co-operate and shall provide all necessary assistance and furnish such information or documents as may be required by the Debenture Trustee and/or the Debenture Holders, to the satisfaction of the Debenture Trustee to enable it to make necessary filings in connection with the creation of security over the Hypothecated Assets with the Central Registry of Securitisation Asset Reconstruction and Security Interest of India promptly but not later than 3 (Three) calendar days from the date on which the information is requested by the Debenture Trustee and/or the Debenture Holders.

(o) **Financial Terms and Conditions**

The Company shall at all times during the term of these presents comply with each of the Financial Terms and Conditions.

- (p) The Company shall carry out subsequent valuation of the Hypothecated Assets, at the request of the Debenture Trustee promptly but not later than 5 (Five) Calendar days from receiving the request, if applicable.

- (q) The Company is aware that in terms of Regulation 14 of the SEBI (Debenture Trustees) Regulations, 1993 as amended from time to time, the Deed has to contain the matters specified in Section 71 of the Act and Form No. SH.12 specified under the Companies (Share Capital and Debentures) Rules, 2014. The Company hereby agrees to comply with all the clauses of Form No. SH.12 as specified under the Companies (Share Capital and Debentures) Rules, 2014 to the extent applicable to it as if they are actually and physically incorporated herein in this Deed.

- (r) Within 5 (Five) Business Days of receipt of a request from the Debenture Trustee, the Company shall authenticate any information relating to the Debentures, to be submitted by the Debenture Trustee with the Information Utility and the Company shall render all such assistance as may be required by the Debenture Trustee / Debenture Holders for submission to the Information Utility. The Company further agrees that the Debenture Trustee / Debenture Holders may disclose any information about the Company or the Debentures, to any Information Utility, in accordance with the provisions of Applicable Law and/or directions issued by the RBI from time to time.

- (s) The Company shall submit to the Debenture Trustee, such information as may be required by the Debenture Trustee from time to time.

- (t) The Company hereby irrevocably agrees and consents that the Debenture Trustee / Debenture Holders may disclose at any time and share with, or in any manner make available to, affiliate companies, any other bank or financial institution, agencies, bureau, firms, associations, corporate bodies and other persons any information about the Company, the Debentures or such other information about the Company in accordance with the relevant RBI guidelines or where such disclosure is necessary under law or where there is a duty to the public to disclose such information or where the Debenture Trustee / Debenture Holders requires such disclosure.

(u) **Goods and Services and other taxes**

The Company undertakes to ensure that the details regarding Goods and Services Tax (GST) including registration as provided by the Company are correct and complete. The Company shall immediately inform the Debenture Trustee / Debenture Holders of any changes to the information that has been previously provided to the Debenture Trustee / Debenture Holders in this respect. The Company will indemnify the Debenture Trustee / Debenture Holders with respect to any consequences and costs to the Debenture Trustee / Debenture Holders arising from the Company not being in compliance with the provisions of GST and other indirect taxes laws and the Debenture Trustee / Debenture Holders not receiving relevant credit(s) as provided



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for under the GST laws or any indirect tax laws by reason of the Borrower not submitting relevant and correct information timely to the relevant authorities, .

- (v) In addition to the aforesaid covenants, the Company shall also comply with the covenants set out in **Clause 2.5.1 (Affirmative Covenants)** of **Part B** of this Deed and **Clause 2.5.2 (Reporting Covenants)** of **Part B** of this Deed.

#### 1.12.2 NEGATIVE COVENANTS

The Company hereby covenants with the Debenture Trustee that until the Final Settlement Date, the Company shall not, except as may otherwise be previously agreed to in writing by the Debenture Trustee (acting upon the receipt of the prior written approval of the Majority Debenture Holder(s)), take any action in relation to the items set out in this **Clause 1.12.2 (Negative Covenants)** of **Part A** of this Deed and **Clause 2.5.3 (Negative Covenants)** of **Part B** of this Deed:

(a) **Dividend and Buyback of Shares**

Declare or pay any dividend to its shareholders during any Financial Year and/or buyback any of its shares unless it has paid all the amounts then due and payable on the Debentures and other amounts under the Transaction Documents or has made provisions satisfactory to the Debenture Trustee for making such payments and so long as no Event of Default exists or is continuing or would result therefrom.

(b) **No Encumbrance Over Hypothecated Assets**

The Company shall not, until the Final Settlement Date, create any further charge or encumbrance over the Hypothecated Assets, except as created in favour of the Debenture Trustee for the benefit of the Debenture Holders, under the terms of this Deed and the Deed of Hypothecation or as permitted under Clause 1.7.5 of this Deed.

- (c) In addition to the aforesaid covenants, the Company shall also comply with the covenants set out in **Clause 2.5.3 (Negative Covenants)** of **Part B** of this Deed.

#### 1.12.3 FINANCIAL COVENANTS

Please refer to **Clause 2.5.4 (Financial Covenants)** of **Part B** of this Deed.

#### 1.12.4 BREACH OF COVENANT BY THE COMPANY MAY BE WAIVED

The Debenture Trustee may, at any time, waive such terms and conditions as shall seem expedient to it in respect of any breach by the Company of any of the covenants and provisions in these presents contained without prejudice to the rights of the Debenture Trustee in respect of any subsequent breach thereof. Provided however, that the prior consent of the Majority Debenture Holder(s) shall have been obtained by the Debenture Trustee for any such waiver.

#### 1.12.5 EVENTS OF DEFAULT

If one or more of the events specified herein and under this **Clause 1.12.5** and as specified in **Clause 2.6 (Events of Default)** of **Part B** of this Deed (hereinafter each an "**Event of Default**" and collectively, "**Events of Default**") happen(s), the Debenture Trustee shall, acting on the instructions of the Majority Debenture Holders, take all such actions, expressly or impliedly permitted under the Transaction Documents or in law.

- (a) **NON-PAYMENT**

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The failure to pay any amount payable in relation to the Debentures, including without limitation failure to make payment of the principal amount of the Debentures and/or the Coupon and/or any other amounts due in respect of the Debentures including the Payments in respect of the Debentures on the Due Date(s), whether at the scheduled maturity or by acceleration, at the place at which and in the currency in which it is expressed to be payable, unless:

- (i) such failure to pay is caused by an administrative or technical error; and
- (ii) payment is made within 3 (three) Business Days of its Due Date.

(b) **CESSATION OF BUSINESS**

- (i) The Company ceases to carry on its business thereof or gives notice, in writing, of its intention to do so.
- (ii) The cessation of business by or the dissolution, winding-up, insolvency or liquidation of the Company or the passing of any order of a court ordering, restraining or otherwise preventing the Company from conducting its business.
- (iii) Any supervisory authority or any competent court or tribunal or Governmental Authority requires the Company to cease to do business.
- (iv) Any approval or consent or Authorisation given by any person (including any supervisory authority or any creditor) to the Company in respect of its business is withdrawn or the Company fails to obtain or renew any such approval or consent or Authorisation.

(c) **BREACH OF TERMS OF THIS DEED AND THE TRANSACTION DOCUMENTS**

Except for the event contained in Clause 1.12.5(a) (*Payment Default*) above, the Company defaults or breaches in the performance of any of its representations, warranties, obligations and covenants provided under the terms of this Deed and/or the Transaction Documents and such default or breach continues unremedied for a period of 15 (fifteen) days from the occurrence of such default or breach.

(d) **SECURITY**

- (i) The Company creates or attempts to create any Security Interest on the Hypothecated Assets or any part thereof save and except for any Security interest as may be expressly permitted in the Transaction Documents.
- (ii) If the Hypothecated Assets or any part thereof is, in any manner whatsoever, sold, leased, transferred, assigned, charged, encumbered, alienated or disposed off, save and except as may be expressly permitted in the Transaction Documents.
- (iii) If, in the opinion of the Debenture Trustee, the Security is in jeopardy including on account of any depletion in the value of the Hypothecated Assets.
- (iv) The value of the Hypothecated Assets is insufficient to maintain the Required Security Cover and the Company fails to maintain the Required Security Cover (including by way of providing additional / alternate security to the satisfaction of the Debenture Trustee) within the stipulated timelines prescribed in the relevant Transaction Document.



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- (v) Any of the Transaction Documents fails to provide the security interests, rights, title, remedies, powers or privileges intended to be created thereby (including the priority intended to be created thereby) over the Hypothecated Assets, or such security interests over the Hypothecated Assets fail to have the priority contemplated under the Transaction Documents, or the security interests over the Hypothecated Assets become unlawful, invalid or unenforceable.
- (vi) In the event the Required Security Cover is not maintained by the Company.

### 1.13 CONSEQUENCES OF AN EVENT OF DEFAULT

1.13.1 On and at any time after the occurrence of an Event of Default, unless such Event of Default at the request of the Company is expressly waived by the Debenture Trustee acting on the instructions of the Majority Debenture Holder(s), the Debenture Trustee shall exercise any or all of the following rights:

- (a) to accelerate the redemption of the Debentures together with accrued but unpaid Coupon, and the Secured Obligations including all other costs, charges and expenses accrued or outstanding under the Transaction Documents to be immediately (or such other date as the Debenture Trustee may specify) due and payable, whereupon they shall become so due and payable immediately; and/or
- (b) simultaneously, the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) shall be entitled to enforce the charge over the Hypothecated Assets in accordance with the terms of the Transaction Documents to recover the amounts due and payable in respect of the Debentures under the Transaction Documents; and/or
- (c) exercise any and all rights specified under this Deed and/or the other Transaction Documents, including without limitation, to accelerate the redemption of the Debentures; and/or
- (d) exercise such other remedies, including legal and equitable rights, as permitted or available under Applicable Law (including initiating insolvency proceedings under IBC) or the Transaction Documents; and/or
- (e) exercise any other right that the Debenture Trustee and /or Debenture Holder(s) may have under the Transaction Documents or under Applicable law including in relation to the enforcement of security / entering into the inter-creditor agreement by the Debenture Trustee (acting on the instructions of the Super Majority Debenture Holders) with the creditors of the Company pursuant to the SEBI DT Master Circular, as amended, modified or replaced from time to time.

1.13.2 Notwithstanding anything contained in this Deed, the Majority Debenture Holders shall have the right to initiate all or any of the actions specified in Clause 1.13.1 above. It is further clarified that the Series 40 Issue and the Series 41 Issue shall for all intents and purposes under this Deed and the Disclosure Documents, be treated and considered as a separate ISIN.

1.13.3 It is clarified that upon the occurrence of an Event of Default, the Default Interest at the rate of 2% (Two Percent) per annum over and above the Coupon Rate shall be charged on the outstanding Secured Obligations, in addition to the rights of the Debenture Holders under Clause 1.13.1 above.

1.13.4 It is clarified that upon the occurrence of an Event of Default, the Company shall not create any securities or create any fresh security or sell any assets including Hypothecated Assets including by way of direct assignment or securitisation, without the written permission of the Majority Debenture Holders.

1.13.5 Notwithstanding any cancellation or termination pursuant to **Clause 1.13 (Consequences of an Event of Default)** above, all the provisions of the Transaction Documents for the benefit or protection of the Debenture Holders and their interests shall continue to be in full force and effect as specifically provided



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in the Transaction Documents. The Debenture Trustee shall, on being informed by the Company of the happening of any of the Event(s) of Default set out in **Clause 2.6 (Events of Default)** above or **Clause 1.12.5 (Events of Default) of Part A** of this Deed or upon the happening of any of such Event(s) of Default coming to its notice, forthwith give written notice to the Debenture Holder(s) of the same.

#### 1.14 **NOMINEE DIRECTOR**

The Debenture Trustee shall have a right to appoint a nominee Director on the Board of Directors of the Company (hereinafter referred to as the "**Nominee Director**") in accordance with the provisions of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 in the event of:

- (a) 2 (two) consecutive defaults in payment of interest to the Debenture Holder(s); or
- (b) Any default on the part of the Company in redemption of the Debentures; or
- (c) Any default in the creation of Security.

The Nominee Director so appointed shall not be liable to retire by rotation nor shall be required to hold any qualification shares. The Company shall appoint the person nominated by the debenture trustee(s) in terms of clause (e) of sub-regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a director on its Board of Directors at the earliest and not later than 1 (one) month from the date of receipt of nomination from the debenture trustee(s) as to appointment of Nominee Director. The Company shall take steps to amend its Articles of Association for the purpose on or before such timelines as set out under this Deed and/ or the SEBI NCS Regulations.

#### 1.15 **RIGHT TO DISCLOSE / PUBLISH THE NAMES OF THE COMPANY AND ITS DIRECTORS AS DEFAULTERS:**

In the event the Company commits any default in the repayment of any amounts in respect of the Debentures or the payment of Coupon on the applicable Due Date(s), the Debenture Holder(s) / Debenture Trustee shall have an unqualified right to disclose the name of the Company and its directors to RBI or any other Governmental Authority / statutory authority / regulatory authority. The Debenture Trustee and/or the RBI and/or any other Governmental Authority shall have the right to publish the name of the Company and its directors as defaulters in such manner and through such medium as they in their absolute discretion may think fit.

#### 1.16 **ROLE AND RESPONSIBILITY OF THE DEBENTURE TRUSTEE**

The Debenture Trustee shall oversee and monitor the overall Issue for and on behalf of the Debenture Holder(s).

In addition to the other powers conferred on the Debenture Trustee and provisions for their protection and not by way of limitation or derogation of anything contained in these presents or of any statute limiting the liability of the Debenture Trustee, IT IS EXPRESSLY DECLARED as follows:

- (a) The Debenture Trustee shall on a quarterly basis, carry out the necessary diligence and monitor the Security Cover in the manner as may be specified by SEBI from time to time.
- (b) The Debenture Trustee shall on a half-yearly basis, obtain a certificate from the statutory auditor of the Company giving the value of receivables / book debts comprising the Hypothecated Assets including compliance with the covenants of the Disclosure Document(s) in the manner as may be specified by SEBI from time to time and certifying maintenance of hundred percent asset / security cover or a higher asset cover (in this case being the Required Security Cover) as per the terms of the Disclosure Document(s) and/or this Deed along with the financial results of the Company in the manner and format as specified by SEBI, *provided that*, the Company shall



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prepare the security cover certificate and provide the information with regards to monitoring the security cover which shall be certified by the statutory auditor in accordance with Chapter V of the SEBI DT Master Circular.

- (c) The Debenture Trustee shall exercise independent due diligence to verify whether the Company has obtained permissions or consent to create first ranking *pari passu* charge on the Hypothecated Assets of the Company from all the existing charge holders as stipulated in the Transaction Documents and the Applicable Laws, has been obtained.
- (d) The Debenture Trustee shall exercise due diligence either through itself or through its advisors or experts in accordance with the terms of the Debenture Trustee Agreement and Applicable Law, the applicable circulars / notifications issued by SEBI including under the provisions of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 read with the SEBI DT Master Circular (as amended from time to time).
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- (e) The Debenture Trustee shall ensure the implementation of the conditions regarding creation of security for the Debentures, if any, including in relation to Debenture Redemption Reserve and Recovery Expense Fund, as may be prescribed by SEBI from time to time.
- (f) The Debenture Trustee shall hold and accept the Security for and on behalf of and for the benefit of the Debenture Holder(s).
- (g) The Debenture Trustee shall perform all such acts and duties as are set out in the other Transaction Documents.
- (h) The Debenture Trustee shall monitor the Required Security Cover on the basis of the quarterly reports certified by the statutory auditor of the Company, as may be applicable, submitted by the Company.
- (i) The Debenture Trustee shall enter into any agreements with the Company or any other entity identified by the Company (and consented to by the Debenture Trustee) for the creation, perfection of the Security or any other agreements for and on behalf of and for the benefit of the Debenture Holder(s).
- (j) The Debenture Trustee may, in relation to these presents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Company or by the Debenture Trustee or otherwise. Any such advice, opinion or information and any communication passing between the Debenture Trustee and their representative or attorney or a receiver appointed by them may be obtained or sent by letter, telegram, cablegram, telex or telephonic message.
- (k) The Debenture Trustee shall act only on the instructions of the Debenture Holder(s) and in accordance with this Deed and the other Transaction Documents.
- (l) The Debenture Trustee shall be at liberty to accept a certificate signed by any one of the directors of the Company as to any act or matter prima facie within the knowledge of the Company as sufficient evidence thereof.
- (m) The Debenture Trustee may accept, without inspection, inquiry or requisition, such title as the Company may have to the Hypothecated Assets.
- (n) The Debenture Trustee shall be at liberty to keep these presents and all deeds and other documents of title relating to the Hypothecated Assets charged/to be charged to the Debenture Trustee at their registered office or elsewhere or if the Debenture Trustee so decides with any banker or a company whose business includes undertaking the safe custody of documents or



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with an advocate or firm of solicitors and the Debenture Trustee may pay all sums required to be paid on account of or in respect of any such deposit.

- (o) Other than as expressly set out in the Transaction Documents, the Debenture Trustee shall not be bound to take any steps to ascertain whether any Event of Default has happened upon the happening of which the rights in respect of the Debentures becomes enforceable.
- (p) With a view to facilitating any dealing under any provisions of these presents, the Debenture Trustee shall have full power to consent (where such consent is required) to a specified transaction or class of transactions unconditionally.
- (q) The Debenture Trustee shall have full power, in consultation with the Debenture Holder(s), to determine all questions and doubts arising in relation to any of the provisions of these presents and every such determination bona fide made (whether or not the same shall relate wholly or partially to the acts or proceedings of the Debenture Trustee) shall be conclusive and binding upon all persons interested under these presents.
- (r) The Debenture Trustee shall not be liable for any default, omission or delay in performing or exercising any of the powers or trusts expressed in these presents or contained or in enforcing the covenants contained therein or in giving notice to any person or persons of the execution thereof or for any loss or injury which may be occasioned by reason thereof unless the Debenture Trustee shall have been previously requested by notice in writing to perform, exercise or do any of such steps as aforesaid by the Majority Debenture Holders or Super Majority Debenture Holders.
- (s) The Debenture Trustee does not make any representation and warranty as to the adequacy of the Security for the Debentures.
- (t) The Debenture Trustee shall have the right to rely on notices, communications, advertisement or any information on the website of the Company with respect to issue of Debentures.
- (u) The Debenture Trustee shall perform all such duties and undertake such obligations as stipulated under the SEBI (Debenture Trustees) Regulations, 1993 (as amended from time to time) or SEBI DT Master Circular.
- (v) The Debenture Trustee shall protect the interest of the Debenture Holders in the event of default by the Company in regard to timely payment of interest and repayment of principal and shall take necessary action at the cost of the Company. No Debenture Holder shall be entitled to proceed directly against the Company unless the Debenture Trustee, having become so bound to proceed, fails to do so.
- (w) In pursuance of the extant provisions, it shall be the duty of the Debenture Trustee to:
- (i) satisfy itself that the Disclosure Document(s) does not contain any matter which is inconsistent with the terms of the issue of Debentures or with the Debenture Trust Deed and/or other document(s);
  - (ii) satisfy himself that the covenants in the Debenture Trust Deed and/or other document(s) are not prejudicial to the interest of the Debenture Holders;
  - (iii) call for periodical status or performance reports from the Company;
  - (iv) communicate promptly to the Debenture Holders defaults, if any, with regard to payment of Coupon or redemption of Debentures and action taken by the Debenture Trustee therefor;
  - (v) ensure that the Company does not commit any breach of the terms of Issue of Debentures or covenants of the Debenture Trust Deed and/or other document(s) and take such reasonable steps as may be necessary to remedy any such breach;
  - (vi) inform the Debenture Holders immediately of any breach of the terms of Issue of Debentures



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- or covenants of the Debenture Trust Deed and/or other document(s);
- (vii) ensure that the assets of the Company issuing Debentures and of the guarantors, if any, are sufficient to discharge the interest and principal amount at all times and that such assets are free from any other encumbrances except those which are specifically agreed to by the Debenture Holders;
  - (viii) call for reports on the utilization of funds raised by the issue of Debentures; take steps to convene a meeting of the Debenture Holders as and when such meeting is required to be held;
  - (ix) ensure that the Debentures have been redeemed in accordance with the terms of the issue of Debentures;
  - (x) perform such acts as are necessary for the protection of the interest of the Debenture Holders and do all other acts as are necessary in order to resolve the grievances of the Debenture Holders.
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- (x) The Debenture Trustee shall carry out its duties and perform its functions as required to discharge its obligations under the terms of the Companies Act, 2013, SEBI NCS Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the SEBI DT Master Circular, Debenture Trustee Agreement, Debenture Trust Deed and/or other document(s), Private Placement Offer cum Application Letter and all other related transaction documents, with due care, diligence and loyalty.

(y) **Process of Due Diligence (DD) to be carried out by the Debenture Trustee:**

The due diligence will be carried out as per SEBI (Debenture Trustees) Regulations, 1993, the SEBI DT Master Circular and circulars issued by SEBI from time to time. This would broadly include the following:

- A. Chartered Accountant ("CA") appointed by the Debenture Trustee will:
- (a) conduct independent due diligence as per scope provided, regarding Security offered by the Issuer;
  - (b) ascertain, verify, and ensure that the assets offered as Security by the Issuer are free from any encumbrances or necessary permission / consent / no objection certificate has been obtained from all existing charge holders;
  - (c) conduct independent due diligence on the basis of data / information provided by the Issuer;
  - (d) periodically, undertake due diligence as envisaged in circulars/guidelines/directions issued by SEBI, from time to time.
- B. On the basis of the CA's report / findings, the due diligence certificate, as per the format specified in the SEBI DT Master Circular will be issued by the Debenture Trustee and will be filed with the relevant stock exchange.
- C. While the Debentures are secured as per terms of the Disclosure Document(s) and charge is held in favour of the Debenture Trustee, the extent of recovery would depend upon realisation of asset value and the Debenture Trustee in no way guarantees / assures full recovery / partial recovery of either principal or interest.
- D. Due diligence conducted in accordance with the process set out herein is premised on data / information made available to the Debenture Trustee's appointed agency and there is no onus of responsibility on the Debenture Trustee or its appointed agency for any acts of omission / commission on the part of the Issuer.
- E. Permission / Consent from the prior creditors and undertaking on creation of charge.

