

DEBENTURE TRUST DEED

This Debenture Trust Deed ("**Deed**") is made at the place and on the date mentioned in **Schedule I** (*Schedule of Details*) hereto, between:

OXYZO FINANCIAL SERVICES LIMITED, a company incorporated under Companies Act, 2013, with corporate identification number ("**CIN**") U65929DL2016PLC306174 and registered with the Reserve Bank of India as a non-banking financial company, having its registered office at 22 C (UGF) D-1 (K-84), Green Park Main, New Delhi, South Delhi- 110016 and its corporate office at # 101, Vipul Agora Mall, MG Road Gurgaon, Haryana – 122001, India (hereinafter referred to as the "**Company**" or "**Issuer**" or "**Oxyzo**", 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 **FIRST PART**;

AND

IDBI TRUSTEESHIP SERVICES LIMITED, a company incorporated under the Companies Act, 1956 and existing company for the purposes of the Companies Act, 2013, having corporate identity number U65991MH2001GOI131154 and its registered office at office at Ground Floor, Universal Building, SIR Phirozshah Mehta, Fort, Mumbai-400001 and Branch Office at 10th Floor, 1009, Ansal Bhawan, KG Marg, New Delhi – 110001 (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 **SECOND PART**.

(The Company and the Debenture Trustee are hereinafter collectively referred to as the "**Parties**" and individually as a "**Party**")

BACKGROUND:

- A. The Company proposes to issue 2500 (Two Thousand Five Hundred) rated, senior, listed, secured, redeemable taxable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 25,00,00,000/- (Indian Rupees Twenty-Five Crore Only) ("**NCDs**" / "**Debenture**") for cash at par on private placement basis, in dematerialized form to certain identified investors on a private placement basis ("**Issue**") for the Purpose (*defined hereinafter*).
- B. The Company has issued Disclosure Documents (*defined hereinafter*) to potential investors, who may subscribe to the Debentures, on a private placement basis, *inter alia* setting out the broad terms and conditions on which the Debentures are to be issued.
- C. The Company is duly empowered by its memorandum of association and articles of association, and proposes to allot and issue the Debentures pursuant to the authority granted by the Resolutions (*defined hereinafter*) to the Applicants (*defined hereunder*) who have applied to subscribe to the Debentures.
- D. The Debentures will be issued in dematerialized form and are subject to the provisions of the Depositories Act, 1996 and rules notified by the Depository (*defined hereinafter*) from time to time. The Company has entered / will enter into an agreement with the Depository for issuing Debentures in the dematerialized form.
- E. The Company has obtained credit rating for the Issue pursuant to the Rating Letter (defined hereinafter) issued by the Rating Agency (*defined hereinafter*) as more particularly specified in **Schedule I** (*Schedule of Details*).



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- F. The Debentures will be listed on the wholesale debt market segment of the BSE (defined below) within the Listing Period (*defined hereinafter*).
- G. The Debenture Trustee is registered with the Securities Exchange Board of India as a debenture trustee under the Debenture Trustee Regulations (*defined hereinafter*) and pursuant to the Consent Letter (*defined hereinafter*) addressed by the Debenture Trustee which has been accepted by the Company, the Debenture Trustee has agreed to act as a trustee in trust and on behalf of and for the benefit of the Debenture Holder(s) (*defined hereinafter*) 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 (*defined hereinafter*), whereby the Company has appointed the Debenture Trustee and the Debenture Trustee has agreed to be appointed as a debenture trustee 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. The Company now proposes to execute a deed being these presents to record the various terms and conditions and stipulations of the Debentures, the terms and conditions of the appointment of the Debenture Trustee as well as the Company's obligation in respect of the Debentures including redemption of the Debentures and payment of all costs, charges, expenses, Trustee fee and other monies in accordance with the terms of the issue of the Debentures and creation of security, and the Company has agreed to do so in the manner agreed by the Debenture Trustee as hereinafter provided.
- J. One of the terms of the Issue is that the redemption of the principal amounts, payment of interest, 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 secured as stipulated and in accordance with the Issue Terms and Conditions (*defined hereinafter*).
- K. 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 as well as the Company's and the Debenture Trustee's obligations in respect of the Debentures including terms and conditions of the appointment of the Debenture Trustee, redemption of the Debentures, outstanding remuneration of the Debenture Trustee and all costs, charges, expenses and other monies payable in accordance with the terms of the issue of the Debentures and creation of security, and the Company has agreed to do so in the manner agreed by the Debenture Trustee, as hereinafter provided.
- L. This Deed is split into the following sections: (i) Part A which sets out terms which are standard in nature or are terms stipulated pursuant to statutory or regulatory requirements, and (ii) Part B which sets out the terms which are specific to this issuance of Debentures.

NOW THIS DEED WITNESSETH AND IT IS HEREBY MUTUALLY AGREED AND DECLARED BY AND BETWEEN THE PARTIES HERETO AS UNDER:

1. DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

As used in this Deed, the following terms have the meanings set out below:

"Act" means Companies Act, 2013, and for any matters or affairs prior to the notification of the relevant provisions of the Companies Act, 2013, and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time;

"Acceleration Event" shall mean have the meaning given to it in Schedule III (*Issue Terms and Conditions*);



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"Accelerated Redemption Notice" shall mean have the meaning given to it in Schedule III (*Issue Terms and Conditions*);

"Affiliate" means, with respect to the Company, another person which is (a) Controlled, directly or indirectly, by the Company; or (b) Controlling, directly or indirectly, and singly or together with other Affiliates, the Company; or (c) directly or indirectly under the same Control as the Company;

"Allotment Period" shall have the meaning given to it in **Schedule I** (*Schedule of Details*);

"Applicants" or **"Initial Debenture Holders"** means the persons who have submitted completed Application Forms to the Company and **"Applicant"** shall mean any one of them, as the context may require;

"Application Form" means the application form in the Disclosure Document(s);

"Application Money" means the subscription monies paid by the Applicants at the time of submitting the Application Form;

"Application Money Interest Rate" shall have the meaning given to it in **Schedule I** (*Schedule of Details*);

"Application Money Repayment Period" shall have the meaning given to it in **Schedule I** (*Schedule of Details*);

"Assets" means, for any date of determination, the assets of the Company on such date as the same would be determined in accordance with IND-AS at such date;

"BSE" means the BSE Limited;

"Business Day" means any day, other than a public holiday under Section 25 of the Negotiable Instruments Act, 1881 or a Sunday, on which banks are open for general business in Place(s) of Business;

"Capital Adequacy Ratio" means the capital adequacy ratio prescribed by the RBI as applicable for the Company from time to time, currently being the aggregate of Tier I Capital and Tier II Capital divided by Risk Weighted Assets;

"CDSL" means Central Depository Services Limited;

"Central Registry" shall have the meaning given to the term in the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

"Constitutional Documents" means the memorandum of association and the articles of association of the Company;

"Control" shall include the right to appoint or remove majority of the directors or 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 shareholders agreements or voting agreements or in any other manner and the terms **"controlling"** and **"controlled"** shall be correspondingly construed;

"Consent Letter" shall have the meaning given to it in **Schedule I** (*Schedule of Details*);

"Cure Period for breach of Financial Covenants" shall have the meaning given to it in **Schedule I** (*Schedule of Details*);

"Cure Period for breach of Other Covenants" shall have the meaning given to it in **Schedule I** (*Schedule of Details*);



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"**Debentures**" or "**NCDs**" shall have the meaning given to it in **Schedule I (Schedule of Details)**;

"**Debenture Holders**" means the persons who are, for the time being and from time to time, the holders of the Debentures and, whose names appear in the Register of Beneficial Owners/register of debenture holders, where such Debentures are held in dematerialised form and the Register of Debenture Holders, where such Debentures are held in physical form;

"**Debenture Trustee Agreement**" shall have the meaning given to it in **Schedule I (Schedule of Details)**;

"**Debenture Trustees Regulations**" means the Securities Exchange Board of India (Debenture Trustees) Regulations, 1993 (as amended or restated from time to time);

"**Disclosure Documents**" shall mean general information document, key information document(s) prepared in accordance with Schedule I of the SEBI NCS Listing Regulations and Offer Letter prepared in accordance with Section 42 of the Companies Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014;

"**Deemed Date of Allotment**" shall have the meaning given to it in **Schedule I (Schedule of Details)**;

"**Default Interest Rate**" shall have the meaning given to it **Schedule I (Schedule of Details)**;

"**Depository**" shall have the meaning given to it in **Schedule I (Schedule of Details)**;

"**DRR**" shall have the meaning given to it in Clause 2.22;

"**Due Date**" means in respect of any Redemption Installment, premature redemption, interest or liquidated damages and all other monies payable under this Deed, the date on which such amounts are due and payable, and includes Redemption Dates, Early Redemption Date and Interest Payment Dates;

"**Early Redemption Date**" means the date on which the Debentures are to be redeemed prior to the Final Redemption Date in terms of the Transaction Documents.

"**Event of Default**" means each of the events specified in **Schedule XII (Events of Default)**;

"**Equity**" means the total equity of the Company, including shareholders' equity (including premium), reserves, retained earnings or losses, current year cumulated net income or loss adjusted against collateral provided against Off-Balance Sheet Portfolio;

"**Final Redemption Date**" shall have the meaning given to it in **Schedule I (Schedule of Details)**;

"**Final Settlement Date**" means the date on which all the Payment Obligations have been irrevocably and unconditionally paid and discharged in full and/or the Debentures have been redeemed by the Company in full to the satisfaction of the Debenture Trustee;

"**Financial Indebtedness**" means any indebtedness for or in respect of:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any credit facility;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) any amount payable for redemption of any redeemable preference share which:
 - (i) is redeemable at the option of the Company; or



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- (ii) according to the terms of its issue, is redeemable prior to the maturity of the Debentures;
- (e) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with IND-AS, be treated as a finance or capital lease;
- (f) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (g) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (h) 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:
- (i) 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
- (ii) involves a period of more than six months before or after the date of acquisition or supply;
- (i) 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);
- (j) 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;
- (k) 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
- (l) without double counting, the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (k) above.

"Financial Year" means each period of 12 (twelve) months commencing on April 1 of any calendar year and ending on March 31 of the subsequent calendar year;

"First Security Cover Determination Date" shall have the meaning given to it in **Schedule I (Schedule of Details)**;

"Governmental Authority" shall mean any government (central, state or otherwise) or any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department or authority, agency or authority including any stock exchange or any self-regulatory organization, established under any Law;

"Group Companies" shall mean and refer to the subsidiaries of the Company, associate companies (as defined under the extant Companies Act, 2013) of the Company, and the entities under Control of the Company, from time to time.

"Hypothecation Agreement" or **"Deed of Hypothecation"** means the unattested hypothecation agreement, dated on or about the Deemed Date of Allotment, to be executed and delivered by the Company in a form acceptable to the Debenture Trustee securing the due repayment of the Payment Obligations;

"Hypothecation Confirmation Letter" shall have the meaning given to it in the Hypothecation Agreement;

"Hypothecated Assets" shall have the meaning given to it in the Hypothecation Agreement;



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"Ind- AS " means the generally accepted accounting principles, standards and practices in India, or any other prevailing accounting standard in India, as notified under the Act as may be applicable;

"Information Utility" shall have the meaning given to the term in The Insolvency and Bankruptcy Code, 2016;

"Interest Payment Date" or "Coupon Payment Date" means the payment dates in respect of the Debentures as specified in **Schedule IV (Interest Payment Dates)** hereto, unless such day is not a Business Day, in which case the payment date the subsequent Business Day;

"Interest Rate" or "Coupon Rate" shall have the meaning given to it in **Schedule I (Schedule of Details)**;

"Issue Terms and Conditions" means the terms and conditions on the part of the Company to be observed and performed as set out in **Schedule III (Issue Terms and Conditions)** hereto till the Final Settlement Date and as the same may, from time to time, be modified in accordance with these presents;

"Key Managerial Personnel" shall have the meaning ascribed to the term in the Companies Act, 2013.

"Law" means any applicable law, code, ordinance, interpretation, guideline, directive, judgment, injunction, decree, treaty, regulation, rule or order of any court, tribunal or Governmental Authority, in force in India;

"Listed NCDs Master Circular" means the circular issued by SEBI bearing the reference number SEBI/HO/DDHS/PoD1/P/CIR/2013/119 dated August 10, 2021 on "Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper", as amended, modified, supplemented or restated from time to time;

"Location of Dispute Resolution" shall have the meaning given to it in **Schedule I (Schedule of Details)**;

"Listing Period" shall have the meaning given to it in **Schedule I (Schedule of Details)**;

"Loan" means an assistance by way of a rupee loan, lent and advanced by the Company to an Obligor pursuant to a Loan Agreement and "Loans" shall mean the aggregate of all such loans lent and advanced by the Company to the Obligors.;

"Loan Agreement" means an agreement entered into between the Company and an Obligor (as amended, modified and altered from time to time) setting out the terms and conditions on which the Company has agreed to lend and advance a Loan to the Obligor, and "Loan Agreements" shall mean all such agreements collectively;

"Loan Documents" means:

- (a) the Loan Agreements, as amended, modified and altered from time to time;
- (b) all agreements, instruments, undertaking, indentures, deeds and writings and other documents (whether financing or security) executed or entered into by the Obligors and the Company in relation, or pertaining to the transaction contemplated by, or under, the Loan Agreements, and each such Loan Agreement as amended, modified and altered from time to time;

"Local Currency" means Indian Rupees (denoted as "INR" or "Rs." or "₹"), the lawful currency of India;

"Majority Debenture Holders" shall have the meaning given to it in **Schedule I (Schedule of Details)**;



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"**Majority Resolution**" means resolution approved Majority Debenture Holders, either in a poll or in a meeting of the Debenture Holders;

"**Master Circular for Debenture Trustee**" means the SEBI circular bearing reference number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023 on "Master Circular for Debenture Trustees", as amended, modified, supplemented or restated from time to time.

"**Material Adverse Effect**" means the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could reasonably be expected to cause a material and adverse effect on (a) the financial condition, business or operation of the Company, environmental, social or otherwise or prospects of the Company; (b) the rights or remedies of the Debenture Holders hereunder or under any other Transaction Documents; (c) the ability of the Company to perform its obligations under the Transaction Documents; or (d) the validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder);

"**Minimum Rating**" shall have the meaning given to it **Schedule I (Schedule of Details)**;

"**Nominee Director**" shall have the meaning given to it in Clause 5.9;

"**NBFC**" mean Non-Banking Financial Companies;

"**NBFC Master Directions**" means the master directions issued by the RBI on 'Master Direction- Reserve Bank of India (Non-Banking Financial Company- Scale Based Regulation) Direction 2023' issued by the Reserve Bank of India, and as amended or updated, as the case may be from time to time;

"**NSDL**" means National Securities Depository Limited;

"**Objectionable Practice**" means any acts of bribery or corruption, financing of terrorist/terrorist organisation, misrepresentation for financial benefit, money laundering activities (howsoever described under applicable Law) or any act of falsifying/alteration of evidence relating to the aforesaid activities;

"**Obligor**" means a person who has availed of a Loan from the Company under the terms and conditions set out in the respective Loan Agreement entered into between such person and the Company, and who is liable to pay the amounts due to the Company, and "**Obligors**" shall mean all such Persons collectively;

"**Off-Balance Sheet Portfolio**" shall mean principal balance of (i) loans securitized by the Company, (ii) loans assigned by the Company and (iii) loans originated on behalf of other persons.

"**Offer Letter**" shall mean the private placement offer letter in the format prescribed under PAS 4 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and under Section 42 of the Act by the Company for the issue of the Debentures on a private placement basis;

"**Outstanding Principal Amounts**" means, at any date, the Local Currency principal amount outstanding under the Debentures;

"**Outstanding Amounts**" means the Outstanding Principal Amounts, together with all interest, fees, costs, commissions, charges, Trustee fees and other amounts due and payable by the Company under or in respect of this Deed or any Transaction Document;

"**Payment Default**" shall mean any event, act or condition which with notice or lapse of time, or both, would constitute an Event of Default under Clause (a) (*Payment Default*) of **Schedule XII (Events of Default)**;



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"**Payment Obligations**" means all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) of the Company to the Debenture Holders or the Debenture Trustee under this Deed and shall include the obligation to redeem the Debentures in terms thereof, any outstanding remuneration of the Debenture Trustee, default interest payable, if any, and all fees, costs, charges and expenses and other monies payable by the Company under the Transaction Documents;

"**Place(s) of Business**" shall have the meaning given to it in **Schedule I (Schedule of Details)**;

"**Previous Year**" means the Financial Year immediately preceding the current Financial Year;

"**Proceedings**" shall have the meaning given to it in Clause 8 (b)(i);

"**Promoter(s)**" shall have the meaning assigned to it in **Schedule I (Schedule of Details)**;

"**Purpose**" shall have the meaning assigned to it in **Schedule I (Schedule of Details)**;

"**Prepayment Penalty**" shall have the meaning assigned to it in **Schedule I (Schedule of Details)**;

"**Put Option Date**" shall have the meaning ascribed to the term in **Schedule I (Schedule of Details)** and Clause B- sub clause (c) of **Schedule III**.

"**Put Notice**" shall have the meaning ascribed to the term in Clause B- sub clause (c) of **Schedule III**.

"**Monthly Security Cover Determination Date**" shall have the meaning given to it in **Schedule I (Schedule of Details)**;

"**Rating Agency**" means the rating agency approved by SEBI for carrying out debt ratings in India more particularly identified in **Schedule I (Schedule of Details)**, which has been appointed for the purpose of rating the Debentures;

"**Rating Letter**" shall have the meaning assigned to it in **Schedule I (Schedule of Details)**;

"**RBI**" means the Reserve Bank of India;

"**Receivables**" has the meaning ascribed to it in the Hypothecation Agreement;

"**Recovery Expense Fund**" shall mean recovery expense fund established or to be established and maintained by the Company in accordance with the SEBI Listing Regulations and Circulars;

"**Redemption Dates**" means the dates on which Redemption Installments will be due and payable and more particularly prescribed in **Schedule V (Redemption Schedule)** and "**Redemption Date**" shall mean any one of them, as the context may require.

"**Register of Beneficial Owners**" means the register of beneficial owners of the Debentures maintained in the records of the Depository, as the case may be;

"**Register of Debenture Holders**" means the register maintained by the Company at its registered office and containing the names of the Debenture Holders;

"**Registrar**" shall mean the registrar and transfer agent more particularly identified in **Schedule I (Schedule of Details)** appointed for the issue of Debentures;

"**Register Closure Period**" shall have the meaning given to it in **Schedule I (Schedule of Details)**.

"**Reporting Date**" has the meaning given to it in the Hypothecation Agreement;



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"**Replaced**" has the meaning given to it in the Hypothecation Agreement;

"**Replaced**" has the meaning given to it in the Hypothecation Agreement;

"**Replacement**" has the meaning given to it in the Hypothecation Agreement;

"**Resolutions**" shall have the meaning given to it in **Schedule I (Schedule of Details)**;

"**Risk Weighted Assets**" shall be calculated as per the method prescribed in the NBFC Master Directions;

"**ROC**" means the jurisdictional Registrar of Companies for the Company;

"**SEBI**" means the Securities and Exchange Board of India;

"**SEBI Listing Timelines Requirements**" means the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the Listed NCDs Master Circular;

"**SEBI NCS Listing Regulations**" means the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, modified, supplemented or restated from time to time;

"**SEBI Listed Debentures Circulars and Regulations**" means, collectively, Master Circular for Debenture Trustee, the Listed NCDs Master Circular, SEBI NCS Regulations and the LODR Regulations (to the extent applicable);

"**SEBI LODR Regulations**" or "**LODR Regulations**" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, modified, supplemented or restated from time to time;

"**Security Cover Ratio**" means the minimum permissible ratio of Receivables comprising the Hypothecated Assets (excluding any Portfolio At Risk) to the Outstanding Principal Amounts to be maintained in accordance with the provisions of the Hypothecation Agreement;

"**Special Majority Debenture Holders**" shall have the meaning given to it in **Schedule I (Schedule of Details)**;

"**Special Resolution**" means resolution approved by Special Majority Debenture Holders, either in a poll or in a meeting of the Debenture Holders;

"**Step-up Coupon**" shall have the meaning given to it under **Schedule I (Schedule of Details)**;

"**Subordinated Debt**" means any financial obligation of the Company, which is unsecured and subordinated to the claims of other creditors and is free from restrictive clauses and is not redeemable at the instance of the holder/provider of the subordinated debt, or without the consent of the supervisory authority of the non-banking financial company;

"**Tangible Net Worth**" means the net worth (as defined in the Act) of the Company according to the latest available audited balance sheet, net of redeemable capital, intangible assets and deferred tax assets;

"**Tax**" means any present or future tax, levy, duty, charge, fees, deductions, withholdings, turnover tax, transaction tax, stamp tax or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter imposed by Law by any Governmental Authority and as maybe applicable in relation to the payment obligations of the company under this Deed;



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"**Tax Claims Amount**" has the meaning given to it in **Schedule I (Schedule of Details)**;

"**Tier I Capital**" has the meaning ascribed to it in the NBFC Master Directions;

"**Tier II Capital**" has the meaning ascribed to it in the NBFC Master Directions;

"**Top-up**" shall have the meaning given to it in the Hypothecation Agreement;

"**Topped Up**" shall have meaning given to it in the Hypothecation Agreement;

"**Total Assets**" means, for any date of determination, the total Assets of the Company on such date, including owned, securitised and managed (non-owned) portfolio;

"**Transaction Documents**" has the meaning given to it in **Schedule I (Schedule of Details)**;

"**Trust**" shall have the meaning given to it in Clause 2.7 (b);

"**XIRR**" means the internal rate of return calculated using the XIRR function in Microsoft Excel software.

1.2 Interpretation and Construction

- (a) The recitals and schedules shall constitute an integral and operative part of this Deed.
- (b) Unless the context otherwise requires reference to Clause and Schedule is to a clause and schedule of this Deed.
- (c) Headings to Clauses, parts and paragraphs of schedules are for convenience only and do not affect the interpretation of this Deed.
- (d) Reference to any statute or regulation or statutory or regulatory provision shall include:
 - (i) all statutory and regulatory instruments or orders including subordinate or delegated legislation (whether by way of rules, notifications, bye-laws and guidelines) made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated); and
 - (ii) such provision as from time to time amended, modified, re-enacted or consolidated to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to any transactions entered into under this Deed and (to the extent liability thereunder may exist or can arise) shall include any past statutory provision (as from time to time amended, modified, re-enacted or consolidated) which the provision referred to has directly or indirectly replaced.
- (e) Reference to any document includes an amendment or supplement to, or replacement or novation of, that document, but disregarding any amendment, supplement, replacement or novation made in breach of this Deed.
- (f) Reference to an "amendment" includes a supplement, modification, novation, replacement or re-enactment and "amended" is to be construed accordingly.
- (g) Words denoting the singular shall include the plural and *vice versa*.
- (h) Words denoting any gender include all genders.
- (i) References to the term "include" or "including" shall be construed without limitation.