The Company hereby undertakes that it has obtained prior consent from the existing creditors, wherever applicable for the creation of *pari passu* first ranking charge on



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the Security, for the Debentures.

PROVIDED NEVERTHELESS that nothing contained in this **Clause 1.16** shall exempt the Debenture Trustee from or indemnify it against any liability for fraud, negligence, breach of trust or wilful default or any liability which by virtue of any rule or law would otherwise attach to it in respect of any fraud, negligence, wilful default or breach of trust which they may be guilty in relation to their duties thereunder.

**1.17 MODIFICATIONS TO THESE PRESENTS**

The Company shall concur with the Debenture Trustee in making any modifications in these presents which in the opinion of the Debenture Trustee shall be expedient to make provided that once a modification has been approved by consent in writing of the Majority Debenture Holder(s) in accordance with the provisions set out in **Schedule III (Provisions for the Meeting of the Debenture Holder(s)) of Part D** of this Deed, the Debenture Trustee shall give effect to the same by executing the necessary deed(s) supplemental to these presents.

**1.18 NOTICES**

Please refer to **Clause 2.15 (Notices)** of **Part B** of this Deed.

**1.19 PROVISIONS REGARDING MEETING AND GRIEVANCES OF THE DEBENTURE HOLDER(S)**

The provisions regarding meeting of the Debenture Holder(s) are set out in detail in **Schedule III (Provisions for the Meeting of the Debenture Holder(s)) of Part D** of this Deed.

The Company shall furnish to the Debenture Trustee, the details of all grievances received from the Debenture Holders and the steps taken by the Company to redress the same. At the request of any Debenture Holder, the Debenture Trustee shall, by notice to the Company call upon the Company to take appropriate steps to redress such grievance and shall, if necessary, at the request of any Debenture Holder, call a meeting of the Debenture Holders in the manner set out in **Schedule III (Provisions for the Meeting of the Debenture Holder(s)) of Part D** of this Deed.

**1.20 SEVERABILITY**

Every provision contained in this Deed shall be severable and distinct from every other such provision and if at any time any one or more of such provisions is or becomes invalid illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions hereof shall not be in any way affected or impaired thereby.

**1.21 EFFECTIVE DATE**

The provisions of this Deed shall become effective on date of execution of this Deed.

**1.22 DISPUTES AND GOVERNING LAW**

Please refer to **Clause 2.17 (Disputes and Governing Law)** of **Part B** of this Deed.

**1.23 COUNTERPARTS**

This Deed may be executed in any number of counterparts and all counterparts together shall constitute one and the same instrument and each of them shall be an independent agreement.

**1.24 APPROPRIATION OF PAYMENTS**

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Please refer to **Clause 2.20** (*Appropriation of Payments*) of **Part B** of this Deed.

1.25 **COSTS AND EXPENSES**

The Company shall pay any amounts payable under Applicable Law as stamp duty on this Deed and the issuance of Debentures. The Company shall pay such other amounts as set out in **Clause 2.21** (*Costs and Expenses*) of **Part B** of this Deed.

1.26 **REGISTER OF DEBENTURE HOLDER**

The Company shall, as required by the Act, keep at its registered office situated at 4th Floor, E-Wing, Times Square, Andheri – Kurla Road, Gamdevi, Marol, Andheri East, Marol Naka, Mumbai – 400 059 a Register of the Debenture Holder(s) which shall include the addresses of the Debenture Holder(s), record of the subsequent transfers and changes in ownership. For the above purpose, the Company shall request the registrar and transfer agent of the Issue to provide a list of Debenture Holder(s) by the Record Date. The Debenture Trustee and/or the Debenture Holder(s) or any of them or any other person shall with prior intimation, as provided in the Act, be entitled to inspect the said Register of Debenture Holder(s) and to take copies of or extracts from the same or any part thereof during the usual business hours of the Company. Further a copy of this Deed shall be forwarded to any Debenture Holder or member of the Company at his request within, 7 (seven) days of making such request, on payment of the fees prescribed.



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2. **PART B: DETAILS SPECIFIC TO THE ISSUE**

2.1 **FINANCIAL TERMS AND CONDITIONS**

2.1.1. **PURPOSE**

The Company agrees and undertakes that the proceeds of the Debentures shall be utilised towards refinancing and/or repayment of the Company's existing debt that was availed of for bank financing eligible end-uses ("**Purpose**").

2.1.2. **DEBENTURES TO RANK *PARI PASSU***

The Debentures shall rank *pari passu*, inter se, without any preference or priority of one over the other or others of them.

2.1.3. **INTEREST**

(a) **Interest on Application Money**

The Company shall be liable to pay the Debenture Holder(s), interest on all application monies received at the Coupon Rate, from the date of receipt/ realization of the application monies by the Company until the Deemed Date of Allotment and the same shall be paid to the relevant subscribers to the Debentures within 7 (Seven) Business Days from the Deemed Date of Allotment.

(b) **Coupon Rate**

Coupon shall be payable on the Coupon Payment Date(s) at the fixed Coupon Rate on the principal amount of the Debentures, outstanding from time to time, by the Company.

(c) **Coupon Payment Date(s):**

For Series 40 Debentures, coupon shall be payable annually on the Coupon Payment Date(s) until the Final Settlement Date with the first Coupon Payment Date commencing from October 31, 2025, in the manner set out in **Schedule V (Cashflow Schedule)** of this Deed.

For Series 41 Debentures, coupon shall be payable semi-annually on the Coupon Payment Date(s) until the Final Settlement Date with the first Coupon Payment Date commencing from April 30, 2025, in the manner set out in **Schedule V (Cashflow Schedule)** of this Deed.

(d) **Payment of Coupon**

Coupon will be paid to the Debenture Holders subject to deduction of tax deducted at source (where applicable, under Applicable Law) at the rate prescribed from time to time under the Income Tax Act, 1961 or any statutory modification or re-enactment thereof for the time-being in force.

(e) **Computation of Coupon and other charges**

Coupon and all other charges shall accrue based on actual/actual day count convention. All interest accruing for any Interest Period shall accrue from day to day and be calculated on the basis of the actual number of days elapsed and a year of 365 days (or 366 days in case of a leap year), at the applicable Interest Rate and rounded off to the nearest Rupee.

2.1.4. **COUPON STEP UP**

**Step Up Coupon Rate:**

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- (i) The Coupon Rate for the Debentures will be increased by 0.25% (zero decimal point two five per cent) for every notch downgrade up to CRISIL "A-" from the current Credit Rating of the Debenture of "CRISIL AA-" during the tenor of the Debentures.
- (ii) The Coupon Rate for the Debentures will be increased by an additional 4.00% (four per cent) per annum if the credit rating of the instrument is downgraded to "BBB+" during the tenor of the Debentures.
- (iii) It is clarified that the step-up for each notch downgrade would be aggregated for arriving at the Coupon Rate.
- (iv) The Issuer has the option to prepay the Debentures if the credit rating of the Debentures is downgraded to "BBB+" by giving a 45 (Forty Five) day notice.

### Coupon Reset Process

(i) The Company shall, for Series 41 Issue, at least 45 (Forty Five) calendar days prior to a Coupon Reset Date, issue a notice to the Debenture Holders of the Series 41 Issue and the Debenture Trustee intimating about the revised Coupon Rates to be applicable from the immediately succeeding Coupon Reset Date ("**Coupon Reset Notice**").

(ii) In case, Company fails to issue the Coupon Reset Notice at least 45 (Forty Five) calendar days prior to the relevant Coupon Reset Date, it shall automatically, without the need for any action by the Debenture Trustee / Debenture Holders of Series 41 Issue, trigger accelerated redemption of the Debentures pertaining to the Series 41 Issue and the Company shall be liable to pay all the outstanding amounts in relation to the Debentures to the Debenture Holders of the Series 41 Issue on the Coupon Reset Date.

(iii) If the Coupon Rate identified by the Issuer in the Coupon Reset Notice is acceptable to any Debenture Holder of the of Series 41 Issue / Debenture Trustee, and is communicated in writing by the Debenture Holder(s) of the of Series 41 Issue / Debenture Trustee (acting on the instructions of the Debenture Holders) to the Issuer up to at least 30 (thirty) days prior to the Coupon Reset Date, then the same shall be the Coupon Rate applicable from the Coupon Reset Date until the next Coupon Reset Date (or the Maturity Date, as the case may be) of the Debentures pertaining to the Series 41 Issue. It is clarified for the avoidance of doubt that the same Coupon Rate shall be payable by the Issuer to each Debenture Holder of Series 41 Issue of the Series 41 Issue.

(iv) Further, in case no consensus is reached between Company and any specific Debenture Holder(s) of Series 41 Issue on the reset of the Coupon Rate to be applicable from ensuing Coupon Reset Date up to at least 30 (Thirty) days prior to the said Coupon Reset Date, the Company shall redeem the Debentures pertaining to the Series 41 Issue held by such Debenture Holder(s) of the of Series 41 Issue on the Coupon Reset Date by payment of all the outstanding amounts in relation to such Debentures pertaining to the Series 41 Issue.

(v) If required, there can be several rounds of discussion on Coupon revision between the Debenture Holders of the Series 41 Issue / Debenture Trustee and the Issuer. It is clarified that during the course of discussions, the Debenture Holder(s)/ Debenture Trustee could propose an alternate Coupon Rate, which, if acceptable to the Issuer, and communicated in writing by the Issuer to the Debenture Holder(s) of the Series 41 Issue and Debenture Trustee, up to at least 30 (thirty) days prior to the Coupon Reset Date, then the same shall be the Coupon Rate applicable for the Series 41 Issue from the Coupon Reset Date until the next Coupon Reset Date (or maturity date, as the case may be) of the Debentures.

For the purposes of this clause, if the Issuer is rated by more than one rating agency, the lowest of all



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ratings shall be considered.

#### 2.1.5. **PRINCIPAL PAYMENT**

Subject to any early redemption/acceleration in accordance with this Deed, the principal amount of the Debentures shall be payable by the Company on the Maturity Date being, April 30, 2027 and October 29, 2027 for Series 40 Issue and Series 41 Issue, respectively (subject to adjustments for Business Day Convention) in the manner set out in **Schedule V (Cashflow Schedule)** of **Part D** of this Deed.

#### 2.1.6. **CHANGE OF TAX DEDUCTED AT SOURCE ('TDS')**

If the applicable rate of tax deducted at source is modified and results in a reduction of the net interest received by the Debenture Holders, the Company must give written notice to the Debenture Holders as soon as it becomes aware of such change.

#### 2.1.7. **BUSINESS DAY CONVENTION**

In case a Coupon Payment Date or the due date for the performance of any event, falls on a day which is not a Business Day, then such payment shall be made on the immediately succeeding Business Day, however the dates of the future, however the subsequent Coupon Payment Dates would not be affected merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a day which is not a Business Day.

If the Early Redemption Date or Maturity Date (also being the last Coupon Payment Date), as the case may be, falls on a day which is not a Business Day, all Payments to be made on such Early Redemption Date or Maturity Date (along with accrued Coupon calculated for the period until but excluding the date of payment) shall be made on the immediately preceding Business Day.

It is hereby clarified that any Payments to be made in relation to the Debentures shall also be subject to the day count convention as per the SEBI NCS Regulations.

#### 2.1.8. **REDEMPTION**

The outstanding principal amount of the Debentures, together with accrued but unpaid Coupon and Default Interest (if any), Break Costs (if any), costs, charges and expenses if any, will be paid on the Due Date(s) and will be entirely redeemed at par, on the Maturity Date or earlier (upon the occurrence of an Event of Default or upon the occurrence of an Early Redemption Event or otherwise) upon the payment of such amounts being made by the Company. The Debentures will not carry any obligation, for Coupon or otherwise, after redemption has occurred and all amounts payable under the Transaction Documents have been paid on the Final Settlement Date.

The Issuer, so long as no Event of Default exists or is continuing or would result as a consequence of buy back of Debentures, at its sole and absolute discretion, shall have right at any time to buy back some or all of the Debentures issued under the Disclosure Document(s) prior to its Maturity Date at a mutually agreed price, which shall include Break Costs, subject to Applicable Law and if the Issuer proposes to buy back such Debentures it shall provide a 10 (ten) days prior written notice to all the Debenture Holders specifying the proposed price of the Debentures.

#### 2.1.9. **PAYMENTS**

- (a) Subject to **Clause 1.2 (Amount of Debentures and Covenant to make Payments)** of **Part A** of this Deed, the payment of the principal amount of each of the Debentures shall be made on the Maturity Date and the Coupon shall be made on the Coupon Payment Date, as the case may be, to the registered Holder(s) of Debentures, whose names appear on the Register of Debenture Holders as on the Record Date and in case of joint holders of Debentures to the one whose name stands first in the Register of Debenture



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Holders.

- (b) All Payments to be made to the Debenture Holders on the Maturity Date and / or the Coupon Payment Date or otherwise shall be made either by account payee cheque or warrant / demand draft / credit through the RTGS/ NEFT system into the bank account of the relevant Debenture Holders, the particulars of which has been communicated by the Debenture Holders to the Company and the Debenture Trustee.
- (c) The Company shall be liable to pay Break Costs (together with the Redemption Amounts) to the Initial Debenture Holders of the Series 40 Issue only upon any early repayment of the Debentures at the instance of the Issuer in accordance with clause 2.1.12 of this Deed.

Provided however that, the Break Costs shall in any event not exceed the total Coupon that would have been payable on the prepaid amount had such Debentures remained outstanding until the final Redemption Date as applicable.

- (d) It is hereby further clarified that the Company would only be liable to pay Break Costs (if any) to the Initial Debenture Holder(s) and would not be liable to pay Break Costs to any other Debenture Holder(s).

#### 2.1.10. SECURITY

The Debentures shall be secured by way of a first ranking, *pari passu* and continuing charge over the Hypothecated Assets to be created pursuant to the Deed of Hypothecation to be executed between the Company and the Debenture Trustee, at least 1 (One) day prior to filing of the listing application with BSE for listing of the Debentures until all the Secured Obligations in relation to the Debentures are satisfied by the Company.

#### 2.1.11. EARLY REDEMPTION

- (a) Upon the occurrence of any of the following events (each an "Early Redemption Event"):
  - (i) breach of any covenants under **Clause 2.5.4 (Financial Covenants)** of **Part B** set out under this Deed; and/or
  - (ii) any breach of Rating Covenant; and/or
  - (iii) any breach of Shareholding Covenant; and/or
  - (iv) any breach of RBI Compliance Covenant; and/or
  - (v) occurrence of any change in the business, operations, property, assets, liabilities, condition (financial or otherwise) or prospects of the Issuer since the date of the execution of this Deed that has resulted in a Material Adverse Effect; and/or
  - (vi) any of the promoters being non-compliant with the fit and proper criteria of directors for a non-bank financial company as defined by RBI. Additionally, in case if any of the directors of the Company cease to comply with the fit and proper criteria, it is the duty of the Company to inform the Debenture Trustee and the Debenture Holders within a period of 2 (two) days of occurrence of such event.

the Debenture Holder(s) shall have the option, without being obligated, to require the redemption of the Debentures from the Company (in full or in part) prior to its Maturity Date.

- (b) In case of breach of any financial covenant and the Debenture Holders do not exercise their right to redeem the Debentures, then the Company shall pay additional coupon of 0.25% (zero decimal point two



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five percent) over and above the Coupon Rate, from the date of occurrence of such breach till the time such breach is rectified.

- (c) The Issuer to provide information on Clause 2.1.11 (a)(i) as mentioned above to the Debenture Trustee on a quarterly basis within 45 (forty five) days of the end of a quarter (in a financial year). The Issuer shall provide information to the Debenture Trustee in relation to Clause 2.1.11(a)(ii) to Clause 2.1.11(a)(vi) above within 7 (seven) days from the date of occurrence of such event.
- (d) Upon the occurrence of an Early Redemption Event, the Company shall forthwith promptly issue a notice to the Debenture Holders and Debenture Trustee, informing such Debenture Holders and Debenture Trustee about the occurrence of such Early Redemption Event ("**Early Redemption Notice**").
- (e) Alternatively, in the event that any Debenture Holder is desirous of exercising the redemption pursuant to the receipt of the Early Redemption Notice or upon occurrence of an Early Redemption Event, the said Debenture Holder shall be entitled to issue a notice to the Company (with a copy marked to the Debenture Trustee), in writing ("**Early Redemption Option Exercise Notice**").
- (f) Within 30 (Thirty) calendar days of receipt of the Early Redemption Option Exercise Notice (the "**Early Redemption Date**"), the Company shall compulsorily redeem all the Debentures identified in the Early Redemption Option Exercise Notice by crediting to the beneficiary account of each Debenture Holder on the relevant Record Date an amount that is equal to the Redemption Amount Provided that in the event there is an early redemption of Debentures upon the occurrence of an Early Redemption Event, and the Company fails to redeem the Debentures within the timeline specified herein, the Company shall pay interest at the rate of 15 % (Fifteen Percent) per annum for the period of delay.
- (g) After the completion of the exercise of such early redemption right, the Company shall: (a) submit a report to BSE for public dissemination regarding the redemption; (b) inform the Debenture Trustee regarding the Debentures redeemed during the exercise period and details of redemption thereof; and (c) inform the Depositories for extinguishing the Debentures that have been redeemed.
- (h) Provided however that any early redemption of the Debentures can only be pursuant to the applicable RBI regulations and other Applicable Laws.
- (i) Notwithstanding anything contained in any Transaction Documents, any amendment, modification, cancellation or waiver of any of the terms, conditions or provisions of this Clause 2.1.11 (*Early Redemption*) shall not be effective unless agreed upon by Debenture Holders holding at least 90% (ninety percent) in value of the outstanding Debentures. The procedure to be followed in such an event shall be similar to the process set out under **Schedule III** (*Provisions for the Meeting of the Debenture Holder(s)*).



#### 2.1.12. VOLUNTARY PREPAYMENT

- (a) In the event that credit rating of the instrument is downgraded to "BBB+" by the Rating Agency during the Tenor of the Debentures, the Company shall have the right to redeem the Debentures in full by making payment of the Secured Obligations ("**Prepayment Option**").
- (b) If the Company wishes to exercise the Prepayment Option, the Company shall provide a written notice to the Debenture Trustee (with a copy marked to the Debenture Holders) ("**Prepayment Notice**"), which Prepayment Notice shall be issued at least 45 (Forty-Five) days prior to the date on which the Company proposes to prepay the Debentures pursuant to the exercise of the Prepayment Option.

#### 2.1.13. DEFAULT INTEREST RATE

- (a) In case of failure by the Company in the performance of any of its obligations (including payment obligations) under the Transaction Documents, the Company shall be liable to pay further default interest which shall be calculated at 2% (Two Percent) per annum over and above the Coupon Rate computed

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on the entire obligations, outstanding on the Debentures, payable quarterly for the period commencing from the date of the default (as determined by the Debenture Trustee) and expiring on the date on which the default ceases or has been remedied or waived.

- (b) In case of delay in execution of the Deed of Hypothecation beyond 1 (One) day prior to filing of the listing application with BSE for listing of the Debentures the Company shall be liable to pay further default interest which shall be calculated at 2% (Two Percent) per annum over and above the Coupon Rate computed on the entire obligations, outstanding on the Debentures, payable monthly for the period commencing from the date of the default and expiring on the date on which the conditions in relation to creation of Security have been complied with in the form and manner acceptable to the Debenture Trustee and/or Debenture Holders.
- (c) In case of any delay in execution of this Deed beyond 1 (One) day prior to filing of the listing application with BSE for listing of the Debentures, without prejudice to any liability arising on account of violation of the provisions of the Securities Exchange Board of India Act, 1992 and the SEBI NCS Regulations, the Company will refund the subscription monies with agreed rate of interest or will pay default interest of 2% (Two percent) per annum (or such other rate as specified under Applicable Law) over and above the Coupon Rate till the execution of this Deed.

The default interest payable in terms of this **Clause 2.1.13** (*Default Interest Rate*) of **Part B** of this Deed is hereinafter referred to as the "**Default Interest**".

#### 2.1.14. **NOMINEE DIRECTOR**

The Debenture Trustee shall have a right to appoint a nominee director on the Board of Directors of the Company in the manner as set out in **Clause 1.14** of **Part A** of this Deed.

#### 2.1.15. **TRANSFER OF DEBENTURES**

- (a) The Debentures shall be freely transferable and transmittable by the Debenture Holder(s) in whole or in part without the prior consent of or intimation to the Company. The Debenture Holder(s) shall also have the right to novate, transfer or assign its rights and/or the benefits under the Transaction Documents upon such transfer/transmission of the Debentures.
- (b) It is clarified that the Company shall not assign any of the rights, duties or obligations under this Deed or in relation to the Debentures without the prior written consent of the Debenture Trustee (acting on the instructions of all the Debenture Holder(s)).

#### 2.1.16. **DEBENTURES FREE FROM EQUITIES**

The Debenture Holder(s) will be entitled to their Debentures free from equities or cross claims by the Company against the original or any intermediate holders thereof.

#### 2.1.17. **DEBENTURE HOLDER NOT ENTITLED TO SHAREHOLDERS' RIGHTS**

The Debenture Holder(s) shall not be entitled to any of the rights and privileges available to the shareholders of the Company including right to receive notices of or to attend and vote at general meetings or to receive annual reports of the Company.

#### 2.1.18. **VARIATION OF DEBENTURE HOLDER(S)' RIGHTS**

The rights, privileges and conditions attached to the Debentures may be varied, modified or abrogated only with the consent in writing of the Majority Debenture Holder(s).

#### 2.1.19. **DECISIONS OF THE DEBENTURE HOLDER(S)**



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The Debenture Trustee shall, unless otherwise provided for in the Transaction Documents, seek written instructions from the Debenture Holder(s) and only upon receipt of the written instructions from the Majority Debenture Holder(s), in accordance with the provisions set out in **Schedule III** (*Provisions for the Meeting of the Debenture Holder(s)*) of **Part D** of this Deed, exercise such rights and perform such duties and obligations referred to under this Deed.