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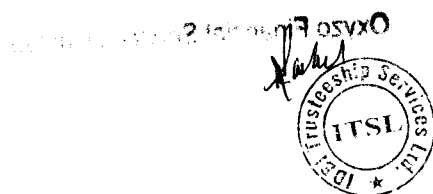
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- (j) References to a "person" or "Person" (or to a word importing a person) shall be construed so as to include:
- (i) individual, sole proprietorship, firm, partnership, limited liability partnership, trust, joint venture, company, corporation, body corporate, unincorporated body, association, organisation, any governmental agency or other entity or organisation (whether or not in each case having separate legal personality);
 - (ii) that person's successors in title, executors, and permitted transferees and permitted assignees; and
 - (iii) references to a person's representatives shall be to its officers, employees, legal or other professional advisers, sub-contractors, agents, attorneys and other duly authorised representatives.
- (k) Words "hereof", "herein", "hereto", "hereunder" and words of similar import when used with reference to a specific Clause in this Deed shall refer to such Clause in this Deed and when used otherwise than in connection with specific Clauses shall refer to this Deed as a whole.
- (l) In the computation of periods of time from a specified date to a later specified date, the words "from" and "commencing on" mean "from and including" and "commencing on and including", respectively, and the words "to", "until" and "ending on" each mean "to but not including", "until but not including" and "ending on but not including" respectively.
- (m) Words and expressions defined in the Issue 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 under Clause 1.1 above.
- (n) Words or phrases used herein and not defined shall have the same meaning as assigned to such words or phrases in the Disclosure Document.
- (o) Where a wider construction is possible, the words "other" and "otherwise" shall not be construed *ejusdem generis* with any foregoing words.
- (p) All references in this Deed or other Transaction Documents to the Debenture Trustee taking any actions, exercising any powers or rights, executing any documents or instrument or providing any confirmations shall be interpreted at all times as acting on the prior written instructions of the Debenture Holders.
- (q) Except as specifically stated herein consent of Majority Debenture Holders/ Special Majority Debenture Holders is required for modification/waiver/actions under covenants as stated in the Debenture Trust Deed.
- (r) All references in this Deed and/or other Transaction Documents to the determination or discretion or opinion to be exercised, in relation to the happening or non-happening of any event or exercise of any rights, would mean, at the determination or discretion or opinion of the Debenture Holders (in accordance with a Special Resolution/Majority Resolution) or of the Debenture Trustee (in accordance with the instructions of the Special Majority Debenture Holders/Majority Debenture Holders or a Special Resolution/ Majority Resolution passed by Debenture Holders) and such determination shall be binding upon the Company.

1.3 Conflict

- (a) The provisions contained in this Deed shall be read in conjunction with the provisions contained in the Disclosure Document, the Transaction Documents and any other agreement, entered into between the Company, and the Debenture Holders/ Debenture Trustee. The



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terms and conditions of the issue of Debentures pursuant to the Disclosure Document and any other agreement, entered into between the Company and the Debenture Holders/Debenture Trustee, shall be binding on the Company and the Debenture Holders/Debenture Trustee, as the case may be and all persons claiming by, through or under any of them until execution of this Deed. The Debenture Trustee shall be entitled to enforce the obligations of the Company contained in the Disclosure Document.

- (b) It is specifically agreed between the Debenture Trustee and the Company that in case of any repugnancy, inconsistency or where there is a conflict between the terms in the Disclosure Document, and the provisions contained in this Deed and any other agreement, entered into between the Company and the Debenture Holders, the provisions contained in this Deed shall prevail.

PART A: STANDARD TERMS

2. ISSUE OF DEBENTURES

These terms shall be binding on the Company, the Debenture Trustee, the Debenture Holders and all persons claiming by, through or under any of them and the Debenture Trustee shall be entitled to enforce the obligations of the Company under or pursuant to these terms.

2.1 Issue Terms and Conditions

The terms of the Debentures proposed to be issued by the Company pursuant to the Disclosure Documents shall be in accordance with the Issue Terms and Conditions. The Issue Terms and Conditions shall be binding on the Company, the Debenture Trustee, the Debenture Holders and all persons claiming by, through or under any of them and the Debenture Trustee shall be entitled to enforce the obligations of the Company under or pursuant to Issue Terms and Conditions as if the same were set out and contained in this Deed which shall be read and construed as one document.

2.2 Purpose

The funds raised by the Issue shall be utilized by the Company solely towards the Purpose.

The Company shall not use the proceeds of the Issue towards:

- (i) any capital market instrument such as equity and equity linked instruments or any other capital market related activities
- (ii) any real estate activity;
- (iii) any speculative purposes; or
- (iv) any purpose, that is not eligible for the providing of financing by banks to non-banking financial companies for bank finance to non-banking financial companies, or, which results in a breach of the RBI's master circular no. DOR.CRE.REC.No.77/21.04.172/2021-22 dated January 5, 2022 on "Bank Finance to Non-Banking Financial Companies (NBFCs)"; and
- (v) in contravention of any guidelines, rules or regulations of the RBI applicable to non-banking financial companies.

PROVIDED HOWEVER, the Company shall be entitled to temporarily invest the funds raised by the Issue in liquid mutual funds and deposits held with scheduled commercial banks for a period not exceeding 15 (Fifteen) calendar days from the Deemed Date of Allotment.



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2.3 Mode of issue

The Debentures will be issued by way of private placement.

2.4 Ranking

The Debentures shall be secured by first ranking exclusive charge in favour of the Debenture Holders. Each of the Debentures constitute direct, senior and secured obligation of the Issuer and the claims of the Debenture Holders shall be akin to the claims of the senior secured lenders and shall rank *pari passu* to all the senior secured indebtedness of the Issuer.

2.5 Allotment of Debentures

The Debentures will be deemed to be allotted to the Debenture Holders on the Deemed Date of Allotment. All benefits relating to the Debentures will be available to the Debenture Holders from the Deemed Date of Allotment. In the event the Company fails to allot the Debentures to the Applicants within the Allotment Period, it shall repay the Application Money to the Applicants within the Application Money Repayment Period. In the event the Company fails to repay the Application Money within the Application Money Repayment Period, then the Company shall be liable to repay the Application Money along with interest on Application Money at the Application Money Interest Rate, from the expiry of the Allotment Period. Notwithstanding the above, no interest under this Clause shall be payable if the Company is paying interest under the provisions of **Clause 2.8 (Interest on Application Money)** below.

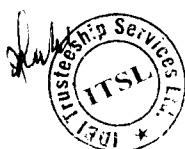
2.6 Application Money

The Application Money received by the Company 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 allotment of Debentures; or
- (b) for repayment of Application Money in case the Company is unable to allot the Debentures.

2.7 Trustee for the Debenture Holders

- (a) Pursuant to the Debenture Trustee Agreement, the Debenture Trustee has agreed to act as the trustee for the benefit of the Debenture Holders in respect of the Debentures. The Debenture Trustee is authorized to:
 - (i) to execute and deliver this Deed, all other Transaction Documents and all other documents, agreements, instruments and certificates contemplated by this Deed or other Transaction Documents, which are to be executed and delivered by the Debenture Trustee;
 - (ii) to take whatever action as shall be required to be taken by the Debenture Trustee by the terms and provisions of the Transaction Documents, and subject to the terms and provisions of this Deed or any other Transaction Documents, to exercise its rights and perform its duties and obligations under each of the documents, agreements, instruments and certificates referred to in sub-clause (a) above in such documents, agreements, instruments and certificates; and
 - (iii) subject to the terms and provisions of this Deed and the other Transaction Documents, to take such other action in connection with the foregoing as the Debenture Holders may from time to time direct.



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- (b) The Company hereby settles in trust with the Debenture Trustee the sum of INR 1,000/- (Indian Rupees One Thousand only). The Debenture Trustee has accepted the above amount of INR 1,000/- (Indian Rupees One Thousand only) in trust declared and, subject to the terms and conditions in this Deed, agreed to act as trustee for the benefit of the Debenture Holders in relation to all amounts and properties received by it in respect of the Debenture Holders (the trust declared hereinafter referred to as the "Trust").
- (c) The Debenture Trustee shall act as the trustee for the benefit and in the best interest of the holder(s) of the Debentures and their successors, transferees and subject to the terms and provisions of this Deed and other Transaction Documents. The Debenture Trustee shall, at all times, exercise the authority, power and discretion granted to it under this Deed for the benefit and in the best interest of the holder(s) of the Debentures and their successors and transferees.
- (d) The Debenture Trustee declares that it shall not revoke the trust(s) hereby declared until all the Payment Obligations are irrevocably discharged and paid in full by the Company to the Debenture Holders and the Debenture Trustee under the Transaction Documents.
- (e) The Debenture Holders shall, by signing the Application Form and without any further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of their agents or authorized officials to do *inter alia* all acts, deeds and things necessary in respect of the Debentures being offered in terms of the Disclosure Document. The terms and conditions set out in the Disclosure Document/Offer Letter and this Deed shall be binding on the Company and any permitted assignees or successors in Law.

2.8 Interest on Application Money

Interest on Application Money at the Application Money Interest Rate (subject to deduction of tax at source at the rate prevailing from time to time under the provisions of the Income-tax Act, 1961 or any other statutory modification or re-enactment thereof) will be paid on Application Money to the Applicants from the date of realization of the cheques/drafts or credit through RTGS/NEFT/direct credit up to one day prior to the Deemed Date of Allotment for all valid applications, within 5 (five) Business Days from the Deemed Date of Allotment. Where the entire subscription amount has been refunded, the interest on Application Money will be paid along with the refund orders or through RTGS/NEFT/direct credit to the bank account of the Applicant as described in the Application Form. Where an Applicant is allotted a lesser number of Debentures than applied for, the excess amount paid on application will be refunded to the Applicant and the cheque/ draft towards interest on the refunded money will be dispatched by registered post, courier or by way of RTGS/NEFT/direct credit. Details of allotment will be sent to every successful Applicant. In all cases, the interest instruments will be sent, at the sole risk of the Applicant/first Applicant. Notwithstanding the above, no interest shall be payable if the Application Money is received by the Company on the Deemed Date of Allotment.

2.9 Face Value and Issue Price

Face value and issue price of the Debentures shall be as stipulated and in accordance with **Clause A (Face Value and Issue Price)** of **Schedule III (Issue Terms and Conditions)**.

2.10 Redemption

The Company covenants with the Debenture Trustee that it shall redeem the Debentures as stipulated and in accordance with **Clause B (Redemption)** of **Schedule III (Issue Terms and Conditions)**.

2.11 Interest Payment

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The Company covenants with the Debenture Trustee that it shall pay interest and additional interest (as applicable) on the Outstanding Principal Amounts as stipulated and in accordance with **Clause C (Interest Payment)** and **Clause D (Default Interest)** of **Schedule III (Issue Terms and Conditions)**.

2.12 Due Date of Payment

- (a) If the date of payment of any interest (other than the final installment of interest) in respect of the Debentures falls on a day that is not a Business Day, such payment of interest shall be made on the next occurring Business Day;
- (b) If the date of payment of the final installment of interest or any Redemption Installment falls on a day that is not a Business Day, such payment of installment shall be made on the immediately preceding Business Day; and
- (c) If the Final Redemption Date or the Put Date, as the case may be, falls on a day that is not a Business Day, such payment of interest and Redemption Installment shall be made on the immediately preceding Business Day.

2.13 Application of Payments

Unless otherwise agreed to by the Debenture Holders, any payments due and payable to the Debenture Holders and made by the Company shall be applied towards such dues in the following order:

- (a) *firstly*, towards costs, charges and expenses incurred by the Debenture Trustee in accordance with the terms of this Deed;
- (b) *secondly*, towards additional interest and liquidated damages payable to the Debenture Holders;
- (c) *thirdly*, towards interest; and
- (d) *lastly*, towards redemption of the Debentures due and payable under this Deed.

2.14 Restriction of Preferential Payments

The Debentures shall rank *pari passu*, inter se, and the Company shall pay and discharge all its liabilities to the Debenture Holders under this Deed without preference or priority of one over the other.

2.15 Place and Mode of Payment by the Company

All interest monies, principal repayments and penal interest, if any, payable by the Company to the Debenture Holders shall be paid to the Debenture Holders in Local Currency by electronic mode of transfer like RTGS/NEFT/direct credit, at the sole risk of the Debenture Holders and to such bank account within India as the Debenture Holders intimate the Company in writing and available with the Registrar. Credit for all payments will be given only on realization.