## 2.2 REPRESENTATIONS AND WARRANTIES

### 2.2.1. REPRESENTATIONS AND WARRANTIES OF THE COMPANY

In addition to the representations and warranties represented and warranted by the Company pursuant to **Clause 1.11** (*Representations and Warranties*) of **Part A** of this Deed, the Company hereby, represents and warrants to the Debenture Trustee and the Debenture Holders as follows. The representations and warranties made by the Company herein below and pursuant to **Clause 1.11** (*Representations and Warranties*) of **Part A** of this Deed are (a) made on the date of this Deed; and (b) shall be deemed to be repeated by the Company on and as on each day up to the Final Settlement Date as if made with respect to the facts and circumstances existing on such dates, except where expressly stated to be made as of a particular date.

(i) **STATUS:**

- (a) It is a company, duly incorporated, registered and validly existing under the law of its jurisdiction of incorporation and under the Applicable Law.
- (b) The Company is registered with the Reserve Bank of India as a non-banking financial company.
- (c) It has the power to own its assets and carry on its business in substantially the same manner as it is being conducted.

(ii) **BINDING OBLIGATIONS:**

The obligations expressed to be assumed by it under the Transaction Documents are legal, valid, binding and enforceable obligations.

(iii) **NON-CONFLICT WITH OTHER OBLIGATIONS:**

The entry into, and performance by it of, and the transactions contemplated by the Transaction Documents do not and will not conflict with:

- (a) any Applicable Law; or
- (b) its constitutional documents; or
- (c) any agreement or instrument entered into by the Company or binding upon it or any of its assets.

(iv) **TRANSACTION DOCUMENTS:**

The Company has duly executed and delivered each of the Transaction Documents and each of such Transaction Documents constitute upon execution a legal, valid and binding obligation of the Company enforceable against the Company without any further action being required with respect to such documents.

(v) **NO DEFAULT:**



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- (a) No Event of Default or potential Event of Default has currently occurred and is continuing as of the date hereof or might reasonably be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures.
- (b) No other event or circumstance is outstanding which constitutes as on the date hereof (or which would, with the lapse of time, the expiry of a grace period, the giving of notice, the making of any determination under the relevant document, the satisfaction of any other condition or any combination of any of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument under which the Company has incurred any Financial Indebtedness or which is binding on the Company or to which any of its assets are subject in respect of which the Company has received a notice or which might have a Material Adverse Effect.

(vi) **PARI PASSU RANKING:**

- (a) Each Debenture issued by the Issuer will constitute direct, secured and senior obligations of the Issuer. The Company's payment obligations under the Transaction Documents shall rank at least *pari passu* with the claims of all of its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.
- (b) Each of the Debenture Holders shall inter-se rank *pari passu* in relation to their rights and benefits in relation to the Debentures, without any preference or privilege.

(vii) **NO PROCEEDINGS PENDING:**

- (a) No litigation, arbitration or administrative proceedings of or before any Governmental Authority, has been made, are pending, or is threatened (in writing), against the Company (including any arising from or relating to Environmental Law), which may result in the occurrence of a Material Adverse Effect.
- (b) There is no unsatisfied judgment or award passed by any court, arbitrator or other body against the Company, currently subsisting, which has not been satisfied by the Company within the time frame stipulated in such judgment or award.

(viii) **NO MISLEADING INFORMATION:**

All information set out in the financial statements furnished by the Company to the Debenture Trustee and all information provided by the Company to the Debenture Holders for the purposes of this Issue is true and accurate in all respects as at the date it was provided or as at the date (if any) on which it is stated.

(ix) **COMPLIANCE WITH LAW**

- (a) It is in compliance in all respects with all Applicable Law (including Environmental Laws) for the performance of its obligations with respect to this Issue or for them to carry on their business and is not subject to any liability by reason of non-compliance with any Applicable Law.
- (b) The Company shall comply with all obligations under the provisions of the Foreign Exchange Management Act, 1999 (FEMA) and applicable foreign exchange transactions related statute and regulations, and the other laws and regulations that apply to the Company and any of its business activities.

(x) **ASSETS**



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Except for the security interests and encumbrances created by the Company, the details of which security interests and encumbrances have been set out under Schedule VII, Schedule VIII and Schedule IX of this Deed, the Company has, free from any Security Interest or encumbrance, the absolute legal, marketable and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all assets necessary or desirable for the conduct of its business as it is being, and is proposed to be, conducted.

(xi) **FINANCIAL STATEMENTS:**

- (a) Its financial statements most recently supplied to the Debenture Trustee were prepared in accordance with GAAP / IND AS consistently applied save to the extent expressly disclosed in such financial statements.
- (b) Its financial statements most recently supplied to the Debenture Trustee as of September 30, 2024 give a true and fair view and represent its financial condition and operations during the relevant financial year save to the extent expressly disclosed in such financial statements.

(xii) **SOLVENCY:**

- (a) The Company is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts and it will not be deemed by a court to be unable to pay its debts within the meaning of Applicable Law, nor in any such case, will it become so in consequence of entering into this Deed and the Transaction Documents.
- (b) The Company has not by reason of actual or anticipated financial difficulties, commenced, and neither does it intend to commence, negotiations with one or more of their creditors with a view to rescheduling any of their Financial Indebtedness.
- (c) The value of the assets of the Company is more than its respective liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.
- (d) Except as separately disclosed in writing to the Debenture Holder(s), no moratorium has been, or may, in the foreseeable future be, declared in respect of any Financial Indebtedness of the Company.
- (e) As on the date hereof, the Company has neither taken any corporate action nor has taken any legal proceedings or other procedure or steps in relation to any liquidation/bankruptcy proceedings.
- (f) None of the 'Event(s) of Default' as set out under **Clause 1.12.5 (b)(ii) of Part A** of this Deed, **Clause 2.6(a)** and **Clause 2.6(d) of Part B** of this Deed have occurred and/ or are subsisting.

(xiii) **TAXATION MATTERS**

- (a) The Company has duly and punctually paid and discharged all taxes within the time period allowed under Applicable Law other than any taxes contested in good faith and disclosed to the Debenture Trustee and the Debenture Holders on a quarterly basis.
- (b) The Company has complied with all the requirements as specified under the respective tax laws as applicable to it in relation to returns, computations, notices and information which are or are required to be made or given by the Company to any tax authority for taxation and for any other tax or duty purposes, have been made and are correct.

(xiv) **MATERIAL ADVERSE EFFECT**



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No Material Adverse Effect is existing or no event or circumstances are existing which could give rise, with the passage of time or otherwise, to a Material Adverse Effect on the Debentures (or on the Debenture Holder(s)) or on the Security or on the ability of the Company to make the scheduled Payments in relation to the Debentures. In the event of any disagreement or dispute between any Company and the Debenture Holders regarding the materiality of any matter, the opinion of Majority Debenture Holders in relation to the materiality shall be final and binding on the Company.

(xv) **INSOLVENCY**

The Company has not taken any action, including actions under the IBC, nor has any application been made for its winding-up, dissolution or re-organisation or for the enforcement of any security over its assets or for the appointment of a liquidator, supervisor, receiver, administrator, administrative receiver, compulsory manager, trustee or other similar officer of it or in respect of any of its assets.

(xvi) **SECURITY**

- (a) Save and except the charge created to secure the Debentures and the Permitted Security Interest, the Hypothecated Assets herein before expressed to be granted, conveyed, assigned, transferred and assured unto the Debenture Trustee is the sole and absolute property of the Company and is free from any other mortgage, charge or encumbrance and is not subject to any *lis pendens*, attachment, or other order or process issued by any Governmental Authority and that the Company has a clear and marketable title to the Hypothecated Assets.
- (b) There are no legal proceedings, suits, appeals or other actions under Applicable Law, whether judicial, fiscal or administrative, pending or threatened in writing, or claims in respect of the Hypothecated Assets, which may result in the occurrence of a Material Adverse Effect.

(xvii) **DEFAULTER STATUS**

Neither the Company nor any of the directors of the Company appear on the Reserve Bank of India's list of defaulters and Export & Credit Guarantee Corporation's caution list.

(xviii) **SANCTIONS**

Neither the Company, nor any of its directors, officers, employees, agents, representatives, subsidiaries, or affiliates, is:

- (a) a Sanctioned Person;
- (b) owned or controlled, directly or indirectly, by a Sanctioned Person;
- (c) located, organised or resident in a Sanctioned Country; or
- (d) a governmental agency, instrumentality, authority, body or state-owned enterprise of, or indirectly owned or controlled by, a government of any Sanctioned Country.

(xix) **ANTI-CORRUPTION LAWS**

The Company shall (and shall ensure that each of its subsidiaries) conduct its businesses in compliance with applicable anti-corruption laws and has instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

(xx) **NO ADVERSE CHANGE IN BUSINESS**



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There has been no change in the business, operations, property, assets, liabilities, financial condition, or prospects of the Company and/or its subsidiaries that is likely to have a Material Adverse Effect on the Company. The Company shall promptly inform the Debenture Trustee in writing of any event that could result in such a change, along with an explanation of the reasons and any proposed remedial or mitigation steps.

**(xxi) UTILISATION OF PROCEEDS**

It will not utilize or divert the proceeds of the Debentures in any manner other than as stipulated in this Deed.

**(xxii) NO FILINGS OR STAMP TAXES**

There are no stamp duties, registrations, filings, recordings or notarizations before or with any court or public office required to be carried out in India in relation to the execution and delivery of the Transaction Documents by the Company other than:

- (a) stamping of the Transaction Documents (on or prior to execution in Mumbai, India) in accordance with the applicable provisions of the Maharashtra Stamp Act, 1958 as applicable in the State of Maharashtra;
- (b) stamping of the Debentures in accordance with the relevant provisions of the Indian Stamp Act, 1899;
- (c) filing of the return of allotment (Form PAS-3) with the relevant jurisdictional registrar of companies within the time as prescribed under Applicable Law;
- (d) filing of Form CHG-9 with the relevant jurisdictional registrar of companies and the filing of Form I with CERSAI, each within the timelines prescribed in the Transaction Documents, in respect of the Security.

**(xxiii) IMMUNITY**

- (a) The Company is or will not be entitled to claim any immunity for itself or any of its assets from any suit, execution, attachment or other legal process in any proceedings.
- (b) The Company irrevocably submits to the jurisdiction of courts as specified in this Deed and choice of law under this Deed is legal, valid and binding on the Company.

**(xxiv) REGULATORY DECLARATIONS**

- (i) Except as disclosed in writing to the Debenture Trustee, no chairman or managing director or other director of any bank or scheduled co-operative bank or directors of subsidiaries of banks or scheduled co-operative banks or trustees of mutual funds/venture capital funds set up by the Initial Debenture Holders or other banks in India holds a substantial interest in the Company, its subsidiary or holding company, or is interested in the Company or its subsidiary or holding company, as a director or as a guarantor.
- (ii) Except as disclosed in writing to the Debenture Trustee, no relative of the chairman or managing director or other director of any bank or scheduled co-operative bank or subsidiaries of banks or scheduled co-operative banks or trustees of mutual funds and venture funds set up by the Initial Debenture Holders or any other bank in India is



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interested as a 'major shareholder', or as a director or as a guarantor, or is in 'control' of the Company, its subsidiary or holding company.

- (iii) Except as disclosed in writing to the Debenture Trustee in writing, no director of the Company/its subsidiary or holding company is a relative of any senior officer of the Initial Debenture Holders; and no senior officer of the Initial Debenture Holders or their relative holds any substantial interest in the Company, its subsidiary or holding company.

The terms 'control', 'majority shareholder', 'substantial interest', 'relative', and 'senior officer', are references, or shall have the meanings assigned to them, under the relevant RBI regulations in force from time from time.

## 2.3 REPRESENTATIONS AND WARRANTIES OF THE DEBENTURE TRUSTEE

- (a) The Debenture Trustee hereby represents, warrants and covenants in favour of the Company and the Debenture Holder(s) that as on the date hereof:
- (i) The Debenture Trustee is a company duly incorporated and validly existing under Applicable Law and the Debenture Trustee is duly qualified and authorised to enter into the Transaction Documents in accordance with the Applicable Law.
- (ii) This Deed has been duly and validly executed and delivered by the Debenture Trustee and constitutes a legal and binding obligation of the Debenture Trustee enforceable against the Debenture Trustee in accordance with its terms.
- (iii) The execution, delivery and performance by the Debenture Trustee of this Deed does not and will not, with or without the giving of notice or lapse of time or both, violate, conflict with, require any consent or result in a breach of or default under:
1. any Applicable Law to which the Debenture Trustee is subject; or
  2. any order, judgment or decree applicable to the Debenture Trustee; or
  3. any term, condition, covenant, undertaking, agreement or other instrument to which the Debenture Trustee is a party or by which the Debenture Trustee is bound;
- (iv) The Debenture Trustee is in a position to observe, comply with and carry out all its obligations hereunder to be performed and complied with by it;
- (b) The Debenture Trustee is registered as a debenture trustee with the Securities and Exchange Board of India under the SEBI (Debenture Trustees) Regulations, 1993 (as amended, modified or re-enacted from time to time);
- (c) The Debenture Trustee shall not have, claim or exercise any right of deduction, lien or set-off on, over or in respect of any of the amounts, writings or things held by it or continued to be held by it or coming within its power or possession pursuant to or in connection with these presents.
- (d) All information set forth in this Deed, and all information furnished and/or to be furnished by the Debenture Trustee to the Debenture Holder/s is true and correct and was/is not misleading whether by reason of omission to state a material fact or otherwise.
- (e) The Debenture Trustee is eligible to act as a debenture trustee for the Issue under the Act and the rules made thereunder including without limitation under the Companies (Share Capital and Debenture) Rules, 2014 and under the SEBI (Debenture Trustees) Regulations, 1993, each as



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amended, modified or re-enacted from time to time.

- (f) It is clarified that the Debenture Trustee is neither a principal debtor nor a guarantor in respect of the Debentures and has not made any representations, warranties or provided any investment advice or recommendation to subscribe to the Debentures to the Debenture Holder(s) who have subscribed to the Debentures of their own accord and after obtaining separate independent advice.

## 2.4 MISCELLANEOUS PROVISIONS IN RELATION TO THE DEBENTURES

### 2.4.1. RECEIPT OF DEBENTURE HOLDER

The receipt given by each Debenture Holder or if there be joint holders, then the receipt given by any one of such joint Debenture Holder(s) or given by the survivors or survivor of the Debenture Holder(s) of the Redemption Amount payable in respect of each of such Debenture and the Coupon payable (including the Default Interest, where applicable) shall be a good discharge to the Debenture Trustee and the Company.

### 2.4.2. PURCHASERS AND PERSONS DEALING WITH THE DEBENTURE TRUSTEE NOT PUT ON ENQUIRY

No purchaser or other Person dealing with the Debenture Trustee and/or the receiver appointed by them or their attorneys or agents shall be bound or concerned to see or to inquire whether the power exercised or purported to be exercised has become exercisable or whether any money remains owing on the Security Interest created pursuant to the Deed of Hypothecation and under these presents or as to the necessity or expediency of the stipulations and conditions subject to which any sale and/or assignment shall have been made or otherwise as to the propriety or regularity of any sale and/or assignment, calling in, collection or to see to the application of any money paid to the Debenture Trustee or receiver and in the absence of mala fides on the part of such purchaser or other Person such dealing shall be deemed, so far as regards the safety and protection of such Person, to be within the powers hereby conferred and be valid and effectual accordingly and the remedy of the Company or its assigns in respect of any impropriety or irregularity whatsoever in the exercise of such power shall be in damages.

### 2.4.3. TRUSTS OF DEBENTURES NOT RECOGNISED

The Debenture Trustee shall not be affected by any notice, express or implied of the right, title or claim of any person to such monies due in respect of the Debentures, other than the Debenture Holder(s).

### 2.4.4. SURRENDER OF DEBENTURES ON PAYMENT

For payment to the Debenture Holder(s) of the Redemption Amount, the Company shall make the payment of Redemption Amount to the Debenture Holder(s) or to any subsequent transferee(s) who are entitled to receive the payment on the Maturity Date or earlier (including upon the occurrence of an Event of Default). Upon receipt of the Redemption Amount, the Debenture Holder(s) or the subsequent transferee(s), as applicable, shall issue appropriate receipts in this regard to the Company. The Debentures issued in dematerialised form shall on the Maturity Date be cancelled by the Company.

### 2.4.5. FAILURE TO SURRENDER THE DEBENTURES

In the event of any Debenture Holder (who has re-materialised the Debenture(s) held by it) not surrendering such Debentures, which the Company is ready to pay or satisfy in accordance with the terms of these presents, to the Company, within 30 (Thirty) calendar days after the Due Date for the redemption or payment of the amount secured thereby under the terms of the Transaction Documents, the Company shall be at liberty to deposit in a scheduled commercial bank in the name of the Company for the purpose, an amount equal to the amount due to any such Debenture Holders in respect of such Debentures and upon such deposit being made subject to the condition that the monies deposited therein shall be



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withdrawn for settling the future claim of the Debenture Holder(s). The Debentures which the Company is ready to pay or satisfy as aforesaid shall be deemed to have been paid off or satisfied in accordance with the provisions hereof. The Company agrees to furnish an undertaking from the abovementioned scheduled commercial bank that withdrawals from the no-lien account shall be permitted only to meet the claims of the Debenture Holder(s).

#### 2.4.6. POWER OF THE DEBENTURE TRUSTEE TO INVEST UNCLAIMED AMOUNT

After provision for the payment and satisfaction of the Debentures is made by the deposit in a scheduled commercial bank as aforesaid, the Debenture Trustee may invest the same in any of the investments herein authorised.

#### 2.4.7. AUTHORISED INVESTMENTS

Any monies which under the trust or powers herein contained ought to be invested by the Debenture Trustee may be invested in the name of the Debenture Trustee or under the legal control of the Debenture Trustee in any of investments authorised by Applicable Law for the investment of trust monies with power to vary and transpose such investments and in so far as the same shall not be invested, shall be placed on deposit in the name of the Debenture Trustee in a scheduled commercial bank or banks.

#### 2.4.8. DISCHARGE OF THE LIABILITY OF THE COMPANY IN RELATION TO THE DEBENTURES

Payments made in accordance with the terms of this Deed, shall be considered a legal discharge of the liability of the Company towards the Debenture Holder(s). On such payment being made, the Company will inform the Depository(ies) and accordingly the account of the Debenture Holder(s) with the Depository(ies) will be adjusted. The Company's liability to the Debenture Holder(s) in respect of all their rights including for Payments or otherwise shall cease and stand extinguished upon the payment by the Company of the full Redemption Amount and any amounts that have accrued thereon up to the Final Settlement Date, including Default Interest (if any), by the Company.

### 2.5 COVENANTS

#### 2.5.1. AFFIRMATIVE COVENANTS

The Company hereby covenants with the Debenture Trustee that the Company shall, in addition to the covenants set out in **Clause 1.12.1 (Affirmative and Reporting Covenants)** of **Part A** of this Deed, (except as may otherwise be previously agreed in writing by the Debenture Trustee (acting upon the instructions of the Majority Debenture Holders)), undertakes to comply with the following covenants:

##### (a) LISTING

Take all steps for making an application to the WDM segment of the BSE and all steps necessary to get the Debentures listed within 3 (Three) trading days from the date of closing of the Issue. In case of delay in listing of the debt securities beyond 3 (Three) trading days from the date of closing of the Issue, the Company will pay penal interest of 1% (One percent) p.a. over the Coupon Rate from the Deemed Date of Allotment till the listing of such Debentures.

##### (b) PRESERVE CORPORATE STATUS

Diligently preserve its corporate existence and status and its license to conduct business as a non-banking financial company, along with any other rights, licenses, authorizations and franchises necessary for its obligations under the Debentures and the Transaction Documents, except where the non-receipt, loss (in any manner whatsoever), termination, or modification of any such rights, licenses, authorizations, or franchises does not materially and adversely affect the rights of the Debenture Holders. The Issuer shall continue to be a validly existing organization



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in good standing and at all times act and proceed in relation to its affairs and business in compliance with Applicable Law.

(c) **COSTS AND EXPENSES**

Pay all costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of Debenture-holders' interests, including travelling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures subject to such expenses, costs or charges being approved in writing by the Company before they are incurred.

(d) **INCREASED COSTS**

Defend and hold the Debenture Holders, harmless from and against any and all direct losses, costs or damages incurred by it as a result of, arising from, or in connection with or relating to (i) any matter inconsistent with, or any breach of, the representations and/or warranties made by the Company in the Transaction Documents; or (ii) the non-performance (in whole or in part) by the Company of any of its covenants, obligations or agreements contained in the Transaction Documents.

(e) **FURTHER ASSURANCES**

The Company shall:

- (i) execute and/or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;
- (ii) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all licenses or Authorisations necessary to enable it lawfully to enter into and perform its obligations under this Deed or to ensure the legality, validity, enforceability or admissibility in evidence in India of this Deed and the other Transaction Documents;
- (iii) comply with any monitoring and/or servicing requests from Debenture Holder(s);
- (iv) comply with all Applicable Laws, as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time, including but not limited, in relation to the following: (i) the SEBI NCS Regulations; and (ii) the provisions of the listing agreement entered into by the Company with the Stock Exchange in relation to the Debentures.
- (v) duly and punctually pay any rent, rate, cess, revenue impost, duty, tax, premium, payables and outgoings which become lawfully payable by the Company in respect of the assets of the Company or any part thereof or the carrying out by the Company or maintenance of any business or operations thereon and shall prevent any part of the assets of the Company from becoming charged with the payment of any such amounts of any outgoings, duties, taxes, any other payables, which may be lawfully payable by the Company and shall punctually discharge all claims and pay all amounts as stated above which are lawfully payable by the Company, unless contested in good faith.
- (vi) hereby expressly agrees that each Debenture Holder may in its sole discretion assign or transfer its rights, title and interest in the Debentures to any other Person.



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- (vii) conduct its business (including the collection of debts owed to them) in a proper, orderly and efficient manner and must not cease its business without the prior written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders).
- (viii) comply with any directions/ guidelines issued by any Governmental Authority, in relation to the Issue.
- (ix) provide such other information relating to the Company (which is relevant to the rights of the Debenture Holders and/ or the ability of the Company to meet its obligations in respect of the Debentures) that is requested for reasonably by the Debenture Trustee in writing at reasonable time intervals. The Company shall be required to furnish all the relevant details to the Debenture Trustee, within 2 (Two) Business Days from the receipt of such request.

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(f) **CORPORATE GOVERNANCE**

Confirm to and comply with the corporate governance and fair practices code as prescribed by the RBI.

(g) **INTERNAL CONTROL**

The Company shall maintain sufficient internal controls for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money from being used for money laundering or for illegal purposes.

(h) **FINANCIAL STATEMENTS**

(i) The Company shall submit to the Debenture Trustee (and to the Debenture Holder(s), if so requested), the duly audited annual financial accounts and statements on a standalone and consolidated basis within 60 (Sixty) calendar days from the closure of the preceding financial year. The Company shall ensure that the audited annual financial statements submitted by the Company:

- A. provide a true and fair view of the state of affairs of the Company, as at the relevant date;
- B. contain in all respects: (A) full provision for all actual liabilities; (B) in respect of audited statements, disclosure / provision for all contingent liabilities as required by the auditors and/or under Applicable Law and/or any other law for the time being in force; (C) provision reasonably regarded as adequate for all bad and doubtful debts for accounts receivables pending collection; (D) advances recoverable from third parties; and (E) due provision for depreciation and amortisation and for any obsolescence of assets in each case in accordance with applicable generally accepted accounting principles;
- C. each set of financial statements delivered to the Debenture Trustee by the Company shall be certified by the statutory auditor or any director or any Key Managerial Personnel of the Company as giving a true and fair view of its financial condition as at the date at which those financial statements were drawn up;
- D. disclose the borrowing / indebtedness incurred by the Company in relation to the Debentures in its audited balance sheet.



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- (ii) Submit to the Debenture Trustee (and to the Debenture Holder(s), if so requested), its provisional/unaudited quarterly financial statements, certified by its chief financial officer, within 45 (Forty Five) calendar days from the close of each financial quarter.

(i) **FURTHER DOCUMENTS AND ACTS**

Execute all such deeds, documents and assurances and do all such acts and things including the appointment of any consultant as the Debenture Trustee may reasonably require for exercising the rights under this Deed and the Debentures on behalf of and for the benefit of the Debenture Holder(s).

(j) **KYC REQUIREMENTS**

In the event any of the Debenture Holder(s) is obliged for any reason to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, the Company shall, promptly on the request of the Debenture Holder(s), supply (or procure the supply of) such documentation and other evidence as is requested in order for the Debenture Holder(s) to carry out, and be satisfied that it has complied with, all necessary "know your customer" or other similar checks under all Applicable Law.

(k) **FINANCIAL TERMS AND CONDITIONS**

At all times during the term of these presents comply with each of the Financial Terms and Conditions.

(l) **RECORDS AND INSPECTION**

The Company hereby undertakes that it shall:

- (i) keep such adequate accounting and control systems, management information systems, books of account, and other records as are required to be maintained under Applicable Law and such accounts as are adequate to reflect truly and fairly the financial condition and results of operations and which shall contain full, true and correct entries in conformity with IND AS consistently applied and all requirements of Applicable Law.
- (ii) at its sole cost and expense permit the Debenture Trustee, as the representative of the Debenture Holders, to enter into its premises and carry out technical, financial and legal inspections of its assets, facilities and inspect and make copies of the books of record and accounts of the Company to discuss the affairs, finances and accounts of the Company with, and be advised as to the same, by its officers.
- (iii) permit the Debenture Trustee (or any person as the Debenture Trustee shall, from time to time, in writing for that purpose appoint) to enter into or upon and to view the state and condition of all the Hypothecated Assets during the normal working hours of the Company.
- (iv) The Company shall maintain all registers required under the terms of the Act and permit the Debenture Trustee to inspect the same and take copies and extracts therefrom.
- (m) The Company shall promptly but not later than 1 (One) calendar day notify the Debenture Trustee in writing of:



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- (i) Any Financial Indebtedness availed by the Company from any other creditor / instrument holder is accelerated by such creditor / instrument holder, promptly upon becoming aware of it;
- (ii) any litigation, arbitration or administrative proceedings which have been started or threatened (in writing) against it which, has been adversely determined;
- (iii) occurrence of any event which has or might cause any potential default under the terms of any agreement entered into by them, in relation to their business, their assets or for the purpose of availing of any Financial Indebtedness or may otherwise result in the occurrence of a Material Adverse Effect;
- (iv) occurrence of any event which constitutes (or, with the giving of notice, lapse of time, determination of materiality or satisfaction of other conditions, would be likely to constitute) an Event of Default, specifying the nature of such event and the steps the Company is proposing to remedy the same.

(n) The Company shall ensure that the Debentures are rated by the Rating Agency and continue to be rated by the Rating Agency during the tenure of the Debentures.

(o) The credit rating assigned to the Debentures shall not be suspended or withdrawn or remarks such as "Company Not Cooperating" shall not be provided / affixed to the existing credit rating of the Debentures and/or the rating of the Company shall not be downgraded to "BBB" (pronounced as "Triple B") or below by the Rating Agency (such covenant is hereinafter referred to as the "**Rating Covenant**"). It is hereby clarified that for the purpose of this Clause, if the Issue of Debentures is rated by more than 1 (One) credit rating agency, then the lowest of the ratings shall be considered.

(p) Perform all of its respective obligations under the terms of the Transaction Documents and maintain in full force and effect each of the Transaction Documents to which it is a party.

(q) **ENVIRONMENTAL COMPLIANCE**

The Company shall (and shall ensure that each member of the group shall comply in all respects with all Environmental Law, obtain and maintain all Environmental Permits and take all steps in anticipation of known or expected future changes to or obligations under Environmental Law or any Environmental Permits.

(r) **ENVIRONMENTAL CLAIMS**

The Company shall inform the Debenture Trustee in writing as soon as reasonably practicable and in any event within the timelines stipulated by the Debenture Trustee, if any, upon becoming aware of:

(i) any Environmental Claim which has been commenced or is threatened (in writing) against the Company; or

(ii) any facts or circumstances which will or might be expected to result in any Environmental Claim being commenced or threatened (in writing) against the Company.

2.5.2. **REPORTING COVENANTS**

The Company hereby covenants with the Debenture Trustee that the Company shall, in addition to the covenants set out in **Clause 1.12.1 (Affirmative and Reporting Covenants)** of **Part A** of this Deed, undertakes to comply with the following covenants:

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- (a) Within 60 (Sixty) calendar days from the end of each financial quarter or within 15 (Fifteen) calendar days from the date of filing its quarterly results with the Stock Exchange, whichever is earlier, the Company shall submit a statement signed by the authorised signatory of the Company confirming the Company's compliance with the covenants set out in Clause 2.5.4 (*Financial Covenants*) of Part B of this Deed, the Shareholding Covenant set out in Clause 2.5.31.1(a) of Part B of this Deed, the Rating Covenant set out in Clause 2.5.1(o) of Part B of this Deed and the RBI Compliance Covenant set out in Clause 1.12.1(e)(iii) of Part A of this Deed.
- (b) Within 60 (Sixty) calendar days from the end of each financial quarter being June 30, September 30, December 31 and March 31 of every calendar year, until the Final Settlement Date, the Company shall provide the following information (in respect of the financial quarter in respect of which such certificate is being issued) to the Debenture Trustee and the Debenture Holder(s):
- (i) total Financial Indebtedness of the Company;
  - (ii) total Equity capital of the Company including all reserves and surplus of the Company (excluding revaluation reserves of the Company);
  - (iii) ratio of the Net Debt to Equity of the Company;
  - (iv) aggregate amount of loans disbursed by the Company which are overdue for more than 90 (Ninety) calendar days;
  - (v) total AUM of the Company;
  - (vi) the 90 DPD, expressed as a percentage;
  - (vii) the Net NPA, expressed as a percentage, of the Company calculated in accordance with the applicable regulations issued by the Reserve Bank of India;
  - (viii) total Capital Adequacy Ratio of the Company, calculated in accordance with the applicable regulations issued by the Reserve Bank of India;
  - (ix) Tier I Capital Adequacy Ratio of the Company, calculated in accordance with the applicable regulations issued by the Reserve Bank of India;
  - (x) Organisational chart setting out the shareholding pattern of Warburg and its subsidiaries and affiliates in the Company;
  - (xi) Total amount of loans made available by the Company to schools in any form;
  - (xii) Profit After Tax during the quarter; and
  - (xiii) Required security cover certificate.

For the purposes of this sub-clause 2.5.2 (b), the following terms shall have the following meaning:

"90 DPD" means the Gross Loan Portfolio with all Client Loans that are overdue with interest or principal payments for more than 90 (Ninety) days divided by Gross Loan Portfolio;

"AUM" shall include all loans and advances on balance sheet and those sold where economic interest (in any form whatsoever) in loans originated and sold are retained by the Company;



“*Capital Adequacy Ratio*” means the capital adequacy ratio for non-banking financial institutions as prescribed by the Reserve Bank of India from time to time;

“*Equity*” means the sum of issued and paid up equity and compulsorily convertible instruments and compulsorily convertible preference share capital and all reserves (excluding revaluation reserves and pertaining to instruments which are not equity or compulsorily convertible), minus any dividend declared plus deferred tax liability minus deferred tax asset and intangibles (including but not restricted to brand valuation, goodwill etc) as per the latest audited/unaudited financials of the Company;

“*Gross Loan Portfolio*” means the aggregate outstanding balance of all the Client Loans disbursed by the Company in the normal course of its activity;

“*Net Debt*” means the total short term and long-term debt including any obligation under or in relation to any put option or shortfall undertaking, any corporate or financial guarantee minus cash (excluding cash in escrow or being earmarked for specific purpose), obligations under securitization arrangement (PTC);

“*Net NPA*” shall have the meaning assigned to such term under the applicable guidelines issued by the Reserve Bank of India;

“*Profit After Tax*” means amount denoted in audited or unaudited profit and loss account for a period as total comprehensive income and shall constitute revenues minus all expenses recorded as per applicable accounting standards;

“*Tier I Capital Adequacy Ratio*” means the capital adequacy ratio relating to tier I capital of non-banking financial institutions as defined by the Reserve Bank of India from time to time.

- (c) Unless specified otherwise, within 1 (One) calendar day upon the occurrence of the following event(s):
- (i) change in the composition of the Board of Directors of the Company;
  - (ii) change in the shareholding structure of the Company;
  - (iii) any material change / amendment in the constitutional documents of the Company;
  - (iv) after the Company obtains knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect;
  - (v) after the Company knew or received, notice of any dispute, litigation, investigation or other proceeding affecting the Company or its property or operations, which, if adversely determined, could result in a Material Adverse Effect;
  - (vi) any winding up proceeding including initiation of any insolvency resolution process against the Company under the Insolvency and Bankruptcy Code, 2016 (“IBC”);
  - (vii) any potential Event of Default or Events of Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence;
  - (viii) Any compulsory prepayment of any Financial Indebtedness by the Company or upon the receipt of notice of any prepayment of any Financial Indebtedness of the Company;



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- (ix) notify the Debenture Trustee of any revision or downgrade in the rating provided by the Rating Agency in the Issue or any downgrade in the rating of the Company;
  - (x) any prepayment of any Financial Indebtedness by the Company or upon the receipt of notice of any prepayment of any Financial Indebtedness of the Company; and
  - (xi) any receipt of any notice under or pursuant to IBC from any person.
- (d) The Company shall notify the Debenture Trustee if any proceedings are commenced or pending against it on account of the Company's non-compliance with the provisions of FEMA or exchange control regulations or if the Company or its subsidiaries or shareholders are listed on RBI's list of defaulters or on the caution list of the Export Credit and Guarantee Corporation.
- (e) The Company shall promptly inform the Debenture Trustee in writing of any event that could result in change in the business, operations, property, assets, liabilities, financial condition, or prospects of the Company and/or its subsidiaries that is likely to adversely affect the Company, along with an explanation of the reasons and any proposed remedial or mitigation steps.

### 2.5.3. NEGATIVE COVENANTS

The Company hereby covenants with the Debenture Trustee that until the Final Settlement Date, the Company shall not for so long as any amount remains outstanding under the Debentures, except as may otherwise be previously agreed to in writing by the Debenture Trustee (acting upon the receipt of the prior written approval of the Majority Debenture Holder(s)), take any action in relation to the items set out in this **Clause 1.12.2 (Negative Covenants) of Part A** of this Deed and **Clause 2.5.3 of Part B** of this Deed:

#### (a) CHANGE IN CONTROL / SHAREHOLDING OF WARBURG PINCUS GROUP LLC

- (i) The Company hereby undertakes that until the Final Settlement Date, unless the prior written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) is obtained, it shall ensure the following:
  - A. Warburg Pincus Group LLC, along with its affiliates and subsidiaries ("**Warburg**"), shall hold at least 35% (Thirty Five per cent) of the Equity Share Capital (on a Fully Diluted Basis) of the Company till December 31, 2025;
  - B. On and from January 01, 2026, the Company shall ensure that Warburg remains the largest shareholder of the Company and holds at least 26% (Twenty Six per cent) of the Equity Share Capital (on a Fully Diluted Basis) of the Company during the tenor of the Debentures. The Company shall provide a certificate from the statutory auditor/ independent chartered accountant in this regard on a quarterly basis. The Company shall not recognise or register any transfer of shares by Warburg, which results in Warburg's shareholding in the Company falling below 26% (Twenty Six per cent) of the Equity Share Capital (on a Fully Diluted Basis) during the tenor of the Debentures;
  - C. Subject to Clause 2.5.3(a)(i)(A) and 2.5.3(a)(i)(B) above, Warburg is permitted to reduce its shareholding in the Company below 35% (thirty five percent) and up to 26% (Twenty Six percent) of the Equity Share Capital of the Company (on a Fully Diluted Basis) if such reduction in shareholding is pursuant to (A) initial public offering of the Company; or (B) offer for sale proposed to be undertaken by Warburg along with the initial public offering of the Company; or (C) further public offer of the Company; or (D) any secondary market sale proposed to be undertaken by Warburg in relation to its existing shareholding in the Company.



- (ii) On and from the Deemed Date of Allotment, in the event the Company undertakes any financing through the issuance of non-convertible debentures ("**New Debentures**"), the Company specifically agrees as follows:

In relation to Clause 2.5.3(a)(i)(A) and Clause 2.5.3 (a)(i)(B) above, the Company shall not agree to terms in relation to the New Debentures that would allow Warburg, to maintain a higher percentage of the Equity Share Capital (on a Fully Diluted Basis) than that prescribed under Clauses 2.5.3(a)(i)(A) and 2.5.3(a)(i)(B) or to extend the date for such shareholding maintenance beyond December 31, 2025, unless such more favourable terms are simultaneously extended to the Debenture Holders under these Debentures.

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For the purpose of this clause 2.5.3(a), "**Equity Share Capital (on a Fully Diluted Basis)**" shall mean the equity share capital after adding shares to be issued post conversion of any convertible instruments, or under stock option plan or warrants etc. to the outstanding shares issued by the Company.

(such covenant is hereinafter referred to as the "**Shareholding Covenant**").

(b) **MERGER, RESTRUCTURING ETC.**

Engage in or undertake any corporate restructuring, by way of merger, de-merger, acquisition, restructuring or amalgamation, consolidation without the prior written approval of the Majority Debenture Holder(s).

(c) **ARRANGEMENT WITH CREDITORS/SHAREHOLDERS**

Enter into any transaction of merger, acquisition, amalgamation, de-merger, consolidation, re-organization, scheme of arrangement or compromise with its creditors (other than a compromise with its operational creditors in the ordinary course of business) or shareholders or effect any scheme of amalgamation or reconstruction. Provided however that this restriction shall not apply in the event that the compliance with this restriction would result in the Company defaulting in relation to any of its payment obligations in relation to the Debentures.

(d) **CONSTITUTIONAL DOCUMENTS**

It shall not make any amendments or modifications to the Memorandum of Association or to the Articles of Association in a manner which would, in the opinion of the Debenture Trustee would have a Material Adverse Effect.

(e) **CHANGE OF BUSINESS**

- (i) Undertake any new business outside of financial services or diversify or any change in the general nature and conduct of its business outside of financial services;
- (ii) Undertake any change in the nature and conduct of business of the Company.

(f) **AMENDMENTS TO TRANSACTION DOCUMENTS**

Shall not make any amendments, variations, waiver or modification to the provisions of the Transaction Documents.

(g) **TERMINATION OF BUSINESS**



Shall not do or voluntarily suffer or permit to be done any act or thing whereby the right of the Company to transact its business might or could be terminated or whereby payment of any amounts hereunder may or would be hindered or delayed.

(h) **WINDING UP / LIQUIDATION**

Shall not voluntarily wind up, liquidate, or dissolve its affairs, and shall ensure that no corporate action (including by its shareholders) is undertaken in relation to liquidation of the Company (whether voluntary or compulsory) prior to fulfilment of its obligations in respect of the Debentures.

(i) **COMPROMISE OR ARRANGEMENT**

Shall not enter into any compromise or arrangement or settlement with any of their creditors (other than with its operational creditors in the ordinary course of business), whether secured or unsecured, its liability with respect to the Debentures being completely discharged.

(j) **SIGNIFICANT CHANGE IN BOARD OF DIRECTORS**

Undertake any significant change of the composition of the Board of Directors of the Company.

2.5.4. **FINANCIAL COVENANTS**

(a) The Company shall ensure that during the Tenor of Debentures and until the Final Settlement Date the below mentioned covenants are maintained on consolidated basis based on the audited financials:

- (i) The ratio of Net Debt to Equity should be below 4.5x;
- (ii) The Gross NPA and Net NPA, expressed as a percentage, shall be less than 2% (two percent) and 1% (one percent), respectively;
- (iii) Capital Adequacy Ratio (CAR) shall be maintained at minimum 18% (eighteen percent) or such higher percentage as may be prescribed by RBI, from time to time; and
- (iv) Profit After Tax shall be higher than 0 (Zero) in any quarter.



For the purposes of this sub-clause 2.5.4 (*Financial Covenants*), the following terms shall have the following meaning:

“*Capital Adequacy Ratio*” means the capital adequacy ratio for non-banking financial institutions as prescribed by the Reserve Bank of India from time to time;

“*Equity*” means the sum of issued and paid up equity and compulsorily convertible instruments and compulsorily convertible preference share capital and all reserves (excluding revaluation reserves and pertaining to instruments which are not equity or compulsorily convertible), minus any dividend declared plus deferred tax liability minus deferred tax asset and intangibles (including but not restricted to brand valuation, goodwill etc.) as per the latest audited/unaudited financials of the Company;

“*Gross NPA*” means the aggregate of all loans and advances made by the Company in relation to their business which are classified as “non-performing assets” as required by the Reserve Bank of India guidelines;



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"*Net Debt*" means the total short term and long-term debt including any obligation under or in relation to any put option or shortfall undertaking, obligations under securitization arrangement (pass through certificates) any corporate or financial guarantee minus cash & cash equivalents (excluding cash in escrow or being earmarked for specific purpose);

"*Net NPA*" means Gross NPA less provisions made by the Company in relation to their business;

"*Profit After Tax*" means amount denoted in audited or unaudited profit and loss account for a period as total comprehensive income and shall constitute revenues minus all expenses recorded as per applicable accounting standards;

- (b) All the Financial Covenants shall be tested with a written validation of covenant testing (i) from the Issuer on a quarterly basis (except Capital Adequacy Ratio which will be tested semi-annually); and (ii) from a qualified chartered accountant on a half yearly basis every year, starting from September 30, 2024, in each case based on the consolidated unaudited financial statements or limited review financial statements of the Company, except for the March quarter and half-year, which shall be based on the consolidated audited financial statements. The Company shall submit a certificate to the Debenture Trustee confirming the compliance with the Financial Covenants within 45 (forty-five) days from the end of each financial Quarter which shall be certified by the statutory auditor.
- (c) In case of breach of any financial covenant and early accelerated option not exercised by the debenture holder than the Company shall pay additional coupon of 0.25% (zero decimal point two five percent) from the date of the occurrence of such breach till the time breach is rectified. It is hereby clarified that in the event there is any breach in maintenance of the Capital Adequacy Ratio, the Company shall have a 2 (Two) months cooling period to rectify the breach.

#### 2.5.5. WILFUL DEFAULTER

The Company confirms and agrees that:

- (i) no person who is a promoter, or director on the board, of another company which has been identified as a wilful defaulter under applicable RBI regulations, is appointed to the board of directors of the Company, and
- (ii) should such a person be a director on the Company's board, the Company shall take expeditious and effective steps to remove such person from its board of directors.

#### 2.5.6. SANCTIONS

- (a) The Company undertakes that the proceeds of the Issue will not be, directly or indirectly, used, contributed or otherwise made available to fund any activities or business related to:
- a Sanctioned Person or to any entity that is owned or controlled, directly or indirectly by such a Sanctioned Person, or a Sanctioned Country except where such activities would not reasonably be expected to result in a violation of Sanctions Law; or
  - any other activity that would reasonably be expected to result in a violation of Sanctions Law by any person or entity (including any person or entity participating in any loan, whether as lender, advisor or otherwise).
- (b) The Company undertakes that it shall not engage in any transaction or activities that evades or avoids, or has the purpose of evading or avoiding, or breaches or attempts to breach, whether directly or indirectly, any Sanctions Law.



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### 2.5.7. ANTI-CORRUPTION LAWS

- (a) The Company shall (and shall ensure that no other member of the group will) directly or indirectly use the proceeds of the Issue for any purpose which would breach the Bribery Act 2010, the United States Foreign Corrupt Practices Act of 1977 or other similar legislation in other jurisdictions.
- (b) The Company shall (and shall ensure that each other member of the group will):
  - (i) conduct its businesses in compliance with applicable anti-corruption laws; and
  - (ii) maintain policies and procedures designed to promote and achieve compliance with such laws.

### 2.6. EVENTS OF DEFAULT

If one or more of the events specified herein and under **Clause 2.6** and as specified in **Clause 1.12.5 (Events of Default)** of **Part A** of this Deed (hereinafter each an "Event of Default" and collectively, "**Events of Default**") happen(s), the Debenture Trustee shall, in accordance with the instructions of the Majority Debenture Holders, take all such actions, expressly or impliedly permitted under the Transaction Documents or in law. For the avoidance of doubt, it is hereby clarified that the determination whether any of the acts, matters, events or circumstances mentioned in this **Clause 2.6 (Events of Default)** and as specified in **Clause 1.12.5 (Events of Default)** of **Part A** of this Deed have occurred, the opinion of the Debenture Trustee shall be final and conclusive and be binding on the Company.