2.16 Transfer of Debentures

Transfer and transmission of the Debentures shall be subject to the Depositories Act, 1996, the rules made thereunder, the byelaws, rules and regulations of the Depository as amended from time to time.

2.17 Debentures free from Equity

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



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2.18 Debenture Holders not entitled to shareholders' rights

The Debenture Holders will not be entitled to any of the rights and privileges available to the shareholders including right to receive notices of or to attend and vote at general meetings of the Company, other than those available to them under relevant statutes. If, however, any resolution affecting the rights attached to the Debentures is placed before the shareholders, such resolution will first be placed before the Debenture Holders for their consideration.

2.19 Issuance of Debentures

The Debentures shall be in a dematerialized form but are fungible and are represented by the statement issued through the electronic mode. The Company has made depository arrangements with the Depository for the issue of the Debentures in a dematerialized form pursuant to the tripartite agreements between the Company, Depository and the Registrar. The Debenture Holders will hold the Debentures only in dematerialized form and deal with the Debentures in accordance with the provisions of the Depositories Act, 1996 and/or rules as notified by the Depository from time to time.

2.20 Security creation

The Company covenants with the Debenture Trustee that it shall secure the Debentures as stipulated and in accordance with Clause F (*Security Creation*) of **Schedule III** (*Issue Terms and Conditions*).

2.21 Listing of Debentures and Rating

- (a) The Debentures shall be listed on the wholesale debt market segment of the BSE within the Listing Period and towards this effect the Company shall comply with all applicable Laws in relation to such listing and ensure that all approvals and resolutions required to list the Debentures are in place and shall further execute the applicable listing agreements and other agreements, documents and other writings as may be stipulated by the concerned stock exchange for listing of the Debentures on such stock exchange (if the same has not already been completed). Once the Debentures are listed, the Company shall ensure that the Debentures continue to be listed on the wholesale debt market segment of the BSE. All expenses, costs and charges incurred for the purpose of listing of the Debentures shall be borne and paid by the Company.
- (b) In accordance with the SEBI NCS Listing Regulations read together with the Listed NCDs Master Circular for , the Company confirms that in the event there is any delay in listing of the Debentures beyond 3 (Three) trading days from the date of closure of the issue for the Debentures, the Company (i) will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate for the period of delay from the Deemed Date of Allotment until the listing of the Debentures is completed.
- (c) The Company shall ensure that the Debentures at all times are rated in accordance with the provisions of the Transaction Documents.

2.22 Debenture Redemption Reserve

The Company hereby agrees and undertakes that, if required to do so as per applicable Law, it will create a debenture redemption reserve ("**DRR**") as per the provisions of the Act (and any rules or regulations made thereunder) and the guidelines issued by the SEBI, and if during the currency of this Deed, any guidelines are formulated (or modified or revised) by any Government Agency or corporation having authority under Law in respect of creation of DRR, the Company shall abide by such guidelines and execute all such supplemental letters, agreements and deeds of modifications as may be required by the Debenture Trustee. Where applicable, the Company shall submit to the Debenture Trustee a certificate duly certified by a chartered accountant certifying that the Company has transferred a



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suitable sum to DRR at the end of each Financial Year. Notwithstanding the aforesaid, in case the Company is required to maintain DRR under applicable Law, it shall create debenture redemption reserve in accordance with the Companies Act, 2013 (and Rules thereunder) and in terms thereof, earmark an amount not less than 15% of the amount maturing during the year ending on the 31st day of March of the next year by way of investment and deposits in specified securities on or before the 30th day of April in each year or as required under applicable Law, whichever is higher.

2.23 **Costs/Taxes**

The Company shall bear the costs and expenses incurred in connection with the transactions contemplated hereby including stamp duty on this Deed, the Debentures, and the legal advisors' expenses, trustee fee, Rating Agency fee, and expenses incurred in the preparation for the Transaction Documents.

Relevant taxes, duties and levies including charges / fees and any amounts payable under this Debentures by the Issuer as mentioned herein do not include any applicable taxes, levies including service tax etc. and all such impositions shall be borne by the Company.

2.24 **Indemnity**

The Company shall, commencing from the Deemed Date of Allotment until the Final Settlement Date, within 10 (ten) days of demand, indemnify the Debenture Holders and Debenture Trustee from time to time, against any and all losses, liabilities, obligations, damages, judgments, costs, expenses (including, without limitation, advisors' fees), claims, fines, penalties, proceedings, actions or demands, of any kind or nature incurred by the Debenture Trustee/Debenture Holders as a result of:

- (a) occurrence of any Event of Default; or
- (b) any demand for any stamp duty, registration fee or any other duty, fee, costs, or imports received from any Governmental Authority in relation to the transactions contemplated under the Transaction Documents (including without limitation, any demand from stamp duty arising because any Transaction Document has been taken or has been received (whether by way of facsimile, photocopy or electronic record) in any state other than the state in which it has been executed; and
- (c) a failure by the Company to pay any amount due under any Transaction Document on its due date.

Any indemnification payment made by the Company shall be grossed up to take into account any taxes, payable by the Debenture Trustee/Debenture Holders or deductible by the Company on such payment. The indemnification rights of the Debenture Trustee/Debenture Holders under this Deed are independent of, and in addition to, such other rights and remedies as the Debenture Trustee/Debenture Holders may have at law or in equity or otherwise, including the right to seek specific performance or other injunctive relief, none of which rights or remedies shall be affected or diminished thereby. The Company acknowledges and agrees that any payments to be made pursuant to this **Clause 2.24 (Indemnity)** are not in the nature of a penalty but merely reasonable compensation for the loss that would be suffered, and therefore, the Company waives all rights to raise any claim or defence that such payments are in the nature of a penalty and undertakes that it shall not raise any such claim or defence.

2.25 **Variation in Debenture Holders' Rights**

The rights, privileges, terms and conditions attached to the Debentures may be varied, modified or abrogated as set out in Clause 10.3 (Amendments) by due process as out in *Clause 6 (Provisions of Meeting of Debenture Holders)*.



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2.26 Conditions Precedent

At the request of the Company, the Applicants have agreed to subscribe to the Debentures in the manner set out therein. Notwithstanding anything stated herein, Applicants shall not be required to subscribe to the Debentures until the condition precedents stipulated in **Schedule VI (Conditions Precedent)** hereto are complied with.

3. REPRESENTATIONS, WARRANTIES, AND COVENANTS OF THE COMPANY

3.1 Utilization of proceeds of the Debentures

The Company shall utilise the moneys received towards subscription of the Debentures for the Purpose and procure and furnish to the Debenture Trustee a certificate from the Company's statutory auditors in respect of the utilisation of funds raised by the issue of the Debentures;

3.2 Representations and Warranties

The Company makes the representations and warranties set out in this Clause to the Debenture Trustee for the benefit of the Debenture Holders on the date of this Deed and during the term of the Debentures.

(a) **Status**

- (i) It is a company, duly incorporated, registered and validly existing under the Laws of India.
- (ii) It is registered as a non-banking financial company with the RBI.
- (iii) It and each of its subsidiaries (as defined under the Act) has the power to own their respective Assets and carry on their respective business as it is being conducted.

(b) **Binding obligations**

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

(c) **Non-conflict with other obligations**

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

- (i) any Law or regulation applicable to it;
- (ii) its Constitutional Documents
- (iii) any agreement or instrument binding upon it or any of its Assets.

(d) **Power and authority**

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

(e) **Validity and admissibility in evidence**



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All approvals, authorizations, 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
- (iii) for it to carry on its business, and which are material, have been obtained or effected and are in full force and effect.

(f) **No default**

No Event of Default or potential Event of Default has occurred and is continuing or would reasonably be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures. No other event or circumstance is outstanding which constitutes (or which would, with the lapse of time, the giving of notice, the making of any determination under the relevant document or any combination of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument which is binding on the Company or any of its Assets or which might have a Material Adverse Effect.

(g) **Pari passu ranking**

Each Debenture constitutes direct and unconditional and secured obligations of the Company. The claims of the Debenture Holders shall be superior to all the claims of equity investors/ investors of Tier I Capital and Tier II Capital (including without limitation, any Subordinated Debt) and shall rank at least *pari passu* inter se and to all other lenders who have not expressly agreed to subordinate their claims to those of other lenders of the Company.

(h) **No proceedings pending**

Except as disclosed by the Company in its Disclosure Document, annual reports and financial statements, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which have been started or threatened against the Company, where such proceedings could result in or cause a Material Adverse Effect.

(i) **No misleading information**

- (A) All information provided by the Company to the Debenture Trustee/Debenture Holders for the purposes of this Issue is true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.
- (B) It has disclosed all information in the Disclosure Document that is relevant for the Applicants to apply for subscription of the Debentures.

(j) **No Material Adverse Effect**

- (i) There has not been and there is no investigation or enquiry by, or order, decree, decision or judgment of, any Governmental Authority been issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated against the Company which would have a Material Adverse Effect on the Company, nor has any notice or other communication (official or otherwise) from any Governmental Authority been issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated with respect to an



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alleged, actual or potential violation and/or failure to comply with any such applicable Law or requiring them to take or omit any action.

- (ii) The Company has not violated, or breached any applicable Law which has resulted in or could reasonably be expected to have a Material Adverse Effect.

(k) **Assets**

Except for the security interests and encumbrances created and recorded with the ROC updated from time to time, the Company has, free from any security interest or encumbrance, the absolute legal 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 for the conduct of its business as it is being, and is proposed to be, conducted.

(l) **Financial statements**

- (i) Its financial statements most recently supplied to the Debenture Trustee were prepared in accordance with IND-AS consistently applied save to the extent expressly disclosed in such financial statements.

- (ii) Its financial statements for the Previous Year supplied to the Debenture Trustee, 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.

- (iii) It has disclosed all its borrowings from various banks and financial institutions in the Disclosure Document.

(m) **Solvency**

- (i) 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 has not been deemed by a court to be unable to pay its debts for the purposes of applicable Law, nor will it become unable to pay its debts for the purposes of applicable Law as a consequence of entering into this Deed or any other Transaction Document.

- (ii) The Company, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling its Indebtedness.

- (iii) The value of the Assets of the Company is more than its liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.

- (iv) The Company has not taken any corporate action nor has it taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings.

- (v) No insolvency process has commenced under the (Indian) Insolvency and Bankruptcy Code, 2016 in respect of the Company.

- (vi) No reference, enquiry or proceedings under corporate debt restructuring (CDR) mechanism or the strategic debt restructuring (SDR) mechanism of the RBI, and no steps have been taken by any lender in respect of any member of the Group, under the 'Scheme for Sustainable Structuring of Stressed Assets (S4A) issued by the RBI.



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(n) **No immunity**

The Company is not entitled to any immunity or privilege (sovereign or otherwise) from any set-off, judgment, execution, attachment or other legal process.

(o) **Legal and Beneficial Ownership**

Except for the security interests and encumbrances created and recorded with the Ministry of Corporate Affairs (available using CIN/FCRN/LLPIN/FLLPIN of the Company on the website <http://www.mca.gov.in/MCA21/index.html> under the heading "Index of Charges"), the Company has, free from any security interest or encumbrance, the absolute legal 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 material assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.

(p) **Compliance with Laws**

(i) The Company and its group company(ies) have conducted and are conducting their respective businesses in all material respects in compliance with all applicable Laws.

(iii) The Company and its group company(ies) shall complete all necessary formalities including all filings with the relevant regulatory authorities, including but not limited to SEBI, the BSE and the ROC (if applicable) and obtain all consents and approvals required for the completion of the Issue.

(q) **Anti-terrorism Laws**

The Company and its affiliates are in compliance in all respects with all Anti-Terrorism Laws, and are adhering to all regulatory requirements pertaining to Anti-Terrorism /and Anti-Money Laundering.