#### (a) **INSOLVENCY OR INABILITY TO PAY DEBTS**

- (i) The Company is unable or admits its inability to pay any of its Financial Indebtedness as they mature/fall due or, suspends making payments on any of its Financial Indebtedness, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.
- (ii) Without prejudice to clause (i) above, the filing of any petition and /or application for commencement of an insolvency resolution process or liquidation under the IBC or on commencement of an insolvency resolution process under any other applicable law/ statute.

#### (b) **FRAUD, EMBEZZLEMENT ETC**

There shall have occurred any act of material fraud, embezzlement, misstatement, misappropriation or siphoning off of the funds of the Company or revenues or the funds of the promoter or any other act having a similar effect being committed by the management or an officer of the Company.

#### (c) **CROSS DEFAULT**

If the Company and/or any of its subsidiaries, in regards to any Financial Indebtedness availed by it from the Debenture Holders and/or any third party (a) defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created; or (b) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any (notice is required) any such Financial Indebtedness to become due prior to its stated maturity; or (c) any Financial Indebtedness of the Company shall be



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declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment or the mutual agreement between the Company and the relevant creditor, prior to the stated maturity thereof.

(d) **LIQUIDATION OR DISSOLUTION OF THE COMPANY / APPOINTMENT OF RECEIVER OR LIQUIDATOR**

Any corporate action, legal proceedings or other procedure or step is taken in relation to:

- (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, insolvency, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company;
- (ii) a composition, compromise, assignment or arrangement with any creditor of the Company;
- (iii) the appointment of a liquidator, provisional liquidator, insolvency resolution professional, supervisor, receiver, administrative receiver, administrator, compulsory manager, trustee or other similar officer in respect of the Company or any of its assets for all or any part of the undertaking of the Company;
- (iv) any enquiry or proceedings commenced before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the RBI's circular no. DBR.No.BP.BC.101/21.04.048/2017-18 dated February 12, 2018 on "Resolution of Stressed Assets – Revised Framework" read with RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 07, 2019 on "Prudential Framework for Resolution of Stressed Assets");
- (v) the commencement of an insolvency resolution process under the IBC or under any other Applicable Law, in respect of or by the Company; or
- (vi) enforcement of any security over any assets of the Company or any analogous procedure or step is taken in any jurisdiction; or
- (vii) any other event occurs or proceeding is instituted that under any Applicable Law would have an effect analogous to any of the events listed in clauses (i) to (vi) above.
- (viii) Paragraphs (d)(i), (d)(ii), (d)(iii), (d)(iv), (d)(vi) and (d)(vii) of this Clause 2.6 (other than any corporate insolvency resolution process initiated against the Company by the financial creditors or by the RBI or any Governmental Authority in accordance with the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules 2019, as amended, modified, replaced or substituted and re-enacted from time to time) shall not apply to any winding-up petition or to any analogous procedure or step in any jurisdiction which is frivolous or vexatious and is discharged, stayed or dismissed within 10 (ten) days of commencement.

(e) **CREDITORS' PROCESS**

Any expropriation, attachment, garnishee, sequestration, distress or execution affects any asset or Hypothecated Assets of the Company and is not discharged as otherwise provided in any order of any competent court or tribunal relating to the aforementioned actions.

(f) **HYPOTHECATED ASSETS**





- (i) Any attachment or expropriation or restraint of act of sequestration is levied on the Hypothecated Assets of the Company or any part thereof.
- (ii) Failure of the Company to create the Security and to register and perfect the charge created over the Hypothecated Assets by filing Form CHG-9 with the relevant Registrar of Companies within the timelines stipulated herein under this Deed.

(k) **TRANSACTION DOCUMENTS**

This Deed or any other Transaction Document in whole or in part, is terminated or becomes invalid or ceases to be in full force and effect or no longer constitutes legally valid, binding and enforceable obligation of the Company.

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(l) **WINDING UP**

- (i) In the event the shareholders of the Company pass a resolution for the winding up of the Company.
- (ii) In the event a petition (including any voluntary petition) is filed for the winding up of the Company or a petition is filed in relation to the insolvency or bankruptcy of the Company and the same is admitted.

(m) **EXPROPRIATION, NATIONALIZATION ETC.**

All or a part of the undertaking, assets, rights or revenues of the Company are condemned, seized, nationalized, expropriated or compulsorily acquired by any Governmental Authority, or any Governmental Authority shall have assumed custody or Control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations by or under the authority of any Governmental Authority.

(n) **OFFENCES BY THE PROMOTER, MANAGEMENT ETC**

The Promoter or any of the senior management officials including Key Managerial Personnel (each as defined under the Act) being declared as a 'wilful defaulter' as defined under the applicable RBI regulations and/or any of the director(s) and/or any of the Promoter of the Company are accused of, charged with, arrested or convicted in a criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of the Promoter and/or the director(s), including any accusations, charges and/or convictions of any offence relating to bribery.

(o) **PETITION FOR REORGANIZATION, WINDING UP**

Any petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Company is filed by/on the Company (voluntary or otherwise), and such petition is not contested by the Company for staying, quashing or dismissed within 15 (Fifteen) days of such filing.

(p) **CONTROL**

There shall have occurred a breach of the Shareholding Covenant without the prior written consent from the Debenture Holder(s).



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(q) **REORGANISATION, REARRANGEMENT ETC.**

The Company has taken or suffered to be taken any action for re-organisation of its share capital (other than on account of an initial public offering or offer for sale in respect of the securities of the Company in accordance with Applicable Law, subject to compliance with the Shareholding Covenant) or any rearrangement, merger or amalgamation without the prior written approval of the Debenture Holder(s).

(r) **MISLEADING REPRESENTATIONS**

Any representation or warranty made by the Company in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee or any Debenture Holder(s) by the Company is incorrect, false or misleading in any material respect when made or deemed to have been made.

(s) **CHANGE IN BUSINESS**

There shall have occurred a change in the business, operations, property, assets, liabilities, condition (financial or otherwise) or prospects of the Company, since the date hereof that has resulted in a Material Adverse Effect, as determined by the Debenture Trustee (acting solely on the instructions of the Majority Debenture Holders).

(t) **UNLAWFULNESS**

It is or becomes unlawful for the Company to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Company under any Transaction Document are not or cease to be valid, binding or enforceable.

(u) **REPUDIATION**

The Company rescinds, repudiates any of the Transaction Documents, or purports to or evidences and intuition to rescind or repudiate or evidences an intention to rescind or repudiate any of the Transaction Documents (in whole or in part).

(v) **MATERIAL LITIGATION**

Any litigation, arbitration or administrative proceedings has been started or threatened (in writing) against the Company and/or in respect of affecting the Transaction Documents and/or between the shareholders of the Issuer having an aggregate value of not less than Rs. 10,00,00,000/- (Rupees Ten Crores only).

(w) **SUSPENSION OF LICENSES**

In the event any license (including but not limited to the license to operate as a non-banking financial company) obtained by the Company from any Governmental Authority which license is required under Applicable Law for the Company to conduct its business and operations, has been suspended.

(x) **MATERIAL ADVERSE EFFECT**

Occurrence of any event or circumstances constituting a Material Adverse Effect.

(y) **BREACH OF THE COVENANTS**



Breach of **Clause 1.12.1** (*Affirmative and Reporting Covenants*) of **Part A** of this Deed, **Clause 2.5.1** (*Affirmative Covenants*) of **Part B** of this Deed, **Clause 2.5.2** (*Reporting Covenants*) of **Part B** of this Deed, **Clause 1.12.2** (*Negative Covenants*) of **Part A** of this Deed and **Clause 2.5.3** (*Negative Covenants*) of **Part B** of this Deed. Provided that no Event of Default shall occur under this Clause 2.6(y) if such breach has been remedied or cured within 15 (fifteen) days of the occurrence of such breach.

(z) **BREACH OF FINANCIAL COVENANTS**

Breach of **Clause 2.5.4** (*Financial Covenants*) of **Part B** of this Deed.

(aa) **ENVIRONMENT COMPLIANCE**

A judgement of by an administrator, regulator or court of competent jurisdiction is passed in relation to any administrative, regulatory or judicial action, suit or proceeding under or relating to any Environmental Law or social law or asserting any Environmental Claim against the Company.

**2.7. CONSEQUENCES OF AN EVENT OF DEFAULT**

2.7.1. On and at any time after the occurrence of an Event of Default, unless such Event of Default at the request of the Company is expressly waived by the Debenture Trustee acting on the instructions of the Majority Debenture Holder(s) the Debenture Trustee shall exercise any or all of the following rights:

- (a) to accelerate the redemption of the Debentures, together with accrued but unpaid Coupon, and the Secured Obligations including all other costs, charges and expenses accrued or outstanding under the Transaction Documents to be immediately (or such other date as the Debenture Trustee may specify) due and payable whereupon they shall become so due and payable immediately; and/or
- (b) Simultaneously, the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) shall be entitled to take any action in respect of the Hypothecated Assets (including but not limited to enforcement of the charge over the Hypothecated Assets to recover the amounts due and payable in respect of the Debentures under the Transaction Documents) in accordance with the terms of the Transaction Documents; and/or
- (c) exercise any and all rights specified under this Deed and/or the other Transaction Documents, including without limitation, to accelerate the redemption of the Debentures; and/or
- (d) exercise such other remedies, including legal and equitable rights, as permitted or available under Applicable Law (including initiating insolvency proceedings under IBC) or the Transaction Documents; and/or
- (e) appointment of Nominee Director in accordance with this Deed; and/or
- (f) exercise any other right that the Debenture Trustee and /or Debenture Holder(s) may have in relation to the Recovery Expense Fund pursuant to SEBI DT Master Circular; and/or
- (g) exercise any other right that the Debenture Trustee and /or Debenture Holder(s) may have under the Transaction Documents or under Applicable Law including in relation to the enforcement of Security / entering into the inter-creditor agreement by the Debenture Trustee with the creditors of the Company.

2.7.2. Notwithstanding anything contained in this Deed, the Majority Debenture Holders shall have the right to initiate all or any of the actions specified in Clause 2.7.1 above. It is further clarified that the Series 40



Issue and the Series 41 Issue shall for all intents and purposes under this Deed and the Disclosure Documents, be treated and considered as a separate ISIN.

- 2.7.3. It is clarified that upon the occurrence of an Event of Default, the Default Interest at the rate of 2% (Two Percent) per annum over and above the Coupon Rate shall be charged on the outstanding Secured Obligations, in addition to the rights of the Debenture Holders under Clause 2.7.1 above.
- 2.7.4. It is clarified that upon the occurrence of an Event of Default, the Company shall not create any securities or create any fresh security or sell any assets including Hypothecated Assets including by way of direct assignment or securitisation, without the written permission of the Majority Debenture Holders.
- 2.7.5. Notwithstanding any cancellation or termination pursuant to **Clause 2.7** (*Consequences of an Event of Default*) above, all the provisions of the Transaction Documents for the benefit or protection of the Debenture Holders and their interests shall continue to be in full force and effect as specifically provided in the Transaction Documents until the Final Settlement Date. The Debenture Trustee shall, on being informed by the Company of the happening of any of the Event(s) of Default set out in **Clause 2.6** (*Events of Default*) above or **Clause 1.12.5** (*Events of Default*) of **Part A** of this Deed or upon the happening of any of such Event(s) of Default coming to its notice, forthwith give written notice to the Debenture Holder(s) of the same.

## 2.8. POWER OF DEBENTURE TRUSTEE TO DELEGATE

The Debenture Trustee hereof being a company may, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in it by these presents act by an officer or officers for the time being of the Debenture Trustee and the Debenture Trustee may also, whenever it thinks expedient, delegate by power of attorney or otherwise to any such officer all or any of the trusts, powers, authorities and discretions vested in it by these presents and any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate) as the Debenture Trustee may think fit and the Debenture Trustee shall be bound to supervise the proceedings and shall be responsible for any loss incurred by reason of any misconduct or default or any mistake, oversight, error of judgment, forgetfulness or want of prudence on the part of any such delegate or sub-delegate.

## 2.9. POWER OF DEBENTURE TRUSTEE TO BORROW

The Debenture Trustee may, upon the occurrence of an Event of Default, and the Security being enforceable, with the consent in writing of the Majority Debenture Holder(s) in a meeting convened in accordance with the provisions set out hereunder written, raise or borrow moneys on the security of the Hypothecated Assets or any part thereof ranking *pari passu* with or subservient to these presents:

- (a) for the purpose of making any payment under or by virtue of these presents;
- (b) in relation to the exercise of any powers, duties or obligations of the Debenture Trustee or the Receiver;
- (c) otherwise in relation to the Hypothecated Assets or these presents;
- (d) for the purpose of paying off or discharging any mortgages or charges for the time being on the Hypothecated Assets or any part thereof; and / or
- (e) any costs, charges and expenses which shall be incurred by the Debenture Trustee under or by virtue of these presents,

The Debenture Trustee may raise and borrow such moneys as aforesaid at such rate or rates of interest and generally on such terms and conditions as the Debenture Trustee shall think fit.

## 2.10. POWER OF DEBENTURE TRUSTEE TO EMPLOY AGENTS

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The Debenture Trustee may, in carrying out the trust business employ and pay any person or concur in transacting any business and do or concur in doing all acts required to be done by the Debenture Trustee including the receipt and payment of moneys and shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by them in connection with the trusts hereof and also their reasonable charges in addition to the expenses incurred by them in connection with matters arising out of or in connection with these presents.

#### 2.11. DEBENTURE TRUSTEE MAY CONTRACT WITH COMPANY

Neither the Debenture Trustee nor any agent of the Debenture Trustee shall be precluded from making any contract or entering into any arrangement or transaction with the Company or with itself in the ordinary course of business of the Debenture Trustee or from undertaking any banking, financial or agency services for the Company or for itself or from underwriting or guaranteeing the subscription of or placing or subscribing for or otherwise acquiring, holding or dealing with any of the stocks or shares or debentures or debenture stocks or any other securities whatsoever of the Company or in which the Company may be interested either with or without a commission or other remuneration or otherwise at any time entering into any contract of loan or deposit or any other contract or arrangement or transaction with the Company or being concerned or interested in any such contract or arrangement or transaction which any other company or person not being the Debenture Trustee of these presents would be entitled to enter into with the Company and they shall not be in any way liable to account either to the Company or to the Debenture Holder(s) for any profits made by them thereby or in connection therewith and the Debenture Trustee or any agent of the Debenture Trustee shall also be allowed to retain for their or his own benefit any customary share of brokerage, fee, commission, interest, discount or other compensation or remuneration allowed to them or him.

#### 2.12. WHEN DEBENTURE TRUSTEE MAY INTERFERE

Until the happening of one or more of the events upon the happening of which the Security created pursuant to the Deed of Hypothecation shall become enforceable as provided therein, the Debenture Trustee shall not be in any manner required, bound or concerned to interfere with the management or the affairs of the Company or its business or the custody, care, preservation or repair of the Hypothecated Assets or any part thereof.

#### 2.13. APPLICATION TO COURT

The Debenture Trustee may at any time after the Security created pursuant to the Deed of Hypothecation becomes enforceable, apply to the courts and/or any tribunal appointed in accordance with **Clause 2.17** of **Part B** of this Deed for an order that the powers and trusts hereof be exercised and carried into execution under the direction of the court and/or the tribunal appointed in accordance with **Clause 2.17** of **Part B** of this Deed and for the appointment of a receiver and manager of the Hypothecated Assets or any of them and for any other order in relation to the execution and administration of the powers and limits hereof as the Debenture Trustee shall deem expedient and they may assent to approve of any application to the court made at the instance of any of the beneficial owner(s) and shall be indemnified by the Company against all costs, charges and expenses incurred for or in relation to any such applications or proceedings.

#### 2.14. GENERAL RIGHTS OF THE DEBENTURE TRUSTEE

The Company hereby authorizes the Debenture Trustee to act and execute all deeds and things, which the Company is authorised to execute and do under the covenants and provisions herein contained in the exercise of all or any of the powers by these presents or by Applicable Law conferred on the Debenture Trustee and also to exercise at its cost, the powers hereunder or by Applicable Law conferred on the Debenture Trustee and also to execute at the cost of the Company, such documents and deeds as may be necessary to give effect to the provisions referred to and the Company shall bear the expenses that



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may be incurred by the Debenture Trustee in that behalf and without prejudice to the generality of the foregoing, the Debenture Trustee has been authorized by the Company, *inter alia*, to:

- (i) execute and do all acts, deeds and things which the Company is authorised to execute and do under the covenants and provisions herein contained, upon default or failure by the Company to do so when required by this Deed or by the Debenture Trustee;
- (ii) exercise of all or any of the powers conferred by these presents or by Applicable Law on the Debenture Trustee, upon default or failure by the Company to do so when required by this Deed or by the Debenture Trustee, on and from the occurrence or existence of a default; and
- (iii) execute on behalf of the Company such documents and deeds and take such actions as may be necessary to give effect to the provisions of this Deed.

## 2.15. NOTICES

2.15.1. Unless otherwise stated, all notices, approvals, instructions and other communications for the purposes of this Deed may be given by e-mail, by facsimile, by personal delivery or by sending the same by prepaid registered mail addressed to the Party concerned at its address stated in the title of this Deed or the fax numbers set out below or the email address set out below and/or any other address subsequently notified to the other Party with a period of 4 (four) Business Days from any change thereof, for the purposes of this Clause and shall be deemed to be effective (a) in the case of registered mail, 48 (forty eight) hours after posting, (b) in the case of facsimile at the time when dispatched with a report confirming proper transmission, (c) in the case of personal delivery, at the time of delivery, or (d) in the case of e-mail, when received in legible form.

- (a) To: The Company

### AVANSE FINANCIAL SERVICES LIMITED

Address :  
4th Floor, E-Wing, Times Square,  
Andheri – Kurla Road, Gamdevi, Marol,  
Andheri East, Marol Naka, Mumbai – 400 059  
Attention : Mr. Vikrant Gandhi  
Phone : 022-68599999  
Email : vikrant.gandhi@avanse.com  
Fax : 22 68599900

- (b) To: The Debenture Trustee

### CATALYST TRUSTEESHIP LIMITED

Attention : Mr. Umesh Salvi  
Address : Windsor, 6<sup>th</sup> Floor, C.S.T. road, Kalina Santacruz (East),  
Mumbai- 400098.  
Telephone : 022- 49220555  
Email : complianceCTL-Mumbai@ctltrustee.com  
Fax : 022 49220505

2.15.2. Any notice given under or in connection with this Deed must be in English.

2.15.3. All other documents provided under or in connection with this Deed must be in English, if not in English, and if so required by the Debenture Trustee, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.



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2.15.4. This **Clause 2.15** (*Notices*) shall survive the termination or expiry of this Deed.

## 2.16. WAIVER

### 2.16.1. No Implied Waiver or Impairment

No delay or omission of the Debenture Trustee in exercising any right, power or remedy accruing of the Debenture Trustee upon any default hereunder shall impair any such right, power or remedy or be construed to be a waiver thereof or any acquiescence in such default, nor shall the action or inaction of the Debenture Trustee in respect of any default or any acquiescence by it in any default affect or impair any right power or remedy of the Debenture Trustee in respect of any other defaults nor shall any single or partial exercise of any such right, power or remedy preclude any further exercise thereof or the exercise of any other right, power or remedy. The rights and remedies of the Debenture Trustee herein provided are cumulative and not exclusive of any rights or remedies provided by law or equity.

### 2.16.2. Express Waiver

A waiver or consent granted by the Debenture Trustee under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

## 2.17. DISPUTES AND GOVERNING LAW

2.17.1. The validity, interpretation, implementation and resolution of disputes arising out of or in connection with this Deed shall be governed by the laws of India.

### 2.17.2. Arbitration

(i) Subject to the foregoing, in light of the applicable provisions of the Securities and Exchange Board of India (Alternative Dispute Resolution Mechanism) (Amendment) Regulations, 2023 ("**SEBI ADR Regulations**") and SEBI Circular dated July 31, 2023 (bearing reference no. SEBI/HO/OIAE/OIAE\_IAD-3/P/CIR/2023/195), as amended from time to time ("**ODR Circular**"), it is recorded that the Company has opted for all claims, differences or disputes between the Debenture Trustee and the Company arising out of or in relation to the activities of the Debenture Trustee in the securities market which fall within the scope of the SEBI ADR Regulations read with the ODR Circular in force as on date, and any dispute controversy or claim arising out of or relating to this engagement and any dispute relating to any non-contractual obligations arising out of or in connection with it, shall be resolved by arbitration under the arbitration rules of the Mumbai Centre for International Arbitration, in force at the date of applying for arbitration, which rules are deemed to be incorporated by reference in this clause. The number of arbitrators shall be 3 (three). Each Party shall nominate 1 (one) arbitrator, and the chairman of the tribunal shall be selected by the council of Mumbai Centre for International Arbitration.

(ii) All such proceedings shall be in the English language. The seat and venue of arbitration shall be Mumbai, Maharashtra.

(iii) No loss or damage or expenses incurred by the Debenture Trustee or the Company shall be met out of the trust property.

### 2.17.3. Courts and Tribunals

To the extent:

(i) that the claims, differences or disputes are arising out of or in relation to the Debentures, other than matters referred to in Regulation 14A of the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 and the ODR Circular;



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- (ii) that the claims, differences or disputes are not arbitrable under Applicable Law;
- (iii) that there are all or any matters which are referable/ capable of being referred to/ being instituted in courts and tribunals pursuant to or in relation to the process of arbitration as set out in clause 2.17.2 above;

each party submits itself to the jurisdiction of the courts and tribunals in Mumbai, Maharashtra.