(r) **No Corrupt Practices**

(i) Neither the Company nor its Promoters or affiliates have indulged in any corrupt practices pertaining to the business such as misstatement, fraud, misappropriation, embezzlement of financial and other resources or gains unreported in the audited financial statements.

(ii) The Company, its officers, directors or employees in such capacities or any person acting on behalf of the Company have not engaged in any Objectionable Practice.

(s) **Taxation**

(i) The Company has duly and punctually paid and discharged all Taxes imposed upon it or its assets within the time period allowed without incurring penalties save to the extent that (A) payment is being contested in good faith, (B) the Company has maintained adequate reserves for those Taxes, and (C) payment can be lawfully withheld;

(ii) The Company is not overdue in the filing of any Tax returns.

(iii) No claims exceeding Tax Claims Amount are being or are reasonably likely to be asserted against the Company with respect to Taxes, where such claims could result in or cause a Material Adverse Effect.

(t) **Disclosures in Disclosure Document**



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The extent of disclosures made in the Disclosure Document is consistent with disclosures permitted by Government Authorities in relation to the issue of securities made by the Company prior to the issue of the Debentures.

(u) **Audit**

The Company annual accounts are audited by an auditor from a reputable firm of independent chartered accountants.

(v) **Good Business Standard**

The Company in its business transactions with its shareholders, partners, managers, staff, affiliates or affiliates of such entities or persons keeps within normal, good and acceptable business standards, including transactions being on arm's length.

(w) **Proper book-keeping and accounting**

The Company has a proper, efficient and effective book-keeping and accounting system in place as well as adequate professional staff, including maintaining of accounts showing the loan drawings, payments, interest etc.

(x) **Employees**

The Company is in compliance with all obligations under the applicable labour laws and other applicable Laws in relation to its employees.

(y) **Compliance with RBI/SEBI Regulations an' the Act's Requirements**

The Debentures are being issued in compliance with the applicable regulations of the RBI/SEBI and the relevant provisions of the Act as applicable. Any provision in the Deed which is not in compliance with regulations of the RBI/SEBI and the relevant provisions of the Act can be amended by the Company and the Debenture Trustee by executing an amendment to the Deed and the Debenture Holders shall have no right to raise any objection thereto.

3.3 **Affirmative Covenants**

The Company agrees and undertakes to abide by and comply with all the covenants and undertakings set out in **Schedule VIII (Affirmative Covenants)** all times until the Final Settlement Date.

3.4 **Negative Covenants**

Without the prior written consent of the Debenture Trustee the Company shall not take any action/ permit any action to be taken in relation to the items set out in **Schedule XI (Negative Covenants)**, the Debenture Trustee reserves the right to take the consent of the Majority Debenture Holders (except as stated herein) prior to any such approval/rejection, if it deems necessary.

3.5 **Register of Debenture Holders**

A Register of Debenture Holders shall be maintained at the registered office of the Company or with their Registrar and the Register of Debenture Holders/ the Register of Beneficial Owners, shall be closed during the Register Closure Period, the Final Redemption Date or any other payment date by acceleration.

In case of dissolution/bankruptcy/insolvency/winding up of Debenture Holders, the debenture certificates shall be transmittable to the legal representative(s) / successor(s) or the liquidator as the



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case may be in accordance with the applicable provisions of Law on such terms as may be deemed appropriate by the Company.

3.6 Future Borrowings

The Company shall be entitled to borrow or raise loans or avail financial assistance in whatever form, and also issue promissory notes or debentures or other securities, subject to the following conditions being fulfilled:

- i. Maintenance of security cover as stipulated in the disclosure document and transaction documents;
- ii. No default is subsisting and continuing under the transaction documents;
- iii. No violation of SEBI Regulations and circulars issued from time to time.

However, no such borrowings will have the benefit of the security interest created over the Hypothecated Assets and granted to the Debenture Trustee and Debenture Holders under the Transaction Documents. Notwithstanding anything contained in this Clause, the Company shall continue to comply with the financial covenants set forth in **Schedule IX** (Financial Covenants). Provided further that such future borrowings shall not be detrimental to the interest of the Debenture Holders.

The Company further confirms and undertakes that it would not create or attempt to create any further charge/encumbrance on the Hypothecated Assets in favour of other lenders or any part thereof, without the consent of the Debenture Trustee and Debenture Holders. The Company hereby agree and undertake to ensure that security cover for the existing borrowings will not go down at any point of time till they are finally redeemed in full.

The Issuer shall be entitled to create a charge or otherwise encumber the Hypothecated Assets (or any part thereof) in favour of any person as and by way of security for any further financial indebtedness (including in the form of Debentures) incurred by the Issuer ("Future Borrowings") with prior written consent of the Debenture Trustee acting for the benefit of the Debenture Holders, which Debenture Trustee is authorized as per respective financing documents. It is clarified that for obtaining such prior written consent from the Debenture Trustee, the Company shall follow the SEBI/Statutory guidelines (including but not limited to providing security cover certificate and prior intimation) as amended from time to time. Prior to such Future Borrowing, the Company shall provide:

- i written intimation of the proposal to avail such further borrowing atleast 3 days prior to the date on which further borrowing is to be availed;
- ii Certificate issued by the company duly signed by the Key Managerial Personnel confirming no event of default has occurred and/or is continuing in relation to the secured assets
- iii Written Confirmation from the statutory auditor of the company or an independent practicing-chartered account together with the Managing director/CEO/CFO/Director of the company that the security cover shall continue to be maintained as per the disclosure document and this deed.
- iv And such other information as may be required by Debenture trustee to place NOC to the company for further borrowing

Provided further that in the event any of the aforesaid conditions are not satisfied with or any of the aforesaid certificates are not provided with by the Company, the Company shall not be entitled to

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create encumbrance on the Secured Properties (or any part thereof) and/ or avail such Future Borrowings in respect of which there is such non-compliance.

In the event Security Cover is not maintained, the Issuer shall create additional security in favour of the Debenture Trustee for the benefit of the outstanding Debentures. Further, the Company shall ensure compliance with Regulation 59 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with such disclosures as required under the Master Circular for Debenture Trustee in relation to creation of additional security in favour of Debenture Trustee. Also, the Company shall sign such other documents or execute all such acts, agreements and things as shall be required to be done by the Company in accordance with Applicable Law or the instructions of the Debenture Trustee in order to give effect to and perfect the security interest created over the additional security.

3.7 Costs

All reasonable expenses incurred by the Debenture Trustee prior to or following the occurrence of an Event of Default, including in connection with:

- (a) preservation of the Hypothecated Assets (whether then or thereafter existing); or
- (b) collection of amounts due under the Transaction Documents; or
- (c) engaging intermediaries; or
- (d) all expenses in relation to issue of Debentures; or
- (e) legal costs; or
- (f) stamp duty on any Transaction Documents,

shall be payable by the Company and shall stand secured under the Transaction Documents.

3.8 Discretionary Audit

The Company agrees to the Debenture Trustee or any Person authorised by it and/or any Debenture Holder or any Person authorised by it conducting an audit on the review of collection standards, management, governance, internal systems and processes, and data integrity of the Company at any time on or prior to the Final Settlement Date. The scope of such audit shall *inter alia* cover visit to operational (field) areas of the Company as well as the head office and/or any regional or state level or other branch offices and discussions with employees of the Company as well as with Obligors of the Company. However, such audits shall be carried out only during the business hours of the Company and after giving a 15 (fifteen) days' notice to the Company.

4. EVENTS OF DEFAULT AND REMEDIES

4.1 Notice on the Occurrence of an Event of Default

If one or more of the events specified in **Part A of Schedule XII (Events of Default and Remedies)** occur(s), the Debenture Trustee may after the expiry of the Cure Period for Financial Covenants and Cure Period for Other Covenants, in its discretion, that is, without requiring any consent or confirmation of the Company, and upon request in writing of Majority Debenture Holders in accordance with the provisions set out in **Clause 6 (Provisions for the meetings of the Debenture Holders)** hereto by a notice in writing of 10 Business Days to the Company initiate the course of action as specified in **Part B of Schedule XII (Events of Default and Remedies)**.

4.2 Dividend



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As long as Event of Default subsists or if the Debenture Trustee has exercised any of the remedies under Clause 4, then until the rectification of the Event of Default or until the redemption of the Debentures in full to the satisfaction of the Debenture Trustee, the Company shall not, without the prior written consent of the Majority Debenture Holders, declare or pay any dividend or make any distribution of its share capital or purchase or redeem or otherwise acquire any part of its own share capital or in any other way transfer funds from the Company to the shareholders.

4.4 Right to Disclose/Publish the Names of the Company and its Directors as Defaulters

In the event of the Company committing default in the repayment of any instalment in relation to the Debentures or the payment of interest on the applicable Due Dates, the Debenture Holders/Debenture Trustee shall have an unqualified right to disclose the name of the Company and its directors to RBI/or any other statutory/regulatory authority. The Trustee and/or 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.

5. TRUSTEE'S RIGHTS, POWERS, DISCRETIONS, REPRESENTATIONS AND RESPONSIBILITIES

5.1 Representations and Warranties of Trustee

The Debenture Trustee hereby represents, warrants and covenants in favour of the Company that as on the date hereof:

- (a) The Debenture Trustee is a company duly incorporated and validly existing under applicable Law and the Debenture Trustee is duly qualified and authorized to enter into the Transaction Documents.
- (b) This Deed has been duly and validly executed and delivered by Debenture Trustee and constitutes a legal and binding obligation of Debenture Trustee, enforceable against Debenture Trustee in accordance with its terms.
- (c) The execution, delivery and performance by 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 under or result in a breach of or default under:
 - (i) any Law to which Debenture Trustee is subject; or
 - (ii) any order, judgment or decree applicable to Debenture Trustee; or
 - (iii) any term, condition, covenant, undertaking, agreement or other instrument to which Debenture Trustee is a party or by which Debenture Trustee is bound;
- (d) 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;
- (e) The Debenture Trustee is registered as a debenture trustee with the Securities and Exchange Board of India under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993;
- (f) The Debenture Trustee shall not have any 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; and
- (g) All information set forth in this Deed, and all information furnished and/or to be furnished by



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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.

5.2 General Rights, Powers and Discretions

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 this Deed or of any statute limiting the liability of the Debenture Trustee, IT IS EXPRESSLY DECLARED as follows:

- (a) 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;
- (b) the Debenture Trustee shall be the attorney of the Company and shall have the right to execute, sign and do any deeds, documents, assurances, acts and things in the name and on behalf of the Company, which shall in the opinion of the Debenture Trustee be necessary or expedient that the Company should execute, sign and do for the purpose of carrying out any of the trusts or obligations declared or imposed upon the Debenture Trustee;
- (c) the Debenture Trustee is not permitted to release / exclude any part of the Hypothecated Assets temporarily or permanently from the security created / to be created for the Debentures except in accordance with a Special Resolution;
- (d) subject to the approval of the Debenture Holders by way of Special Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall, as regards all trusts, powers, authorities and discretions, have absolute and uncontrolled discretion as to the exercise thereof and to the mode and time of exercise thereof and in the absence of any fraud, gross negligence, willful misconduct or breach of trust shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the exercise or non-exercise thereof and in particular they shall not be bound to act at the request or direction of the Debenture Holders under any provisions of these presents unless sufficient monies shall have been provided or provision to the satisfaction of the Debenture Trustee made for providing the same and the Debenture Trustee are indemnified to their satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction;
- (e) 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 conditionally;
- (f) the Debenture Trustee shall not be responsible for the monies paid by Applicants for the Debentures;
- (g) without prejudice to the rights to indemnity by Law given to the Debenture Trustee, the Debenture Trustee and every receiver, attorney, manager, agent or other person appointed by them shall, subject to the provisions of the Act, be entitled to be indemnified by the Company in respect of all liabilities and expenses incurred by them or him in the execution or purported execution of the powers and trusts thereof and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted and the Debenture Trustee may retain and pay out of any monies in their hands the amount of any liabilities and expenses necessary to effect such indemnity and also remuneration of the Debenture Trustee as herein provided or otherwise howsoever arising out of or in connection with these presents or the issue of the Debentures;



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- (h) the Debenture Trustee shall have full power to determine all questions and doubts arising in relation to any of the provisions hereof and every such determination bonafide made (whether or not the same shall relate wholly or partially to the acts or proceedings of the Debenture Trustee) in the absence of any fraud, gross negligence, willful misconduct or breach of trust, shall be conclusive and binding upon all persons interested hereunder;
- (i) subject to the approval of the Debenture Holders by way of Special Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall not be liable for anything whatsoever except any fraud, gross negligence, willful misconduct or breach of trust by the Debenture Trustee;
- (j) subject to the approval of the Debenture Holders by way of Special Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee, except for any fraud, gross negligence, willful misconduct or breach of trust, shall not be liable for any default, omission or delay in performing or exercising any of the powers or trusts herein expressed or contained or any of them or in enforcing the covenants herein contained or any of them or in giving notice to any person or persons of the execution hereof or in taking any other steps which may be necessary, expedient or desirable 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 given in writing by the Special Majority Debenture Holder(s) or by a Special Resolution duly passed at a meeting of the Debenture Holders and the Debenture Trustee shall not be bound to perform, exercise or do any such acts, powers or things or to take any such steps unless and until sufficient moneys shall have been provided or provision to the satisfaction of the Debenture Trustee made for providing the same by or on behalf of the Debenture Holders or some of them in order to provide for any costs, charges and expenses which the Debenture Trustee may incur or may have to pay in connection with the same and the Debenture Trustee are indemnified to their satisfaction against all further costs, charges, expenses and liabilities which may be incurred in complying with such request;
- (k) notwithstanding any contained to the contrary in this Deed, the Debenture Trustee shall before taking any action on behalf of the Debenture Holders or providing any consent on behalf of the Debenture Holders, obtain the written consent of the Majority Debenture Holders;
- (l) the Debenture Trustee shall forward to the Debenture Holders copies of any information, documents from the Company pursuant to this Deed within 2 (two) Business Days of receiving the same from the Company; and
- (m) The Debenture Trustee shall take all reasonable steps to realize the monies due to the Trust.
- (n) The Debenture Trustee shall have the right to rely on notices, communications, advertisement, website information of Issuer and any other related party with respect to issue etc.

PROVIDED THAT nothing contained in this Clause shall exempt the Debenture Trustee or any receiver, attorney, manager, agent or other person appointed by the Debenture Trustee from or indemnify them against any liability for breach of trust nor any liability which by virtue of any rule or Law would otherwise attach to them in respect of any negligence, default or breach of trust which they may be guilty of in relation to their duties hereunder.

5.3 Power of Trustee to Delegate

The Debenture Trustee hereof being a corporation may, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in them act by an officer or officers for the time being of the Debenture Trustee and the Debenture Trustee may also, whenever they think it expedient, delegate by power of attorney or otherwise to any such officer all or any of the trusts, powers,



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authorities and discretions vested in them be 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. The Debenture Trustee shall however be liable for any negligence, illegality, fraud, breach of trust, bad faith and wilful misconduct of the officer or Person to whom the Debenture Trustee has delegated its powers and shall not be absolved of its obligations under this Deed. PROVIDED THAT the Debenture Trustee shall ensure that any powers under this Clause shall be exercised with reasonable care to ensure the competency of the officer or Person to whom the Debenture Trustee has delegated its powers.

5.4 Powers of Trustee to Employ Agents

The Debenture Trustee hereof being a corporation may, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in them act by an agent/ agents.

5.5 Powers of Trustee to Inspect

The Debenture Trustee or its authorized representatives may carry out inspections of the Company's offices records, registers and books of accounts upon giving a 15 (fifteen) calendar days' notice in writing to the Company, to the extent such inspection is necessary for exercising any of the powers or discharging any of the duties of the Debenture Trustee under this Deed. The cost of inspection, including travelling and other related expenses shall be borne and paid by the Company.

5.6 Trustee may Contract with the 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 bond 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 a Debenture Trustee would be entitled to enter into with the Company and they shall not be in anywise liable to account either to the Company or to the Debenture Holders 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.

5.7 When Trustee May Interfere

Until the happening of one or more of the events upon the happening of which the security created pursuant to the Hypothecation Agreement 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.

5.8 Application to Court

The Debenture Trustee may at any time after the security created pursuant to the Hypothecation Agreement becomes enforceable, apply to the courts for an order that the powers and trusts hereof be exercised and carried into execution under the direction of the court 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.

5.9 **Nominee Director**

The Debenture Trustee shall have a right to appoint a nominee director as per Clause 15 (1)(e) of the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 and Rule 18(3) (e) of Companies (Share Capital and Debentures) Rules, 2014 on the board of directors of the Company (hereinafter referred to as the “**Nominee Director**”) upon the occurrence of any of the following:

- (a) 2 (two) consecutive defaults in the payment of the Interest on the relevant Interest Payment Dates; or
- (b) default in redemption of Debentures; or
- (c) default in creation of Security for the Debentures.

The nominee director shall be appointed by the Company on the board of directors at the earliest and not later than one month from the date of receipt of nomination from the Debenture Trustee. in terms of clause (e) of sub-regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.

The Nominee Director shall not be liable to retire by rotation nor required to hold any qualification shares. The Company shall appoint the Nominee Director forthwith on receiving a nomination notice from the Debenture Trustee. The Nominee Director shall be appointed on all key committees of the board of directors of the Company. The Company shall take necessary steps to ensure that the Articles of Association of the Company contains a provision mandating the Company to 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.

5.10 **Receipt of Debenture Holders**

The receipt of each Debenture Holder or if there be more than one holder of any such Debentures, then the receipt of the first named Debenture Holder or of the survivor or survivors for the principal monies or of the nominee or nominees, if any, of the Debenture Holder of such Debentures for the interest payable in respect of each of such Debentures, shall be a good discharge to the Debenture Trustee.

5.11 **Purchasers and Persons Dealing with the 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 Hypothecation Agreement 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.

5.12 **Retirement and Removal of Trustee**

- (a) **Resignation**



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The Debenture Trustee may resign as the Debenture Trustee with the prior written approval of the Majority Debenture Holders, provided that they shall continue to act as Debenture Trustee until a New Trustee is appointed by the Company with consent of the Majority Debenture Holders and such New Trustee accepts its appointment pursuant to this **Clause 5.12 (Retirement and Removal of Trustee)**.

(b) **Removal**

The Debenture Holders may for sufficient cause but, after giving not less than two months' notice in writing, remove the Debenture Trustee by passing a Majority Resolution to that effect, and by the same resolution nominate an entity competent to act as their trustee and require the Company to appoint such entity as the trustee (the "**New Trustee**"). The Company shall within 15 (fifteen) Business Days of receipt of such resolution passed by the Debenture Holders take all necessary steps to appoint the entity named in the resolution as the New Trustee and complete all necessary formalities to give effect to such appointment.

(c) **New Trustee as the trustee**

Upon appointment of the New Trustee pursuant to the preceding sub-Clause(a) or (b), all references in this Deed to the Debenture Trustee shall, unless repugnant to the context, mean and refer to the New Trustee and the New 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.

5.13 **Trustee's Remuneration**

The remuneration of the Debenture Trustee shall be as per the terms of the Consent Letter bearing reference no. 63772/ITSL/OPR/ CL/23-24/DEB/1317 dated March 07, 2024. Subject to **Clause 5.5 (Power of Trustee to Inspect)**, the Company shall pay to the Debenture Trustee all legal, traveling and other costs, charges and expenses incurred by them, their officers, employees, agents in connection with execution of these presents including costs, charges and expenses of and incidental to the approval and execution of these presents and will indemnify them against all actions, proceedings, costs, charges, expenses, claims and demands whatsoever which may be brought or made against or incurred by them in respect of any matter or thing done or omitted to be done without their willful default in respect of or in relation to the properties charged/to be charged to the Debenture Trustee.

Arrears of installments or annual service charges, if any, shall carry interest at the rate of twelve per cent per annum from the date till the actual payment.

5.14 **Decision making by Debenture Trustee in an Event of Default**

- a. In an Event of Default or breach of the covenants by the Company or any such acts/omissions which may have Material Adverse Effect on the Debentures shall the Debenture Trustee may, in its discretion, that is, without requiring any consent or confirmation of the Company and upon request in writing of 75% of the Debenture Holders or by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in Clause 6 (Provisions for the meetings of the Debenture Holders) the Debenture Trustee shall take all such steps required as stated in this Clause or elsewhere in the Deed or as per applicable laws to enforce security and protect the rights of the Debentures Holders including entering into ICA to protect the interest of the Debenture Holders.
- b. Debenture Trustee shall take all such steps as provided in Listed NCDs Master Circular for transactions in defaulted debt securities post maturity date/ redemption date under provisions of NCS Listing Regulations.



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- c. Debenture Trustee shall take all steps for the enforcement of security in an event of default including as stated under Chapter X: Breach of Covenants, Default and Remedies of Master Circular for Debenture Trustee
- d. Any notice for a meeting in respect of the Master Circular for Debenture Trustees shall contain the details prescribed in the Master Circular for Debenture Trustees, including without limitation, positive consent for signing the inter-creditor agreement, the time period within which the consent needs to be provided, and the date of meeting to be convened.
- e. Any action of the Debenture Trustee in respect of the occurrence of an Event of Default and the application of the Master Circular for Debenture Trustees shall be in accordance with the decision of the Debenture Holders taken at any meeting convened in accordance with this clause, subject to the exceptions (if any) set out in the Master Circular for Debenture Trustees.
- f. For the purposes of a meeting convened in accordance with this Clause, in accordance with the Master Circular for Debenture Trustees, all decisions shall require the consent of 75% (seventy five percent) of the Debenture Holders (by value) and 60% (sixty percent) of the Debenture Holders (by numbers) at the ISIN level.

6. PROVISIONS FOR MEETING OF DEBENTURE HOLDERS

The following provisions shall apply to the meetings of the Debenture Holders:

- (a) The Debenture Trustee or the Company may, at any time, and the Debenture Trustee shall (a) at the happening of an event, which constitutes, (i) a material breach of the Deed including breach of covenants, (ii) an Event of Default, or (iii) in its opinion affects the interest of the Debenture Holders, or (b) at the request in writing of the Debenture Holders representing not less than one-tenth in value of the Outstanding Principal Amounts of the Debentures, convene a meeting of the Debenture- holders. Any such meeting 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.
- (b) **Meeting of Debenture Holders**
 - (a) A meeting of the Debenture Holders may be called by giving not less than twenty-one days' notice in writing.
 - (ii) A meeting of the Debenture Holders may be called after giving shorter notice than that specified in sub-paragraph (a) above, if consent is accorded thereto by Special Majority Debenture Holders.
- (c) **Notice of Meeting of Debenture Holders**
 - (b) Every notice of a meeting of the Debenture Holders shall specify the place and day and hour of the meeting and shall contain a statement of the business to be transacted thereat.
 - (ii) Notice of every meeting of the Debenture Holders shall be given to:
 - (1) every Debenture Holder in the manner provided in the Debenture Trust Deed;
 - (2) the persons entitled to a Debenture in consequence of death or insolvency of a Debenture Holder, 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; and

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- (3) the Debenture Trustee when the meeting is convened by the Company and to the Company when the meeting is convened by the Debenture Trustee.
- (d) The accidental omission to give notice to, or the non-receipt of notice by, any Debenture Holder or other person to whom it should be given shall not invalidate the proceedings at the meeting.
- (e) 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, of the Company. PROVIDED THAT where any item of business as aforesaid to be transacted at a meeting of the Debenture Holders relates to, or affects, any other company, the extent of shareholding interest in that company of every director, and the manager, if any, of the first mentioned company shall also be set out in the statement if the extent of such shareholding interest is not less than twenty per cent of the paid up share capital of that other company.
- (f) Where any item of business relates to the approval of any document by the meeting, said document should be attached to the notice of meeting.
- (g) **Quorum**
- (c) The Majority Debenture Holders, personally present shall be the quorum for the meeting of the Debenture Holders and the provisions of following sub-paragraph (ii) shall apply with respect thereto.
- (ii) If, within half an hour from the time appointed for holding a meeting of the Debenture Holders, a quorum is not present, the meeting, if called upon the requisition of the Debenture Holders 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 Holders present shall be the quorum.
- (h) **Chairman of the Meeting of Debenture Holders**
- (d) The nominee of the Debenture Trustee shall be the chairman of the meeting and in his absence the Debenture Holders personally present at the meeting shall elect one of themselves to be the chairman thereof on a show of hands.
- (ii) If a poll is demanded on the election of the chairman, it shall be taken forthwith in accordance with the provisions of the Act, the chairman elected on a show of hands exercising (for the time being) all the powers of the chairman under id provisions.
- (e) If some other person is elected chairman as a result of the poll, he shall be chairman for the rest of the meeting.
- (i) The Debenture Trustee and the directors of the Company and their respective solicitors may attend any meeting but shall not be entitled as such to vote thereat.
- (j) 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.
- (k) Before or on the declaration of the result on voting on any resolution on a show of hands, a poll



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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 Holders representing not less than one-tenth in value of the Outstanding Principal Amounts of the Debentures, present in person or by proxy.