2.17.4. The provisions of this **Clause 2.17** shall survive the termination of this Deed.

2.17.5. Clauses 2.17.2 (*Arbitration*) to Clause 2.17.3 (*Courts and Tribunals*) above, shall be read harmoniously, and, in the event of any inconsistency between the two with regard to a particular issue, Clause 2.17.3 (*Courts and Tribunals*) shall prevail, unless the relevant dispute expressly falls within the ambit of the SEBI ADR Regulations read with the ODR Circular. For avoidance of doubt, any dispute between the Debenture Holders and the Issuer shall only be governed by Clause 2.17.3 (*Courts and Tribunals*).

## 2.18. MISCELLANEOUS

### 2.18.1. Discharges and Releases

Notwithstanding any discharge, release or settlement from time to time between the Debenture Trustee and the Company, if any discharge or payment in respect of the obligations of the Company under this Deed is avoided or set aside or ordered to be surrendered, paid away, refunded or reduced by virtue of any provision of law or enactment relating to bankruptcy, insolvency, liquidation, winding up, composition or arrangement for the time being in force or for any other reason resulting in the above, the Debenture Trustee shall be entitled hereafter to enforce this Deed as if no such discharge, release or settlement had occurred.

### 2.18.2. Limitation on Rights of Others

Nothing in this Deed, whether express or implied, shall be construed to give to any Person other than the Debenture Trustee and the Debenture Holder(s), any legal or equitable right, remedy or claim under or in respect of this Deed, except as expressly provided in this Deed, any covenants, conditions or provisions contained herein all of which are, and shall be construed to be, for the sole and exclusive benefit of the Debenture Trustee and the Debenture Holder(s).

### 2.18.3. Other Remedies

The rights and remedies conferred upon the Debenture Trustee under this Deed:

- (i) shall not prejudice any other rights or remedies to which the Debenture Trustee may, independently of this Deed, whether by statute or otherwise, be entitled and in particular, the Debenture Trustee and/or the Debenture Holders shall retain all rights and remedies available to it under the Disclosure Document(s) and this Deed; and
- (ii) shall not be prejudiced by any other rights or remedies to which the Debenture Trustee may, independently of this Deed, be entitled to, or any collateral or other security now or hereinafter held by the Debenture Trustee.

## 2.19. INDEMNIFICATIONS

- (a) The Company hereby, whether or not the transactions herein contemplated are consummated, agrees to indemnify the Debenture Holders, Debenture Trustee and their respective shareholders, officers, directors, employees, representative and attorneys and hold each of them harmless against any and all



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liabilities, obligations, losses, damages, penalties, claims, actions, judgments, suits, costs, expenses and disbursements incurred by any of them as a result of, or arising out of, or in any way related to, or by reason of breach of the provisions of the Transaction Documents, save and except any losses arising from wilful default, gross negligence or fraud of the Debenture Trustee / Debenture Holders, as determined by a court of competent jurisdiction. The Company will not be liable to indemnify any losses of an indirect nature.

(b) All sums paid and costs incurred by any of the Debenture Holders/Debenture Trustee with respect to any matter indemnified hereunder shall bear additional interest determined by the Debenture Trustee from the date so paid or incurred until reimbursed by the Company, and all such sums and costs shall be added to the debt and shall be immediately due and payable on demand. The Company shall, forthwith on demand by the Debenture Holders or the Debenture Trustee pay any amounts due under this **Clause 2.19 (Indemnifications)**.

(c) The Company shall, whether or not the transactions herein contemplated are consummated: (i) pay and hold the Debenture Holders and/or its agents harmless from and against any and all present and future stamp and other similar Taxes with respect to the matters described in this Deed; (ii) hold the Debenture Holders and/or its agents harmless from and against any and all liabilities with respect to or resulting from any delay or omission to pay such Taxes; and (iii) hold the Debenture Holders and/or its agents harmless from and against any and all present and future liabilities with respect to or resulting from breach of any provisions of the Act or other Applicable Law.

(d) E-Mail/Fax Indemnity:

(i) The Company understands and acknowledges that there are inherent risks involved in sending the instructions / communications / documents to the Parties via cable or emails and hereby agrees and confirms that all risks shall be fully borne by the Company and the Company assumes full responsibility for the same.

(ii) The Company shall not hold the Debenture Trustee liable for any losses or damages including legal fees arising upon the Debenture Trustee performing or non-performing or any delay /default in performing any act, wholly or in part in accordance with the instructions so received which could be a result of any miscommunication, or technological error beyond the control of the Debenture Trustee considering the mode in which the same was conveyed.

(iii) The Debenture Trustee shall not be bound to act in accordance with the whole or any part of the instructions or directions contained in any email or any other electronic mode of communication and may in its sole discretion and exclusive determination, decline or omit to act pursuant to any such instruction, or defer acting in accordance with any such instruction if the Debenture Trustee has doubts about the contents, authorization, origination of the said instruction or if the Debenture Trustee is of the view that the said instruction has been fraudulently sent or mistakenly written and sent or has been altered and sent and the same shall be at the Company's risk and the Debenture Trustee shall not be liable for the consequences of any such refusal or omission to act or deferment of action; and

(iv) The Company agrees to indemnify the Debenture Trustee for any causes, actions, claims, damages, liabilities etc. that may arise out of acting under such electronic instructions.

(e) This **Clause 2.19 (Indemnifications)** shall survive the termination or expiry of this Deed.

## 2.20. APPROPRIATION OF PAYMENTS

Unless otherwise agreed to by the Debenture Holder(s), any Payments due and payable to the Debenture Holder(s) and made by the Company shall be appropriated towards such dues in the following order:





- (i) Firstly, towards costs, charges and expenses incurred by the Debenture Trustee in accordance with the terms of this Deed;
- (ii) Secondly, reimbursement of all costs and expenses paid by the Debenture Holder(s) as provided under **Clause 2.21** (*Costs and Expenses*) of **Part B** of this Deed;
- (iii) Thirdly, Default Interest payable under **Clause 2.1.13** (*Default Interest Rate*) of **Part B** of this Deed;
- (iv) Fourthly, towards interest at the Coupon Rate, as the context may require;
- (v) Fifthly, towards the redemption of the Debentures due and payable under this Deed; and
- (vi) Lastly, any remaining balance amount to the Company.

## 2.21. COSTS AND EXPENSES

- (a) The Company shall pay all cost, expenses, Taxes, stamp duties, fees, penalties or other charges payable on or in connection with the valuation, due diligence exercise in connection with the transactions contemplated herein, the execution, issue, delivery, registration of this Deed and the Transaction Documents as well as stamp duty and incidental charges for the Debentures or certificates issued to the Debenture Holders and any document, act and registration performed pursuant hereto, if and when required to pay the same according to this Deed or Applicable Law. If the Company fails to pay the Taxes, fees, penalties or other charges payable, then the Debenture Trustee may (but is not obligated to) pay such amounts, on behalf of the Company. Any money paid by the Debenture Trustee as aforesaid, shall constitute a part of the Payments. The Company undertakes to deliver to the Debenture Trustee originals of the receipts evidencing payment of stamp duty and other charges in connection with the stamping and registration of this Deed. The Company will not be liable to indemnify any costs of an indirect nature.
- (b) The Company hereby undertakes and agrees that if due to any circumstances whatsoever they fail to comply with **Clause 2.21(a)** (*Costs and Expenses*) above and the payments are made by the Debenture Trustee, the Company shall indemnify the Debenture Trustee (on behalf of itself and each of its officers, directors, employees, agents and advisors) against such payments made by the Debenture Trustee (including, without limitation, payment of any such stamp duty and any penalties) and against any and all losses, liabilities, damages, costs and expenses (including, without limitation, fees and expenses of counsel on a full indemnity basis) which the Debenture Trustee may suffer and/or incur or which may arise as a consequence of the non-performance by the Company of the undertaking contained in **Clause 2.21(a)** (*Costs and Expenses*) above. The Company will not be liable to indemnify any losses of an indirect nature.
- (c) The Company hereby agrees that any breach or default in complying with all or any of the aforesaid undertaking(s) shall constitute an Event of Default under this Deed.
- (d) All Payments to be made by the Company to the Debenture Trustee under this clause 2.21 shall be made free and clear of and without deduction for or on account of Taxes unless the Company is required to make such a payment subject to the deduction or withholding of Taxes, in which case the sum payable by the Company in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of the required deduction, the Debenture Trustee receives and retains (free from any liability in respect of any such deduction) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made, except if the deduction or withholding was made in respect of any Taxes calculated with reference to the income received by the Debenture Trustee, provided that the Company delivers to the Debenture Trustee tax withholding or tax deduction certificates in respect of such



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withholding or deduction. The Debenture Trustee shall not be responsible for the compliance of direct and indirect Tax obligations by the Company.

## 2.22. TAXES

- (a) The Company shall make all Payments to be made by it pursuant to this Deed without any Tax Deduction, unless a Tax Deduction is required by Applicable Law.
- (b) Payment of interest / Coupon on Debentures will be subject to deductions as per the Income Tax Act, 1961 as applicable.
- (c) Within 30 (thirty) days of making a Tax Deduction or a payment required in connection with a Tax Deduction, the Company shall deliver to the Debenture Trustee for the Debenture Holder(s) in question, evidence reasonably satisfactory to those Debenture Holder(s) that the Tax Deduction or payment has been made.
- (d) The Company shall promptly upon becoming aware that it has had or will have to make a Tax Deduction (or that there has been or will be any change in the rate at which or the basis on which any Tax Deduction has to be made) notify the Debenture Trustee accordingly. Similarly, any of the Debenture Holder(s) shall notify the Debenture Trustee on becoming so aware in respect of a payment payable to that Debenture Holder(s). If the Debenture Trustee receives such a notification from a Debenture Holder(s), it shall notify the Company.
- (e) If the Company is required to make a Tax Deduction, the Company shall make that Tax Deduction, and any payment required in connection with the Tax Deduction within the time allowed and in the minimum amount required under Applicable Law.
- (f) The Company hereby indemnifies and agrees to keep indemnified the Debenture Trustee, the Debenture Holders and their respective officers, representatives, directors and agents against any losses or damages whether by way of costs, charges, expenses, penalty howsoever sustained or incurred by them as a result of, or in connection with, or arising out of levy by any Governmental Authority of any Tax in connection with regularizing or perfecting any of the Transaction Documents as may be required under the Applicable Laws, or getting any of the Transaction Documents admitted into evidence, or relying on any Transaction Documents for proving any claim. The Company will not be liable to indemnify any losses of an indirect nature.

## PART C: DEFINITIONS AND CONSTRUCTION

### 3.1. DEFINITIONS AND CONSTRUCTION

#### Definitions

In these presents unless there is anything in the subject or context inconsistent therewith, the expressions listed below shall have the following meanings:

- (a) "**Act**" shall mean the provisions of the Companies Act, 2013, along with the rules and regulations made thereunder and the notifications, circulars and orders issued in relation thereto, as amended, modified or supplemented from time to time;
- (b) "**Applicable Law**" shall mean any statute, law, regulation, notification, ordinance, rule, judgement, rule of law, order, decree, government resolution, clearance, approval, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any statutory or governmental or regulatory authority including without limitation stock exchanges,



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having jurisdiction over the matter in question, whether in effect as of the date of this Deed or thereafter and in each case as amended, modified or re-enacted from time to time;

- (c) **"Authorisation"** shall mean:
1. the Clearances;
  2. an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation, lodgement or registration; or
  3. in relation to anything which will be fully or partly prohibited or restricted by the Applicable Law if a Governmental Authority intervenes or acts in any way within a specified period after lodgement, filing, registration or notification, the expiry of that period without intervention or action.
- 
- (d) **"Beneficial Owner(s)"** shall mean the Debenture Holder(s) of the Debentures in dematerialised form whose name is recorded as such with the Depository;
- (e) **"Break Costs"** means the amounts (if any) determined by the Initial Debenture Holder(s) and notified to the Company as break cost;
- (f) **"BSE"** shall have the meaning assigned to such term in **Recital F** of this Deed;
- (g) **"Business Day"** shall mean any day of the week (other than a Saturday, Sunday or any day on which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881)) on which banks and money markets are open for general business in Mumbai, and **"Business Days"** shall be construed accordingly;
- (h) **"CDSL"** shall have the meaning assigned to such term in **Recital D** of this Deed;
- (i) **"Client Loans"** shall mean each loan made by the Company as a lender, and "Client Loans" shall refer to collectively, all such loans;
- (j) **"Conditions Precedent"** shall mean those conditions which are set out in **Chapter A of Schedule IV (Conditions Precedent)** of **Part D** of this Deed;
- (k) **"Condition Subsequent"** shall mean those conditions which are set out in **Chapter B of Schedule IV (Condition Subsequent)** of **Part D** of this Deed;
- (l) **"Control"** (including the terms 'Controlled by' or 'under common Control with'), as used with respect to any Person, shall mean (a) the direct or indirect beneficial ownership of or the right to vote in respect of, directly or indirectly, more than 51% (Fifty One percent) of the voting shares or securities of such person; (b) the power to control the majority of the composition of the board of directors of such person; (c) the power to control the management or policy decisions exercisable by a Person or Persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholder's agreements or voting agreements or in any other manner; or (d) any combination of (a), (b) and (c). For avoidance of doubt, it is clarified that the term "Control" shall also include the instances covered within the definition of control in Section 2(27) of the Companies Act, 2013;
- (m) **"Coupon"** means the coupon payable on the Debentures on the Coupon Payment Date(s), at the Coupon Rate;
- (n) **"Coupon Payment Date(s)"** means the payment dates of Coupon, as specified in **Schedule V (Cashflow Schedule)** of this Deed;



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- (o) “**Coupon Rate**” shall mean the coupon payable on and from the Deemed Date of Allotment and until the Final Settlement Date, on the Coupon Payment Date(s), which shall be at the rate of 9.60% (Nine Decimal Point Six Percent) per annum for Series 40 Debentures and at the rate of 9.40% (Nine Decimal Point Four Percent) per annum for Series 41 Debentures;
- (p) “**Coupon Reset Date**” shall mean the date of expiry of 21 (Twenty One) months from the Deemed Date of Allotment for Series 41 Debentures;
- (q) “**Clearances**” shall mean any consent, license, approval, registration, permit or other authorisation of any nature which is required to be granted by any statutory or regulatory authority or any Governmental Authority, as applicable, as set out below:
1. for the incorporation of the Company and fulfilling its obligations under the Transaction Documents;
  2. for conducting, maintaining and operating the business of the Company;
  3. for the enforceability of any of the Transaction Documents and the making of any payments contemplated thereunder; and
  4. for all other matters as may be necessary in connection with the performance of any Person’s obligations under any Transaction Document.
- (r) “**Debentures**” shall have the meaning assigned to the term in **Recital A** of this Deed;
- (s) “**Debenture Holder(s)**” shall mean initially the persons detailed in the **Schedule I** (*Debenture Holders at the time of Issue*) of **Part D** of this Deed who are the subscribers to the Debentures and for the time being holders of the Debentures and thereafter the subsequent Debenture Holder(s), each of whom fulfils the following requirements: -
1. Persons who are registered as such as the Beneficial Owner(s); and
  2. Persons who are registered as debenture holder(s) in the Register of Debenture Holder(s),
- (and shall include registered transferees of the Debentures from time to time with the Depository) and in the event of any inconsistency between the aforesaid sub paragraph 1 and 2 above, persons who are registered as such under sub paragraph 1 above shall prevail;
- (t) “**Deed of Hypothecation**” shall mean the unattested deed of hypothecation executed by the Company in favour of the Debenture Trustee, to evidence the creation of a first ranking *pari passu* and continuing charge by the Company in favour of the Debenture Trustee on behalf of and for the benefit of the Debenture Holder(s) over the Hypothecated Assets, both present and future;
- (u) “**Debenture Trustee Agreement**” shall mean the debenture trustee agreement entered into by and between the Company and the Debenture Trustee dated October 28, 2024, read with the amendment agreement dated October 31, 2024 *inter alia* recording the terms and conditions for the appointment of the Debenture Trustee;
- (v) “**Deemed Date of Allotment**” shall mean the date on which the Debentures are deemed to have been allotted to the Debenture Holder(s), being October 31, 2024;
- (w) “**Default Interest**” shall have the meaning assigned to the term in **Clause 2.1.13** (*Default Interest Rate*) of **Part B** of this Deed;



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- (x) **"Depository"** shall mean the depository(ies) with whom the Company has made arrangements for dematerialising the Debentures, being CDSL and NSDL respectively;
- (y) **"DFI Lenders"** means any development finance corporation, impact funds, and public financial institution, such as DFC, IFC, CDC, ADB, DEG, or any other similar institution;
- (z) **"Disclosure Document"** shall mean collectively, (i) the General Information Document; (ii) the Private Placement Offer cum Application Letter and (iii) the relevant Key Information Document, for the issue of Debentures;
- (aa) **"Due Date(s)"** shall mean any date on which any Payments in relation to the Debentures becomes due and payable to the Debenture Holder(s) in accordance with the term of this Deed;
- (bb) **"Early Redemption Date"** shall have the meaning assigned to such term under **Clause 2.1.11(c)** of **Part B** of this Deed;
- (cc) **"Early Redemption Event"** shall have the meaning assigned to such term under **Clause 2.1.11(a)** of **Part B** of this Deed;
- (dd) **"Early Redemption Notice"** shall have the meaning assigned to such term under **Clause 2.1.11(c)** of **Part B** of this Deed;
- (ee) **"Early Redemption Option Exercise Notice"** shall have the meaning assigned to such term under **Clause 2.1.11(c)** of **Part B** of this Deed;
- (ff) **"Eligibility Criteria"** shall mean the selection criteria required to be satisfied by the Receivables constituting the Hypothecated Assets as more particularly set out in Schedule VI (*Eligibility Criteria*);
- (gg) **"Eligible Hypothecated Assets"** shall mean the portion of the Hypothecated Assets which meets the Eligibility Criteria and used *inter alia* for the purposes of calculating the Security Coverage Ratio;
- (hh) **"Environmental Claim"** shall mean any claim, proceeding or investigation by any person in respect of any Environmental Law;
- (ii) **"Environmental Law"** shall mean any Applicable Law in any jurisdiction in which any of the Company conducts business which relates to the pollution or protection of the environment or harm to or the protection of human health or the health of animals or plants;
- (jj) **"Environmental Permits"** shall mean any Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of the Company conducted on or from the properties owned or used by the Company;
- (kk) **"Event of Default"** shall mean the occurrence of any of the events specified in **Clause 1.12.5** (*Events of Default*) of **Part A** and **Clause 2.6** (*Events of Default*) of **Part B** of this Deed and as the same may, from time to time, be modified in accordance with these presents;
- (ll) **"Financial Indebtedness"** shall mean any indebtedness for or in respect of:
1. monies borrowed;
  2. any amount raised by acceptance under any credit facility or its dematerialised equivalent;
  3. any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
  4. any amount payable for redemption of any redeemable preference share which:



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- (A) is redeemable at the option of the issuer thereof; or  
(B) according to the terms of its issue, is redeemable prior to the maturity of the Debentures;
5. the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease;
6. Receivables sold or discounted (other than any Receivables to the extent they are sold on a non-recourse basis);
7. any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
8. the acquisition cost of any asset or service to the extent payable before or after its acquisition or possession by the party liable where the advance or deferred payment:  
(A) is arranged primarily as a method of raising finance or of financing the acquisition of that asset or service or the construction of that asset or service; or  
(B) involves a period of more than six months before or after the date of acquisition or supply;
9. any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
10. any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;
11. any obligation under any call or put option arrangement in respect of any shares or any form of guarantee or indemnity in respect of any call or put option arrangement; and
12. without double counting, the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (xi) above;
- (mm) **"Final Settlement Date"** shall mean the date on which the entire outstanding amounts of the Company in relation to the Debentures including the principal amounts in respect of the Debentures, the Coupon accrued thereon, the Default Interest (if any), additional interest, costs, fees, charges, etc. and any Payments and all obligations of the Company under the Transaction Documents have been irrevocably and unconditionally discharged in full, to the satisfaction of the Debenture Trustee as notified by the Debenture Trustee to the Company in writing;
- (nn) **"Financial Terms and Conditions"** shall mean the terms and conditions on the part of the Company to be observed and performed as set out in **Clause 2.1 of Part B** of this Deed and as the same may, from time to time, be modified in accordance with these presents;
- (oo) **"Financial Year"** shall mean the financial year of the Company used for the purposes of accounting;
- (pp) **"Governmental Authority"** shall mean the President of India, the Government of India, the Governor and the Government of any State in India, any ministry or department of the same, any municipal or local government authority, any authority or private body exercising powers conferred by applicable law and any court, tribunal or other judicial or quasi-judicial body, and shall include, without limitation, a stock exchange and any regulatory body;
- (qq) **"Hypothecated Assets"** shall have the meaning assigned to the term in the Deed of Hypothecation;
- (rr) **"IBC"** shall mean the Insolvency and Bankruptcy Code, 2016, and the rules and regulations made thereunder which are in effect from time to time and shall include any other statutory amendment or re-enactment thereof;



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- (ss) “**IND AS**” shall mean the Indian generally accepted accounting principles issued under the Companies (Indian Accounting Standards) Rules, 2015, as amended, together with any pronouncements issued under applicable law thereon from time to time and applied on a consistent basis by the Company;
- (tt) “**Information Utility**” means the National E-Governance Services Limited or any other entity registered as an information utility under the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017;
- (uu) “**Initial Debenture Holder(s)**” shall mean the Debenture Holder(s) subscribing to the Debentures on the Deemed Date of Allotment;
- (vv) “**Issue**” shall have the meaning assigned to the term in **Recital A** of this Deed;

- (ww) “**Key Managerial Personnel**” shall have the meaning assigned to such term under the Act;
- (xx) “**Majority Debenture Holder(s)**” shall mean Debenture Holder(s) holding an aggregate amount representing not less than 51% (Fifty One Percent) of the value of the nominal amount of the Debentures for the time being outstanding;
- (yy) “**Material Adverse Effect**” shall mean in the opinion of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) a material and adverse effect on:
- (i) the business, operations, property, financial condition of the Company; or
  - (ii) the ability of the Company to perform its obligations under the Transaction Documents; or
  - (iii) the value of any collateral provided securing the right and claims of the Debenture Holders in connection with the Transaction Documents; or
  - (iv) the validity or enforceability of any of the Transaction Documents or the rights or remedies of the Debenture Holders/ Beneficial Owner(s) under any of the Transaction Documents;

(zz) “**Maturity Date**”

Option 1 – Series 40 Issue

shall mean the date falling at the end of 30 (thirty) months from the Deemed Date of Allotment, being April 30, 2027 subject to the occurrence of an Early Redemption Event or such other date on which the final payment of the principal amount of the Debentures becomes due and payable as therein or herein provided, prior to such stated maturity date, by declaration of acceleration, or otherwise.

Option 2 – Series 41 Issue

shall mean the date falling at the end of 36 (thirty six) months from the Deemed Date of Allotment, being October 29, 2027 subject to the occurrence of an Early Redemption Event or such other date on which the final payment of the principal amount of the Debentures becomes due and payable as therein or herein provided, prior to such stated maturity date, by declaration of acceleration, or otherwise.

- (aaa) “**Net Worth**” shall have the same meaning as assigned to it in Clause (57) of Section 2 of the Act;
- (bbb) “**NSDL**” shall have the meaning assigned to the term in **Recital D** of this Deed;
- (ccc) “**Payments**” shall mean all payments towards Secured Obligations to be made by the Company in relation to the Issue including payment of principal amount, Coupon, Redemption Amount,



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Default Interest, Break Costs (if any), remuneration of the Debenture Trustee, and all fees, costs, charges, expenses and other monies in respect of the Debentures;

(ddd) **"Permitted Debt"** shall mean:

1. Financial Indebtedness incurred/ to be incurred by the Company as envisaged under the Transaction Documents;
2. the Financial Indebtedness incurred by the Company in respect of term loans availed from banks in India, which terms loans have been secured by way of hypothecation over the Hypothecated Assets on a *pari passu* basis, the details of which are set out in Schedule VII hereto and such other Financial Indebtedness to be incurred by the Company by way of term loans availed from banks in India which terms loans have been secured by way of hypothecation over the Hypothecated Assets on a *pari passu* basis;
3. the Financial Indebtedness incurred by the Company in respect of the debentures issued by the Company, which debentures have been secured by way of hypothecation over the Hypothecated Assets on a *pari passu* basis, the details of which are set out in Schedule VIII hereto and such other Financial Indebtedness to be incurred by the Company by way of issuance of debentures which debentures have been secured by way of hypothecation over the Hypothecated Assets on a *pari passu* basis;
4. any Financial Indebtedness incurred by the Company by way of availing external commercial borrowings, which borrowings have been secured by way of hypothecation over the Hypothecated Assets on a *pari passu* basis, the details of which are set out in Schedule IX hereto and such other Financial Indebtedness to be incurred by the Company by way of availing external commercial borrowings which borrowings shall be secured by way of hypothecation over the Hypothecated Assets on a *pari passu* basis; and/ or
5. any Financial Indebtedness to be incurred by the Company by way of availing any debt or financial assistance from any DFI Lender which has been secured by way of security interest on a first and exclusive basis or on a *pari passu* basis, which in any event should not exceed 20% (twenty per cent) of the total outstanding Financial Indebtedness of the Company; and/ or
6. any other Financial Indebtedness incurred/ to be incurred by the Company to the extent permitted by the Debenture Trustee.

(eee) **"Permitted Security Interest"** shall mean:

- (i) the security, charges and other liens or encumbrances for securing the Debentures pursuant to the Transaction Documents, on a first ranking *pari passu* basis; and/or
- (ii) the security/charges created/registered by the Company in respect of the facilities availed by the Company, the details of which are set out in Schedule VII hereto and such other Financial Indebtedness to be incurred by the Company as Permitted Debt (except for DFI Lenders), in each case, on a first ranking *pari passu* basis; and/or
- (iii) the security/ charges created/registered by the Company in respect any Financial Indebtedness to be incurred by the Company by way of availing any debt or financial assistance from any DFI Lender, on a first ranking exclusive or *pari passu* basis. Provided that that the security cover provided to the DFI Lender for the financial indebtedness provided by such DFI Lender shall not exceed 1.11x (One decimal point One One);



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- (iv) any other security, except as set out in sub-clauses (i) to (iii) above, created by the Company on a first ranking *pari passu* basis;
- (fff) "**Private Placement Offer cum Application Letter**" shall have the meaning assigned to the term in **Recital B** of this Deed;
- (ggg) "**Purpose**" shall have the meaning ascribed to the term under Clause 2.1.1 of this Deed;
- (hhh) "**RBI**" shall mean the Reserve Bank of India;
- (iii) "**Rating Agency**" shall mean CRISIL, a company incorporated under the provisions of the Companies Act, 1956 and having its office at CRISIL House Central Avenue, Hiranandani Business Park, Powai, Mumbai 400 076 or any other rating agency CRISIL, ICRA, India Ratings;
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- (jjj) "**Receivables**" shall have the meaning assigned to it in the Deed of Hypothecation;
- (kkk) "**Record Date**" shall mean in relation to any Due Date, the day falling 15 (Fifteen) calendar days prior to such Due Date. In the event the Record date falls on a day which is not a Business Day, the next Business Day will be considered as the Record Date;
- (lll) "**Redemption Amount**" shall mean with reference to the Debentures, the principal amount outstanding on the Debenture plus the accrued Coupon, any applicable coupon or interest including the Default Interest in respect of that Debentures, Break Costs (if any) and all other amounts, fees, costs, charges, expenses, any outstanding remuneration of the Debenture Trustee and indemnified amounts payable by the Company in respect of the Debentures under the Transaction Documents payable on the Due Date(s) or earlier (upon the occurrence of an Event of Default or upon the occurrence of an Early Redemption Event or otherwise), as the case may be or at any time and any other Payments due and payable by the Company in relation to the Debentures including for creation, preservation and enforcement of the Security;
- (mmm) "**Redemption Date**" shall mean the date as specified in the Disclosure Documents on which Debentures shall be redeemed by the Company and shall include the date(s) on which an early redemption, if applicable, is made in accordance with the terms of this Deed;
- (nnn) "**Register of Debenture Holder(s)**" shall mean the register maintained by the Company containing the name(s) of the Debenture Holder(s) in the form and manner as prescribed under the Companies (Management and Administration Rules), 2014, which register shall be maintained at the registered office of the Company;
- (ooo) "**Repay**" shall include "**Redemption**" and vice-versa and "**repaid**", "**repayable**", "**repayment**", "**redeemed**", "**redeemable**" and "**redemption**" shall be construed accordingly;
- (ppp) "**Required Security Cover**" shall mean the Security Coverage Ratio of at least 1.00 (One Decimal Point Zero) times of the principal amount of the Debentures outstanding along with accrued Coupon, which shall be maintained by the Company on and from the Deemed Date of Allotment until the Final Settlement Date;
- (qqq) "**ROC**" means the jurisdictional Registrar of Companies;
- (rrr) "**Rs.**" or "**Rupees**" shall mean Indian Rupee, the lawful currency of India;
- (sss) "**Sanctions Authority**" means any relevant government, agency or legislature in the U.S., the UK, the European Union or its member States, or other relevant jurisdiction, including but not limited to the U.S. Treasury Department's Office of Foreign Asset Control (OFAC), the U.S. State Department, the United Nations Security Council, and His Majesty's Treasury in the US;



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- (ttt) **“Sanctioned Country”** means any country or territory which is itself, or whose government is, the target of comprehensive country-or-territory-wide Sanctions Law, which presently includes the Crimea Region of Ukraine, the so-called Donetsk People’s Republic, the so-called Luhansk People’s Republic, the non-government controlled areas of Zaporizhzhia and Kherson, Iran, North Korea, Cuba, and Syria;
- (uuu) **“Sanctions Law”** means any economic, trade, or financial sanctions laws, regulations, embargoes, restrictive measures or other similar measures enacted, administered, imposed or enforced by any Sanctions Authority or any similar sanctions maintained in other applicable jurisdictions;
- (vvv) **“Sanctioned Person”** means, at any time, any person, entity or body that is the target of Sanctions Law administered or enforced by any Sanctions Authority, including any person, entity or body listed on any Sanctions Law-related list of designated persons maintained by any Sanctions Authority;
- (www) **“SEBI”** shall mean the Securities and Exchange Board of India;
- (xxx) **“SEBI DT Master Circular”** shall mean the SEBI circular bearing reference number SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024 titled “Master Circular for Debenture Trustees”;
- (yyy) **“SEBI NCS Regulations”** shall mean the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued by SEBI read with the master circular for issue and listing of non-convertible securities, securities debt instruments, security receipts, municipal debt securities and commercial paper dated May 22, 2024 issued by SEBI, each as amended from time to time;
- (zzz) **“Security Coverage Ratio”** shall mean ratio between the aggregate value of the:
- (i) Eligible Hypothecated Assets less the amounts outstanding in respect of any other Financial Indebtedness of the Company which is secured by any Security Interest created over the Eligible Hypothecated Assets or any part thereof; to
- (ii) the outstanding amounts including any outstanding Payments, in respect of the Debentures.
- (aaaa) **“Secured Obligations”** shall mean all the obligations of the Company in respect of the Debentures, as provided in this Deed, the Debenture Trustee Agreement and the other Transaction Documents, including without limitation, the obligation of the Company to make payments in respect of the Debentures and redeem the Debentures on the Maturity Date, including making payment of any outstanding remuneration of the Debenture Trustee, Default Interest payable, if any, Break Costs (if any) and all fees, costs, charges and expenses and other monies payable by the Company under the Transaction Documents including for creation, preservation and enforcement of the Security (as defined hereinafter);
- (bbbb) **“Security”** shall have the meaning assigned to the term in **Clause 1.7 (Security)** of **Part A** of this Deed;
- (cccc) **“Security Interest”** shall mean any mortgage, pledge, lien, hypothecation, charge, assignment, restriction on use or possess, deposit or other interest in the nature of security, deed of trust or other encumbrance of any kind, and any other type of preferential arrangement (including without limitation, any agreement to give any of the foregoing, any conditional sale or other title retention agreement or any lease in the nature thereof), including any designation of loss payees or



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beneficiaries or any similar arrangement under any contract, pledge over the shares held in the Company and shall also include any guarantee that may be given pursuant to this Deed or any other Transaction Document;

- (dddd) "**Series 40 Issue**" shall have the meaning ascribed to the term under Recital A of this Deed;
- (eeee) "**Series 41 Issue**" shall have the meaning ascribed to the term under Recital A of this Deed;
- (ffff) "**Successor Trustee**" shall have the meaning assigned to the term in **Clause 1.1.4** (*Successor Trustee as the Debenture Trustee*) of **Part A** of this Deed;
- (gggg) "**Super Majority Debenture Holders**" shall mean Debenture Holder(s) holding an aggregate amount representing not less than 75% (Seventy Five Percent) of the value of the nominal amount of the Debentures for the time being outstanding and 60% (sixty per cent) of the holders of listed debt securities by number at the International Securities Identification Number ("**ISIN**") level;
- (hhhh) "**Taxes**" or "**Tax**" shall mean any and all present or future, direct or indirect, claims for tax, withholding tax, surcharge, levy, impost, duty, cess, statutory due or other charge of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) including on gross receipts, sales, turn-over, value addition, use, consumption, property, service, income, franchise, capital, occupation, license, excise, documents (such as stamp duties) and customs and other taxes, duties, assessments, or fees, however imposed, withheld, levied, or assessed by any Government;
- (iiii) "**Tax Deduction**" means a deduction or withholding for or on account of Tax from payment under a Transaction Document;
- (jjjj) "**Tenor**" shall have the meaning ascribed to term under Part A and Part B of Schedule V for Series 40 Issue and Series 41 Issue, respectively; and
- (kkkk) "**Transaction Documents**" shall mean and include the documents executed in relation to the issue of the Debentures and shall include the signed Disclosure Document(s), the Private Placement Offer cum Application Letter, the Debenture Trustee Agreement, this Deed, the Deed of Hypothecation, power of attorney issued pursuant to the Deed of Hypothecation, , the documents for the creation of Security, the credit rating letter, Board Resolution authorizing the issuance, in-principle approval from BSE for listing, the due diligence certificate dated October 29, 2024 issued by the Debenture Trustee to BSE in accordance with the SEBI DT Master Circular and credit rating rationale from the Rating Agency along with the detailed press release issued by the Rating Agency, the consent letter from the Debenture Trustee, shareholder resolution of the Company authorising private placement of debentures under Section 42 of the Act, shareholder resolution of the Company under Section 180(1)(a) and Section 180(1)(c) of the Act, board resolution of the Company authorising the issuance of Debentures under Section 179 of the Act and any other document that may be agreed to be designated by the Debenture Trustee and the Company as a Transaction Document,



### 3.2. Construction

- (a) Words denoting singular number only shall include plural number and vice-versa.
- (b) Words denoting one gender only shall include the other gender.
- (c) Words and expressions defined in the Financial Terms and Conditions shall, where used in these presents, have the same meanings save where such meaning would render the same inconsistent with the definitions in this Clause.

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- (d) All references in this Deed to any provision of any statute shall be deemed also to refer to the statute, modification or re-enactment thereof or any statutory rule, order or regulation made thereunder or under such re-enactment.
- (e) All references in this Deed to Schedules, Clauses, Sub-Clauses, Paragraphs or Sub-paragraphs shall be construed as references respectively to the Schedules, Clauses, Sub-clauses, Paragraphs and Sub-paragraphs of these presents.
- (f) The provisions contained in the Schedules hereunder written shall have effect in the manner as if they were specifically herein set forth and in the event of any inconsistency between the provisions contained in the Schedules and the operative part of this Deed, the provisions contained in the Schedules shall prevail.
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- (g) "Person" shall include an individual, natural person, corporation, partnership, joint venture, incorporated or unincorporated body or association, company, Government Authority and in case of a company and a body corporate shall include their respective successors and assigns and in case of any individual his/her respective legal representative, administrators, executors and heirs and in case of trust shall include the trustee(s) for the time being and from time to time. The term "Persons" shall be construed accordingly.
- (h) references to "day" means calendar day unless specifically provided to be a 'Business Day'.
- (i) a reference to a "month" is a reference to a period starting on one day in a calendar month and ending on the date immediately before the numerically corresponding day in the next calendar month, except that if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last day in that calendar month;
- (j) any reference to a consent, approval, determination, waiver or finding to be given or made by any of the Debenture Holder and/or the Debenture Trustee shall refer to their prior written consent, approval, determination, waiver or finding;
- (k) all references to the consent or discretion or opinion or agreement or satisfaction of the Debenture Trustee in any Transaction Documents shall mean the Debenture Trustee acting on the prior written instructions of the Majority Debenture Holders;
- (l) any determination with respect to the terms "material" or "reasonable" or the materiality or reasonability or adversity of any matter including of any event, occurrence, circumstance, change, fact, information, document, Authorisation, proceeding, act, omission, claims, breach, default or otherwise shall be made by the Majority Debenture Holders and/or the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) and shall be final and binding on the Company and other obligors);
- (m) In case of any conflict between the provisions of this Deed and any other Transaction Document, the provisions of the Debenture Trust Deed shall prevail and override the provisions of that Transaction Documents and the said Transaction Document shall forthwith be amended to make it consistent with the terms of this Deed;
- (n) references to any law shall include any constitution, statute, law, rule, regulation, ordinance, judgment, order, decree, Authorisation, or any published directive, guideline, requirement or governmental restriction having the force of law, or any determination by, or interpretation of any of the foregoing by, any judicial authority, whether in effect as of the date of the Transaction Documents or thereafter and each as amended from time to time;



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- (o) where any statement in this Deed is qualified by the expression "to the knowledge" or "to the best of the knowledge or information or belief" or any similar expression, that statement shall, save as expressly provided to the contrary herein, be deemed to mean that it has been made after due and careful inquiry by that Person;
- (p) "repayment" includes "redemption" and vice-versa and repaid, repayable, repay, redeemed, redeemable and redemption shall be construed accordingly;
- (q) It is clarified that for the purposes of this Deed, the Debenture Trustee (acting in accordance with the Majority Debenture Holder(s) consent), shall determine what would constitute 'ordinary course of business' as the term appears in this Deed.

3. **PART D: SCHEDULES AND ANNEXURES**

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The Schedules and Annexures which are cross referred to under Part A, Part B or Part C of this Deed are set out under this Part D.



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**SCHEDULE I: DEBENTURE HOLDERS AT THE TIME OF ISSUE**

<b>Name of Debenture Holder</b>	<b>Number of Debentures</b>
Series – 40 a) BARCLAYS BANK PLC b) ROYAL SUNDARAM GENERAL INSURANCE CO LIMITED	25,000
Series - 41 ADITYA BIRLA SUN LIFE SAVINGS FUND	30,000



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## SCHEDULE II: DEPOSITORY RELATED PROVISIONS

1. The Company has made depository arrangements with NSDL and CDSL for dematerialisation of the Debentures. Each of the Debenture Holders has to necessarily hold the Debentures in dematerialised form and deal with the same as per the provisions of Depositories Act, 1996 (as amended from time to time) (hereinafter "**Depositories Act**"). The normal procedures followed for transfer of securities held in dematerialised form shall be followed for transfer of these Debentures held in electronic form.
2. Debenture certificates will not be issued to the allottees, since the Debentures are being issued in a dematerialised form.
3. The depository account of the Debenture Holder(s) with NSDL and CDSL, will be credited within 1 (One) working days from the date of closing of the Issue in the manner as prescribed under Applicable Law. The initial credit in the account will be akin to the letter of allotment. On the completion of all statutory formalities, such credit will be substituted with the number of Debentures allotted.
4. The Debentures held in the dematerialised form shall be taken as discharged on payment of the Redemption Amount by the Company to the registered Beneficial Owner(s) on the Record Date. Such payment will be a legal discharge of the liability of the Company towards the Beneficial Owner(s). On such Payments being made, the Company will inform NSDL and CDSL and accordingly the account of the Debenture Holder with NSDL and CDSL will be adjusted.
5. A Register of Debenture Holder(s) containing all relevant particulars shall be maintained by the Company at either its registered office or corporate office or at the office of registrar and transfer agent.
6. Transfer of Debentures in dematerialised form would be in accordance with the rules/procedures as prescribed by NSDL, CDSL and the applicable depository participant.
7. Nothing provided herein shall prejudice any power of the Company to register as Debenture Holder any person to whom the right to any Debentures of the Company has been transmitted by operation of law.



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### SCHEDULE III: PROVISIONS FOR THE MEETINGS OF THE DEBENTURE HOLDER(S)

The following provisions shall apply to the meetings of the Debenture Holder(s):

1. The Debenture Trustee shall at (a) the request in writing of the Debenture Holder(s) representing not less than 1/10<sup>th</sup> (one-tenth) in value of the nominal amount of the Debentures for the time being outstanding or (b) upon the happening of any event, which constitutes a breach or an Event of Default or breach of covenants as specified in the Disclosure Document(s) and/or this Deed or which in the opinion of the Debenture Trustee affects the interests of the Debenture Holder(s), convene a meeting of the holders of Debentures.

The meetings of the Debenture Holders referred to hereinabove are hereinafter referred to as the "**Meetings**".

Any such Meetings shall be held at such place in the city where the registered office of the Company is situated or at such other place as the Debenture Trustee shall determine.

2. (a) A Meeting of the Debenture Holder(s) may be called by giving not less than 21 (twenty-one) days' notice in writing.  
(b) A meeting may be called after giving shorter notice than that specified in sub-clause (a), if consent is accorded thereto by Debenture Holders representing not less than 95% (ninety-five per cent) of the Debentures for the time being outstanding.
3. (a) Every notice of a meeting shall specify the place and day and hour of the meeting and shall contain a statement of the business to be transacted thereat.  
(b) Notice of every meeting shall be given in the manner as authorised by Section 20 of the Act as pertaining to the service of documents on the members of the Company to the following persons:
  - (i) every Debenture Holder;
  - (ii) the persons entitled to Debentures in consequence of death or insolvency of any of the Debenture Holder(s), by sending it through post in a prepaid letter addressed to them by name or by the title of the representatives of the deceased, or assignees of the insolvent or by any like description at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred.
4. The accidental omission to give notice to, or the non- receipt of notice by, any Debenture Holder(s) or other person to whom it should be given shall not invalidate the proceedings at the meeting.
5. (a) There shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein of every director and the manager, if any.  
(b) Where any item of business relates to the approval of any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.
6. (a) 2 (two) Debenture Holder(s), personally present shall be the quorum for the meeting of the Debenture Holder(s) (provided that in the event that the number of Debenture Holder(s) shall be less than 2 (two), then the quorum shall comprise of all of such lesser number of Debenture



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Holder(s) being present).

- (b) If, within half an hour from the time appointed for holding a meeting of the Debenture Holder(s), a quorum is not present, the meeting, if called upon the requisition of the Debenture Holder(s) shall stand dissolved but in any other case the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Debenture Trustee may determine and if at the adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting, the Debenture Holder(s) present shall be the quorum.
7. (a) The Debenture Trustee shall nominate 2 (two) persons to attend each meeting one of which shall be nominated by the Debenture Trustee to act as the chairman of the meeting and in his absence the Debenture Holder(s) personally present at the meeting shall elect one of themselves to be the chairman thereof on a show of hands.
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- (b) If a poll is demanded on the election of the chairman, it shall be taken forthwith in accordance with the provisions of the Act.
- (c) If some other person is elected chairman as a result of the poll, he shall be chairman for the rest of the meeting.
8. The Debenture Trustee and the directors of the Company and their respective representatives may attend any meeting but shall not be entitled as such to vote thereat.
9. At any meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded in the manner hereinafter mentioned, and unless a poll is so demanded, a declaration by the chairman that on a show of hands the resolution has or has not been carried either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the proceedings of the meeting, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.
10. Before or on the declaration of the result of voting on any resolution on a show of hands, a poll may be ordered to be taken by the chairman of the meeting of his own motion, and shall be ordered to be taken by him on a demand made in that behalf by Debenture Holder(s) representing not less than 10% of those present and voting where the resolution is with respect to all the Debentures; or
11. (a) A poll demanded on a question of adjournment shall be taken forthwith.
- (b) A poll demanded on any other question (not being a question relating to the election of a chairman) shall be taken at such time not being later than 48 (forty-eight) hours from the time when the demand was made, as the chairman may direct.
12. At every such meeting, each Debenture Holder(s) shall, on a show of hands, be entitled to 1 (one) vote only, but on a poll he shall be entitled to 1 (one) vote in respect of every Debentures of which he is a holder in respect of which he is entitled to vote.
13. (a) Any Debenture Holder(s) entitled to attend and vote at the meeting shall be entitled to appoint another person (whether any of the Debenture Holder(s) or not) as his proxy to attend and vote instead of himself.
- (b) In every notice calling the meeting there shall appear with reasonable prominence a statement that any of the Debenture Holder(s) entitled to attend and vote is entitled to appoint one or more



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proxies, to attend and vote instead of himself, and that a proxy need not be one such Debenture Holder(s).