(l) **Poll**

(f) A poll demanded on a question of adjournment shall be taken forthwith.

(ii) 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 forty-eight hours from the time when the demand was made, as the chairman may direct.

(m) At every such meeting each Debenture Holder shall, on a show of hands be entitled to 1 (one) vote only, but a poll be entitled to one vote in respect of every Debenture of which he is a holder in respect of which he is entitled to vote.

(n) **Voting; proxies; etc**

(g) Any Debenture Holder entitled to attend and vote at the meeting shall be entitled to appoint another person (whether a Debenture Holder or not) as his proxy to attend and vote instead of himself.

(ii) In every notice calling the meeting there shall appear with reasonable prominence a statement that a Debenture Holder entitled to attend and vote is entitled to appoint one or more proxies, to attend and vote instead of himself, and that a proxy need not be a Debenture Holder.

(h) The instrument appointing a proxy and the power of attorney (if any) under which it is signed or a notary certified copy of the power of attorney shall be deposited at the registered office of the Company not less than 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 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.

(iii) The instrument appointing a proxy shall:

(1) be in writing; and

(2) be signed by the appointer or his attorney duly authorized in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.

(o) The instrument appointing a proxy shall be substantially in the format set out in Form MGT-11 in the 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.

(p) Every Debenture Holder entitled to vote at a meeting of the Debenture Holders of the Company on any resolution to be moved thereat shall be entitled during the period beginning 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 three days' notice in writing of the intention so to inspect is given to the Company.

(q) 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



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under which the proxy was executed or the transfer of the Debenture 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.

(r) On a poll taken at any meeting of the Debenture Holders, a Debenture Holder entitled to more than 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 us

(s) **Scrutiny of Poll**

(i) When a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinize the votes given on the poll and to report thereon to him.

(ii) 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.

(j) Of the two scrutineers appointed under this paragraph, 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.

(t) **Result of Poll**

(k) Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken.

(ii) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

(u) **Joint Holders**

In the case of joint Debenture Holders, the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the other joint holder or holders.

(v) **Adjournment**

The Chairman of a meeting of the Debenture Holders 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.

(w) **Chairman's vote**

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.

(x) **Transacting of Business**

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.

(y) **Determination by Chairman**



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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.

(z) Powers of Debenture Holders and Exercise Thereof

General

A meeting of the Debenture Holders shall, *inter alia*, have the following powers exercisable in the manner hereinafter specified in this Schedule II:

- i. power to sanction re-conveyance and release, substitution or exchange of all or any part of the security from all or any part of the principal monies and interest owing upon the Debentures;
- ii. power to sanction any compromise or arrangement proposed to be made between the Company and the Debenture Holders;
- iii. power to sanction any modification, alteration or abrogation of any of the rights of the Debenture Holders against the Company or the security whether such right shall arise under the Deed or Debentures or otherwise;
- iv. power to assent to any scheme for reconstruction or amalgamation of or by the Company whether by sale or transfer of assets under any power in the Company's memorandum of association or otherwise under the Companies Act or provisions of any Applicable Law;
- v. power to assent to any modification of the provisions contained in the Deed and to authorise the Debenture Trustee to concur in and execute any supplemental deed embodying any such modification;
- vi. power to remove the existing Debenture Trustee and to appoint new trustee; and
- vii. power to give any direction, sanction, request or approval which under any provision of the Deed is required to be given by a Majority Resolution or a Special Resolution or a unanimous resolution.

(aa) Resolution of Debenture Holders

- (i) The powers set out in this Clause 6 shall be exercisable by a Majority Resolution or a Special Resolution or a unanimous resolution passed at a meeting of the Debenture Holders duly convened and held in accordance with provisions herein contained.
- (ii) A resolution, passed at a general meeting of the Debenture Holders duly convened and held in accordance with these presents shall be binding upon all the Debenture Holders, whether present or not at such meeting, and each of the Debenture Holders shall be bound to give effect thereto accordingly.
- (iii) 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.

(bb) Exercise of Powers without meeting

- (i) Notwithstanding anything herein contained, any rights, powers and authorities under



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the Deed by a letter or letters signed by or on behalf of the Majority Debenture Holders or the Special Majority Debenture Holders or all Debenture Holders, as the case may be, without convening a meeting of such Debenture Holders as if such letter or letters constituted a Majority Resolution or a Special Resolution or a unanimous resolution, as the case may be, passed at a meeting duly convened and held as aforesaid and shall have effect accordingly.

(cc) Written Consent of Debenture Holders

- (a) For any written consent of the Debenture Holders, the Debenture Trustee (or as applicable, the Company or a Debenture Holder) shall provide a notice in writing to the last available address of each Debenture Holder at least 10 (ten) Business Days prior to the date on which any decision is required to be made or consent is required to be provided.
- (b) The record date of such notice shall be the date falling 3 (three) Business Days prior to the date of dispatch of such notice.
- (c) If the notice specifies any notice period, then any consents received after such notice period will not be accepted.
- (d) Notwithstanding (a) to (c) above, the Debenture Holders can ratify any shorter notice depending on the reasons given/prevaling circumstances on a case to case basis.
- (e) The Debenture Holders can submit their consent only in written form to the Debenture Trustee.

(dd) Minutes

- (a) 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 expense of the Company.
- (b) 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.

7. COMPLIANCE WITH SEBI REGULATIONS AND CIRCULARS FOR LISTED ISSUANCES

7.1 Due Diligence on Continuous Basis

- a. The Debenture Trustee shall carry out due diligence on continuous basis to ensure compliance by the Company, with the provisions of the Act, SEBI LODR Regulations, SEBI NCS Listing Regulations, 2021, and Listed NCDs Master Circular, Master Circular for Debenture Trustee, Debenture Trustee Regulations, the listing agreement of the stock exchange(s) where the Debentures are listed, this Deed and any other regulations issued by SEBI pertaining to debt issuance.
- b. For the purpose of carrying out the due diligence as required in terms of the SEBI Listing Regulations and Circulars, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical experts/management consultants appointed by the Debenture Trustee.



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- c. The Company shall promptly disclose and furnish to the Debenture Trustee, all documents/ information about or in relation to the Company or the Debentures, as requested by the Debenture Trustee to fulfil its obligations hereunder or to comply with any Applicable Law, including in relation to filing of its reports/ certification to stock exchange within the prescribed timelines.
- d. The Company shall submit documents/ information as the Debenture Trustee may require to conduct continuous and periodical due diligence and monitoring of Security created/assets on which security interest/ charge is created, which shall inter alia include:
- a. periodical status/ performance reports from the Company;
 - b. details with respect to defaults, if any, with regard to payment of interest or redemption of Debentures;
 - c. details with respect to the implementation of the conditions regarding creation of Security for the Debentures, debenture redemption reserve and Recovery Expense Fund;
 - d. details with respect to the assets of the Company and of the guarantors, if any, to ensure that they 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;
 - e. reports on the utilization of funds raised by the issue of Debentures;
 - f. details with respect to conversion or redemption of the Debentures;
 - g. details with respect to dispatch of the debenture certificates and interest warrants, credit of the debentures in the demat account of the debenture holders and payment of monies upon redemption of Debentures to the debenture holders due to them within the stipulated time period in accordance with the Applicable Law.
 - h. reports from the lead bank regarding the progress of the project;
 - i. details regarding monitoring of utilisation of funds raised in the issue of Debentures;
 - j. certificate from the statutory auditors of the Company:
 - i. in respect of utilisation of funds during the implementation period of the project; and
 - ii. in the case of debentures issued for financing working capital, at the end of each accounting year.
 - k. a half yearly certificate regarding maintenance of 100% (hundred percent) or higher security cover as per the terms of the Placement Memorandum and/or this Deed, including compliance with all the covenants, in respect of listed non- convertible debt securities, by the Statutory Auditor, along with the financial results, in the manner and format specified by the Board;
 - l. Intimations regarding:
 - a) any revision in the rating;
 - b) any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities;
 - c) all covenants of the Issue (including side letters, accelerated payment clause, etc.
 - m. such other documents or information as may be required by the Debenture Trustee in accordance with the Applicable Law.
- e. The Company shall –
- i. provide such documents/information and assistance to the Debenture Trustee as required by the Debenture Trustee to carry out the necessary due diligence and monitor the Security Cover Ratio/covenants on a quarterly basis in the manner as may be specified by SEBI from time to time;



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- ii. On quarterly basis, furnish the compliance status with respect to financial covenants and Security Cover of the listed debt securities certified by statutory auditor of listed entity to Debenture Trustee.
 - iii. On quarterly basis provide certificate regarding maintenance of hundred percent Security Cover or higher security cover as per the terms of Disclosure Document and/or Debenture Trust Deed, including compliance with all the covenants, in respect of listed non-convertible debt securities, by the statutory auditor, along with the financial results, in the manner and format as specified by the Board and the Master Circular for Debenture Trustee:
 - iv. Provide all such disclosures, certificates required by the Debenture Trustee for monitoring of the secured assets under the Master Circular for Debenture Trustee and such other relevant circulars as may be issued or amended by SEBI with respect to Listed non-convertible debentures issuances.
 - v. The Company shall submit the all such reports/ certification to the Debenture Trustee within the timelines as provided by SEBI.
- f. The Debenture Trustee may at any time through its authorized representatives and agents, inspect books of account, records, registers of Company and the trust property to the extent necessary for discharging its obligations and the Company shall provide full and unimpeded access to the records, registers and books of accounts and facilitate in the inspection and due diligence process. Any fees, costs expenses incurred in conducting such inspection/due diligence process shall be fully borne by the Company. In the event, any fees, costs expenses are borne by the Debenture Trustee, it shall be reimbursed forthwith by the Company upon request.”