- (c) The instrument appointing a proxy and the power of attorney (if any) under which it is signed or a notarial certified copy of the power of attorney shall be deposited at the registered office of the Company not less than 48 (forty-eight) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in case of a poll, not less than 24 (twenty-four) hours before the time appointed for the taking of the poll and in default, the instrument of proxy shall not be treated as valid.
  - (d) The instrument appointing a proxy shall:
    - (i) be in writing; and
    - (ii) be signed by the appointer or his attorney duly authorised in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.
  - (e) The instrument appointing a proxy shall be in any of the forms as per Companies (Management and Administration) Rules, 2014 and shall not be questioned on the ground that it fails to comply with any special requirements specified for such instruments by the Articles of Association of the Company.
  - (f) All Debenture Holder(s) are entitled to vote at a meeting of the Debenture Holder(s) of the Company on any resolution to be moved thereat shall be entitled during the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 (three) days' notice in writing of the intention so to inspect is given to the Company.
14. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the Debentures in respect of which the proxy is given. Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.
15. On a poll taken at any meeting of the Debenture Holder(s), any of the Debenture Holder(s) entitled to more than 1 (one) vote or his proxy or other person entitled to vote for him, as the case may be, need not if he votes, use all his votes or cast in the same way all the votes he uses.
16. (a) When a poll is to be taken, the chairman of the meeting shall appoint 2 (two) scrutineers to scrutinise the votes given on the poll and to report thereon to him.
- (b) The chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and to fill vacancies in the office of scrutineer arising from such removal or from any other cause.
- (c) Of the two scrutineers appointed under this Clause, one shall always be a Debenture Holder (not being an officer or employee of the Company) present at the meeting, provided such a Debenture Holder is available and willing to be appointed.
17. (a) Subject to the provisions of the said Act, the Chairman of the meeting shall have power to



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regulate the manner in which a poll shall be taken.

- (b) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.
18. In the case of joint Debenture Holder(s), the vote of the person whose name appears first in the Register of Debenture Holder(s) shall be accepted to the exclusion of the other joint-holder or holders.
19. The chairman of a meeting of the Debenture Holder(s) may, with the consent of the meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
20. In the case of equality of votes, whether on a show of hands, or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled to as a Debenture Holder(s).
21. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.
22. The chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.
23. A meeting of the Debenture Holder(s) shall, *inter alia*, have the following powers:
- (a) Power to sanction any compromise or arrangement proposed to be made between the Company and the Debenture Holder(s).
  - (b) Power to sanction any modification, alteration or abrogation of any of the rights of the Debenture Holder(s) against the Company.
  - (c) Power to assent to any modification of the provisions contained in this Deed and to authorise the Debenture Trustee to concur in and execute any supplemental deed embodying any such modification.
  - (d) Power to remove the existing Debenture Trustee and to appoint new Debenture Trustee.
  - (e) Power to give any direction, sanction, request or approval which under any provision of the Deed.
24. The powers set out in Clause 23 (d) hereof shall be exercisable by a resolution passed at a meeting of the Super Majority Debenture Holder(s).
25. A resolution, passed at a general meeting of the Debenture Holder(s) duly convened and held in accordance with these presents shall be binding upon all of the Debenture Holder(s), whether present or not at such meeting, and each of the Debenture Holder(s) shall be bound to give effect thereto accordingly, and the passing of any such resolutions shall be conclusive evidence that the circumstances justify the passing thereof, the intention being that it shall rest with the meeting to determine without appeal whether or not the circumstances justify the passing of such resolution.
26. Minutes of all resolutions and proceedings at every such meeting as aforesaid shall be made and duly entered into books from time to time provided for the purpose by the Debenture Trustee at the expenses of the Company and any such minutes as aforesaid, if purported to be signed by the chairman of the meeting at which such resolutions were passed or proceeding held or by the chairman of the adjourned meeting shall be conclusive evidence of the matters therein contained and until the contrary is proved every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed thereat or proceedings taken, to have been duly passed and taken. In the event that the chairman shall expire or otherwise be unable to sign the minutes in accordance with the above, the second nominee of the Debenture Trustee shall sign the minutes on behalf of the chairman and such signed minutes shall be conclusive evidence of the matters



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therein contained and until the contrary is proved every such meeting in respect of the proceedings of which minutes have been made.

27. Notwithstanding anything herein contained, it shall be competent to all the Debenture Holder(s) to exercise the rights, powers and authorities of the Debenture Holder(s) under the Deed by a letter or letters signed by or on behalf of the Debenture Holder(s) without convening a meeting of the Debenture Holder(s) as if such letter or letters constituted a resolution passed at a meeting duly convened and held as aforesaid and shall have effect accordingly.



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**SCHEDULE IV: CONDITIONS PRECEDENT AND CONDITIONS SUBSEQUENT**  
**CHAPTER A: CONDITIONS PRECEDENT**

The Company shall, prior to the Deemed Date of Allotment, fulfil the following conditions precedent, each in a form and manner satisfactory and acceptable to the Debenture Trustee:

- (a) The Company shall have submitted a certified true copy of the certificate of incorporation, Company's latest constitutional documents, certified as correct, complete and in full force and effect by an authorised officer of the Company;
- (b) The Company shall have submitted certified copies of the Authorisations and licenses received by the Company from the RBI;
- (c) The Company shall have submitted a certified true copy of resolution of the Company's board of directors authorizing *inter alia* the execution, delivery and performance of the Transaction Documents and authorising its officers to finalise the terms of the Transaction Documents and to take all actions in connection thereto, certified as correct, complete and in full force and effect by an authorised officer of the Company;
- (d) The Company shall have submitted certified true copies of the resolution of the shareholders of the Company under Section 42 of the Act, certified as correct, complete and in full force and effect by an authorised officer of the Company;
- (e) The Company shall have submitted certified true copies of the resolution of the shareholders of the Company under Section 71 of the Act, certified as correct, complete and in full force and effect by an authorised officer of the Company;
- (f) The Company shall have submitted a certified true copy of the resolution of the shareholders of the Company in accordance with Section 180(1)(c) of the Act approving the borrowing contemplated under the Transaction Documents;
- (g) The Company shall have submitted a certified true copy of the resolution of the shareholders of the Company in accordance with Section 180(1)(a) of the Act approving the creation of security by the Company over its borrowings;
- (h) The Company shall have submitted a copy of the rating letter and the rating rationale issued by the Rating Agency in relation to the Debentures;
- (i) The Company shall have submitted a copy of the consent letter from the Debenture Trustee to act as the debenture trustee for the issue of Debentures;
- (j) The Company shall have submitted a copy of the consent from the Registrar to act as the registrar and transfer agent for the issue of Debentures;
- (k) The Company shall have executed, delivered, and stamped (as applicable) the Debenture Trustee Agreement, Debenture Trust Deed, Deed of Hypothecation, the notarized power of attorney issued pursuant to the Deed of Hypothecation and the Disclosure Document(s) in a form and manner satisfactory to the Debenture Trustee and the Debenture Holder(s);
- (l) The Company shall have submitted evidence that all "know your customer" requirements (including but not limited to the specimen signature of the persons authorised the executed the Transaction Documents in terms of the resolution of the board of directors of the Company provided pursuant to paragraph (c) above) prescribed by the Debenture Trustee and the Debenture Holder(s) have been provided/fulfilled;
- (m) The Company shall have submitted the in-principle approval of the BSE for listing of the Debentures;

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- (n) The Company shall have submitted evidence that the fees, costs, and expenses then due from the Company pursuant to the Debenture Trust Deed (including the fee of the legal counsel) has been or will be paid;
- (o) The Company shall have submitted the no-objection certificates (NOC) from existing lenders / lead bank, as applicable, for issuance of the Debentures and for creation of a charge on the Hypothecated Assets;
- (p) The Company shall have submitted such other information, documents, certificates, closing opinions and instruments as the Debenture Trustee and the Debenture Holder(s) may request in connection with the transactions contemplated under this Deed and the other Transaction Documents;
- (q) A certificate from the authorised signatory of the Company (duly signed by the director) confirming that no Event of Default has occurred, no Material Adverse Effect has occurred, all representations and warranties are in full force and effect, no borrowing limits binding on Company to be exceeded and such other confirmations as may be required by the Debenture Trustee;
- (r) The Company shall have executed the tripartite agreement with the Registrar and Transfer Agent and Depository and should have obtained the ISIN for the Debentures;
- (s) A legal opinion by Wadia Ghandy & Co., in the nature satisfactory to the Debenture Trustee on behalf of the Debenture Holder(s);
- (t) Evidence of payment of stamp duty on the Transaction Documents;
- (u) The Issuer shall submit a Certificate from practicing Chartered Accountant confirming that the permission of the assessing officer under Section 281 of the Income Tax Act, 1961 is not required to be obtained prior to creation of the Security Interest over the Hypothecated Assets since the Hypothecated Assets form a part of stock-in-trade of the Company.



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## CHAPTER B: CONDITIONS SUBSEQUENT

The Company shall fulfil the following conditions subsequent, to the satisfaction of the Debenture Trustee, within the timelines stipulated herein below:

- (a) the Company shall have submitted a certified true copy of resolution of the Company's board of directors for the allotment of the debentures within 1 (One) Business Day from the pay-in date (which date shall be as set out under the Disclosure Document(s));
- (b) the Company shall ensure that the Debentures are credited into the dematerialised account of the respective Debenture Holders within 1 (One) working days from the date of closing of the Issue manner as prescribed under Applicable Law;
- (c) the Company shall have filed a return of allotment of securities under Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the jurisdictional registrar of companies on or prior to the utilisation of subscription monies in respect of the Debentures and in any case within 15 (fifteen) calendar days of the allotment of the Debentures along with a list of the Debenture Holders or within such other extended time as permissible by the Ministry of Corporate Affairs and with the prescribed fees; along with a list of the Debenture Holders and Form PAS 5 which the Company shall have filed in respect of the issue of Debentures with the ROC with fee as provided in Companies (Registration Offices and Fees) Rules, 2014 within a period of 30 (thirty) days of the Deemed Date of Allotment;
- (d) the Company shall file copy of the Disclosure Document(s) with BSE within the prescribed timelines;
- (e) the Company shall have filed Form CHG-9 with the jurisdictional registrar of companies within 30 (thirty) calendar days from execution of the Deed of Hypothecation or within such other extended time as permissible by the Ministry of Corporate Affairs;
- (f) the Company shall assist the Debenture Trustee in filing Form I with CERSAI within 30 (thirty) calendar days from the date of execution of the Deed of Hypothecation;
- (g) the Company shall have within 15 (fifteen) days (or such other time period prescribed by the Debenture Trustee (acting on the instructions of the Debenture Holders)) of the filing of charges pursuant to paragraph (e) above, submitted to the Debenture Trustee a certified true copy of the certificate of registration of charge issued by the jurisdictional registrar of companies;
- (h) the Company shall have within 30 (Thirty) calendar days from the date of execution of the Deed of Hypothecation, provided such other documents/comply with such other requirement as may be prescribed by Debenture Trustee for the perfection of the security created under the Deed of Hypothecation;
- (i) the Company shall have uploaded duly executed Debenture Trust Deed on the stock exchange within 5 (Five) working days from its execution;
- (j) the Company shall provide such other information, documents, certificates, opinions and instruments as the Debenture Trustee and the Debenture Holders may request in connection with the transactions contemplated under the Debenture Trust Deed and the other Transaction Documents;
- (k) Within 3 (Three) Business Days from date of closing of the Issue, the Company shall have received the due diligence certificate from the Debenture Trustee in the format set out under Annex-II B of the SEBI DT Master Circular;
- (l) the Company shall furnish evidence to the Debenture Trustee, within 1 (One) Business Day from the relevant Deemed Date of Allotment, regarding the payment of stamp duty in relation to the Debentures made in accordance with the Applicable Law;



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- (m) the Company shall submit evidence that the fees, costs and expenses then due from the Company pursuant to the Transaction Documents, after the Deemed Date of Allotment have been paid;
  - (n) get the Credit Rating of the Debentures reviewed and published at least once within a maximum period of 1 (one) year from the immediately previous review of the credit rating by the same rating agency;
  - (o) listing of Debentures to be completed within 3 (Three) working days from the date of closing of the Issue;
  - (p) the Company shall provide the Debenture Trustee with an end use certificate issued by an independent chartered accountant, certifying the purposes for which the proceeds of the Debentures have been utilized, within 45 (Forty-Five) days from the Deemed Date of Allotment;
  - (q) the Company shall have made the relevant filings in the prescribed form with an Information Utility, within 30 (thirty) days from the date of execution of this Deed.
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**SCHEDULE V: CASHFLOW SCHEDULE**

**PART A – DETAILS OF SERIES 40 ISSUE**

Tenor	30 (thirty) months from the Deemed Date of Allotment
Face Value	Rs. 1,00,000/- (Rupees One Lakh only) per Debenture
Coupon Rate	9.60% (nine decimal point six per cent)

**Cash flows till maturity - Series 40 Debentures**

Cash Flows	Date of Payment	No. of days	Amount (in Rupees) per Debenture
Principal Inflow	Thursday, 31 October, 2024	-	1,00,000
Interest	Friday, 31 October, 2025	365	9,600
Interest	Monday, 2 November, 2026	367	9,653
Interest	Friday, April 30, 2027	179	4,708
Principal Repayment	Friday, April 30, 2027	-	1,00,000

**\* Subject to Business Day Convention clause.**

**# Coupon shall accrue based on actual/actual day count convention.**



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**PART B – DETAILS OF SERIES 41 ISSUE**

Tenor	36 (thirty-six) months from the Deemed Date of Allotment
Face Value	Rs. 1,00,000/- (Rupees One Lakh only) per Debenture
Coupon Rate	9.40% (nine decimal point four per cent)

**A. Cash flows till maturity - Series 41 Debentures**

Cash Flows	Date of Payment	No. of days	Amount (in Rupees) per Debenture
Principal Inflow	Wednesday, 31 October, 2024	-	1,00,000
Interest	Wednesday, 30 April, 2025	181	4,661
Interest	Friday, 31 October, 2025	184	4,739
Interest	Thursday, 30 April, 2026	181	4,661
Interest	Monday, 2 November, 2026	186	4,790
Interest	Friday, 30 April, 2027	179	4,610
Interest	Friday, 29 October, 2027	182	4,687
Principal Repayment	Friday, 29 October, 2027	-	1,00,000

**B. Cash flows till Coupon Reset – Series 41 Debentures**

Cash Flows	Date of Payment	No. of days	Amount (in Rupees) per Debenture
Principal Inflow	Thursday, 31 October, 2024	-	(1,00,000)
Interest	Wednesday, 30 April, 2025	181	4,661
Interest	Friday, 31 October, 2025	184	4,738
Interest	Thursday, 30 April, 2026	181	4,661
Interest	Friday, 31 July, 2026	92	2,369
Principal Repayment	Friday, 31 July, 2026	-	1,00,000

*\* Subject to Business Day Convention clause.*

*# Coupon shall accrue based on actual/actual day count convention.*



*Prathist*



## SCHEDULE VI: ELIGIBILITY CRITERIA

The eligibility criteria of the Hypothecated Assets are as follows:

- the Receivables must be in the form of loans advanced as permitted by the RBI that are not non-performing assets ("**NPA**") as on the date of hypothecation as well as from time to time during the Tenor of the Debentures;
  - the Receivables are existing at the time of selection and have not been terminated or pre-paid;
  - the Receivables have not been restructured or rescheduled and should be standard (non NPA); and
  - all "Know Your Customer" norms have been complied with as prescribed by the RBI.
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*Pratibha*



**SCHEDULE VII: DETAILS OF EXISTING FACILITIES**

SR No.	Lender Name	Type of Facility	Amt Sanctioned (Rs in Cr)	Principal Outstanding (Rs in Cr)
1	Aditya Birla Finance Ltd	Term Loan	75.00	45.00
2	Axis Bank	Term Loan	1,010.00	648.75
3	Bajaj Finance Ltd	Term Loan	205.00	163.28
4	Bandhan Bank	Term Loan	350.00	236.87
5	Bank of Baroda	Term Loan	650.00	438.06
6	Bank of India	Term Loan	150.00	149.92
7	Bank of Maharashtra	Term Loan	525.00	430.66
8	Canara Bank	Term Loan	250.00	250.00
9	Catholic Syrian Bank	Term Loan	75.00	38.71
10	DBS Bank India Ltd	Term Loan	100.00	60.61
11	DCB Bank Ltd	Term Loan	50.00	28.57
12	Dhanlaxmi Bank	Term Loan	25.00	16.25
13	Federal Bank	Term Loan	265.00	212.96
14	HDFC Bank	Term Loan	970.00	658.34
15	The Hong Kong and Shanghai Banking Corporation	Term Loan	160.00	149.09
16	IDBI Bank	Term Loan	25.00	20.00
17	Indian Bank	Term Loan	450.00	466.18
18	Indusind Bank	Term Loan	575.00	456.92
19	Indian Overseas Bank	Term Loan	50.00	42.46
20	Karnataka Bank	Term Loan	25.00	11.23
21	Karur Vysya Bank	Term Loan	130.00	96.44
22	Kotak Mahindra Bank	Term Loan	230.00	261.38
23	National Skill Development Corporation India	Term Loan	10.00	4.90
24	Punjab & Sind Bank	Term Loan	50.00	126.33
25	Qatar National Bank	Term Loan	105.00	73.25
26	RBL Bank Limited	Term Loan	160.00	70.00
27	State Bank of India	Term Loan	1,750.00	1,388.28
28	UCO Bank	Term Loan	150.00	54.85
29	Ujjivan Bank	Term Loan	120.00	88.33
30	Union Bank of India	Term Loan	750.00	485.88
31	Yes Bank	Term Loan	250.00	153.17



*Pratibha*



**SCHEDULE VIII: DETAILS OF EXISTING DEBENTURES**

Sr. No.	Particulars	Debenture Trustee	Tenor / Maturity period in months	Outstanding Amount	Allotment Date
1	NCD 001	Catalyst Trusteeship Limited	120	25	31-Jul-15
2	NCD 003	Catalyst Trusteeship Limited	120	15	07-Aug-15
3	NCD Series 14	Catalyst Trusteeship Limited	36	150	24-Mar-22
4	NCD Series 20	Catalyst Trusteeship Limited	32	200	07-Sep-22
5	NCD Series 21	Catalyst Trusteeship Limited	28	150	23-Sep-22
6	NCD Series 22	Catalyst Trusteeship Limited	29	250	04-Nov-22
7	NCD Series 24	Catalyst Trusteeship Limited	36	0.09	01-Feb-23
8	NCD Series 25	Catalyst Trusteeship Limited	39	75	20-Mar-23
9	NCD Series 26	Catalyst Trusteeship Limited	36	500	30-May-23
10	NCD Series 27	Catalyst Trusteeship Limited	37	200	30-May-23
11	NCD Series 28	Catalyst Trusteeship Limited	36	55	21-Jul-23
12	NCD Series 31	Catalyst Trusteeship Limited	35	100	07-Aug-23
13	NCD Series 29	Catalyst Trusteeship Limited	60	25	28-Jul-23
14	NCD Series 32	Catalyst Trusteeship Limited	37	100	07-Aug-23
15	NCD Series 33	Catalyst Trusteeship Limited	27	75	29-Aug-23
16	NCD Series 34	Catalyst Trusteeship Limited	14	150	17-Sep-24
17	NCD Series 35	Catalyst Trusteeship Limited	36	500	27-Sep-24
18	NCD Series 36	Catalyst Trusteeship Limited	36	350	08-Oct-24
19	NCD Series 37	Catalyst Trusteeship Limited	48	100	16-Oct-24
20	NCD Series 38	Catalyst Trusteeship Limited	30	75	16-Oct-24
21	NCD Series 39	Catalyst Trusteeship Limited	36	250	22-Oct-24
21	Sub Debt Series 2	Catalyst Trusteeship Limited	120	25	30-Jun-17
22	Sub Debt series 3	Catalyst Trusteeship Limited	120	25	27-Dec-17

*Prabhat*



**SCHEDULE IX: DETAILS OF EXISTING EXTERNAL COMMERCIAL BORROWINGS**

Sr. No.	Particulars	Amount Rs. (USD Mn)	Facility Agreement date
1)	WorldBusiness Capital INC.	USD 15 Mn	11 <sup>th</sup> August 2020
2)	Standard Chartered Bank	USD 57 Mn	14 <sup>th</sup> September 2023
3)	Standard Chartered Bank	USD 43.5 Mn	14 <sup>th</sup> September 2023
4)	Development Bank of Singapore	USD 100 Mn	5 <sup>th</sup> August 2024



*Pratibha*



IN WITNESS WHEREOF the signature of the Authorised Signatory of the Company has been hereunto affixed and the Debenture Trustee has caused these presents to be executed the day and year first hereinabove written in the manner hereinafter appearing.

SIGNED AND DELIVERED by AVANSE FINANCIAL SERVICES LIMITED pursuant to the resolution passed by the Board of Directors of the Company dated April 30, 2024 read with the resolution passed by the Committee of Executives of Board of Directors of the Company dated October 25, 2024 in the presence of Pratik Sati, the authorised signatory of the Company who has subscribed his signature hereto in token thereof in the presence of:

*Pratik Sati*



- 1.
- 2.

SIGNED AND DELIVERED by CATALYST TRUSTEESHIP LIMITED, the within named 'Debenture Trustee' by the hand of \_\_\_\_\_, it's Authorised Signatory.

For CATALYST TRUSTEESHIP LIMITED

*Lehovan*

Authorised Signatory