7.2 Recovery Expense Fund

- a. The Company shall maintain Recovery Expense Fund as per the provisions of Debenture Trustees Regulations, 1993, Master Circular for Debenture Trustee and any circulars, guidelines and regulations issued by SEBI, as applicable. The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the Transaction Documents/Security Documents in accordance with the transaction documents.
- b. The Company shall deposit an amount equal to 0.01% of the issue size subject to maximum of Rs. 25 lakhs per issuer towards Recovery Expense Fund with the 'Designated Stock Exchange', as identified and disclosed in its Disclosure Document.
- c. The Company shall deposit cash or cash equivalents including bank guarantees towards the contribution to Recovery Expense Fund with the designated stock exchange and submit relevant documents evidencing the same to the Debenture Trustee from time to time. The Company shall ensure that the bank guarantees remain valid for a period of six months post the maturity date of the Debentures. The Company shall keep the bank guarantees in force and renew the bank guarantees at least seven working days before its expiry, failing which the designated stock exchange shall invoke such bank guarantee.
- d. In the event of default, the Debenture Trustee shall obtain the consent of Debenture holders for enforcement of security and shall inform the same to the designated stock exchange. The amount lying in the Recovery Expense Fund shall be released by the designated stock exchange to the Debenture Trustee within five working days of receipt of such intimation. The Debenture Trustee shall keep a proper account of all expenses incurred out of the funds received from Recovery Expense Fund towards enforcement of Security.
- e. The balance in the Recovery Expense Fund shall be refunded to the Company on repayment to the Debenture holders for which a 'No Objection Certificate (NOC)' shall be issued by the Debenture Trustee(s) 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 NOC.



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- f. The Debenture Trustee shall supervise the implementation of the conditions, creation of Recovery Expense Fund as applicable.

7.3 Inter Creditor Agreement ("ICA")

If and as applicable, ICA if executed and if mandatorily required to be executed by the Debenture Holders under the directions issued by Reserve Bank of India described as the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019, containing framework with a view to providing a framework for early recognition, reporting and time bound resolution of stressed assets on June 7, 2019 as amended from time to time. The Company shall conform with the guidelines issued in respect ICA by the Regulatory Authorities from time to time.

7.5 Redemption Account

The Company shall, at all times until the Secured Obligations have been duly discharged, maintain a bank account no. 10015683009 with IDFC First Bank Limited ("**Account Bank**") from which it proposes to pay the Redemption Amount. The Company has issued an authorisation letter in favour of the Debenture Trustee to seek redemption payment related information from the Account Bank. The Company agrees and acknowledges that they shall also inform the Debenture Trustee within 1 (one) working day of any change in the Account Bank details.

The Company further acknowledges, agrees, that the Debenture Trustee is authorised to seek redemption payment related details and information from the Account Bank in terms of the extant SEBI regulations. Further, in case of change of Account bank, the Debenture Trustee shall accept such change only upon submission of the duly acknowledged and accepted pre-authorisation letter and duly accepted consent letter from the successor /new account bank.

- (i) The Company covenants with the Debenture Trustee that it shall comply with all its obligations under this Deed and pay and repay all the monies payable by the Company (including any applicable default interest, fees and costs and expenses) to the Debenture Trustee and the Debenture Holder(s) pursuant to the terms of this Deed.
- (ii) The Company shall ensure due compliance and adherence to the SEBI Listing Regulations and Circulars in letter and spirit

7.6. Additional Reporting to Trustee/ Stock Exchanges

- a. on a half-yearly/quarterly basis as applicable obtain a certificate from the statutory auditor of the Company giving the value of receivables/book debts including compliance with the covenants of the Offer Document/ Disclosure Document in the manner as may be specified by the Board from time to time
- b. Inform and provide the Debenture Trustee with applicable documents in respect of any and all information required to be provided to the Debenture Holders under the listing agreement entered/to be entered into between the Company and the stock exchange, in case the Debentures are proposed to be listed under the SEBI LODR Regulations.
- c. Company hereby covenants and undertakes that it shall furnish documents/information/reports/certification as required by the Master Circular for Debenture Trustee to the Debenture Trustee to enable the Debenture Trustee to submit to the Stock Exchange the documents within the timelines specified therein.
- d. Disclose all such information to the Debenture Trustee/ Stock Exchanges/ Depositories to ensure compliance under the Master Circular for Debenture Trustee.



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- e. Company, shall make all disclosures to stock exchanges and the Debenture Trustee as required under SEBI LODR Regulations, amended from time to time.

8. GOVERNING LAW AND JURISDICTION

(a) Governing Law

This Deed shall be governed by and construed in accordance with the laws of India.

(b) Jurisdiction

- i. The Company agrees that the courts and tribunals at the Location of Dispute Resolution shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Deed and that accordingly any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with this Deed may be brought in such courts or the tribunals and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts or tribunals.
- ii. Both the Parties irrevocably waive any objection now or in future, to the laying of the venue of any Proceedings in the courts and tribunals at the Location of Dispute Resolution and any claim that any such Proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any Proceedings brought in the courts and tribunals at the Location of Dispute Resolution shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction, (subject to the laws of such jurisdiction) by a suit upon such judgment, a certified copy of which shall be conclusive evidence of such judgment, or in any other manner provided by Law.
- iii. Nothing contained in Clause 8 (b) (ii), shall limit any right of the Debenture Trustee to take Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal, and the Company irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.
- iv. To the extent that the Company may in any jurisdiction claim for itself or its Assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its Assets such immunity (whether or not claimed), the Company hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity.
- v. Any disputes, differences between the Company and the Debenture Trustee (acting for itself and in its individual capacity) and arising out of or in connection with the activities of the Debenture Trustee in the securities market (acting for itself and in its individual capacity) shall be settled through any dispute resolution mechanism and procedures specified by SEBI in accordance with the Securities and Exchange Board of India (Alternative Dispute Resolution Mechanism) (Amendment) Regulations, 2023 ("**SEBI ADR Procedures**"), if the resolution of the Dispute through the SEBI ADR Procedures is mandatory under Applicable Law, or applicable to the Parties under applicable Law in connection with the Issue. The Parties further agree that, nothing contained in this Clause 8 shall limit any right of the Debenture Trustee to bring in



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any action against the Company in any other court or tribunal of competent jurisdiction nor shall the taking of such action in one or more jurisdictions preclude the taking of such action in any other jurisdiction whether concurrently or not and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal

- vi. Save and except for the disputes, differences between the Company and the Debenture Trustee arising out of or in connection with the activities of the Debenture Trustee in the securities market as provided in Clause 8 (b) (v) above, the courts and tribunals at the Location of Dispute Resolution shall have exclusive jurisdiction to settle any dispute arising out of or in connection with the Transaction Documents (including a dispute regarding the existence, validity or termination of this Agreement) and the Debentures, and that accordingly any suit, action or proceedings arising out of or in connection with the Transaction Documents and/or the Debentures may be brought in such courts and tribunals.

9. NOTICES

9.1 Communications in writing

Any communication to be made under or in connection with this Deed and Transaction Documents shall be made in writing and, unless otherwise stated, may be made by fax, letter or electronic mail.

9.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed and Transaction Documents is that identified with its name in **Schedule I (Schedule of Details)** hereto, or any substitute address, fax number or department or officer as the Party may notify to the other Parties by not less than 2 (Two) Business Days' notice.

The address for service of the Debenture Holders will be as per the records of the Company/ participant of the Debenture Holders.

9.3 Delivery

Any communication or document made or delivered by any Party and the Debenture Holders under or in connection with the Transaction Documents will only be effective:

- (a) if by way of fax, when received in legible form on a Business Day during business hours; or
- (b) if by way of letter, when it has been left at the relevant address or 2 (two) Business Days after being deposited in the speed post or registered post, in an envelope addressed to it at that address; and
- (c) if a particular department or officer is specified as part of its address details provided under **Clause 9 (Addresses)**, if addressed to that department or officer.

9.4 Notification of Address, Fax Number and Email Address

Promptly upon receipt of notification of an address, fax number and email address or change of address, fax number or email address pursuant to Clause 9.2 (**Addresses**) or changing its own address, fax number or email address, either Party shall notify the other Parties.

9.5 Electronic Communication



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- (a) Any communication to be made between the Company and the Debenture Trustee under or in connection with the Transaction Documents may be made by electronic mail or other electronic means, if the Company and the Debenture Trustee:
 - (i) agree that, unless and until notified to the contrary, this is to be an accepted form of communication;
 - (ii) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and
 - (iii) notify each other of any change to their address or any other such information supplied by them.
- (b) Any electronic communication made between the Company and the Debenture Trustee will be effective only when actually received in readable form and in the case of any electronic communication made by the Company to the Debenture Trustee only if it is addressed in such a manner as the Debenture Trustee shall specify for this purpose.

9.6 Reliance

- (a) Any notice sent under this **Clause 9 (Notices)** can be relied on by the recipient if the recipient reasonably believes the notice to be genuine and if it bears what appears to be the signature (original or facsimile) of an authorised signatory of the sender (in each case without the need for further enquiry or confirmation).
- (b) Each Party must take reasonable care to ensure that no forged, false or unauthorised notices are sent to another Party.

9.7 English Language

- (a) Any notice given under or in connection with any Transaction Document must be in English.
- (b) All other documents provided under or in connection with any Transaction Document must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the recipient, 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.

10. MISCELLANEOUS

10.1 Effectiveness of the Deed

This Deed shall be effective on and from the date first hereinabove written and shall be in force until all the monies in respect of the Debentures have been fully paid-off.

10.2 Severability

Every provision contained in this indenture 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 Law, the validity, legality and enforceability of the remaining provisions hereof shall not be in any way affected or impaired thereby.



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10.3 Amendments

These presents shall not be modified or amended without the written consent of the Debenture Trustee provided that the Debenture Trustee shall consent to a modification or an amendment only if such modification or amendment is approved by a consent in writing of the Majority Debenture Holder(s) for the time being outstanding, or by a Majority Resolution duly passed at a meeting of the Debenture Holder(s) convened in accordance with the provisions set out in **Clause 6 (Provisions for the meetings of the Debenture Holders)** hereto. The Debenture Trustee shall give effect to such modification or amendment by executing necessary deed(s) supplemental to these presents.

10.4 Waiver

- (a) The Debenture Trustee upon the prior written instructions from the Debenture Holders may, from time to time, or at any time waive, on such terms and conditions as to them shall seem expedient, any breach by the Company of any of the covenants and provisions contained in this Deed without prejudice to the rights of the Debenture Trustee in respect of any subsequent breach thereof.
- (b) No delay or omission of the Debenture Trustee or any receiver in exercising any right, power or remedy accruing of the Debenture Trustee upon any default thereunder 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 or any receiver 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.

10.5 Lien on pledge of Debentures

The Company, at its discretion, may note a lien on pledge of the Debentures, if such pledge of the Debentures is accepted by any bank or institution for any loan provided to the Debenture Holder against pledge of such Debentures as part of the funding.

10.6 Joint Holders

Where two or more persons are holders of any Debentures, they shall be deemed to hold the same as joint holders with benefits of survivorship subject to the Constitutional Documents of the Company and Law.

10.7 Sharing of information

The Company shall provide to the Debenture Trustee and/or the Debenture Holder(s) such information as it/they may require for any filings, statements, reports that the Debenture Trustee and/or the Debenture Holder(s) is/are required to provide to any Governmental Authority under applicable Law.

The Debenture Trustee and/or the Debenture Holder(s) be entitled at their absolute discretion and in the manner they deem fit to disclose/publish any information about the Company, status of payments by the Company in relation to the Debentures to its affiliates, its auditors, banks, financial institutions, investors, credit information companies, any refinancing agency, any Governmental Authority and such third parties including rating agencies as the Debenture Trustee and/or the Debenture Holder(s) may, in their absolute discretion, deem fit and proper.



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The Company authorizes the Debenture Trustee and any other persons nominated by it to perform a portfolio scrub in respect of the Hypothecated Assets from time to time, and shall provide necessary authorization and no-objection in this regard to the relevant credit bureaus.

10.8 Custody Arrangement

The Debenture Trustee may keep the Debenture Trustee Agreement, this Deed and any Transaction Documents obtained by it pursuant to this Deed, at its registered office or any of its other offices or if the Debenture Trustee so decides with any banker or company whose business includes undertaking the safe custody of documents or with any advocates or firm of solicitors and the Debenture Trustee shall not be responsible for any loss incurred on account of such custody.

10.9 Registrar and Transfer Agents

The Company has appointed Registrar as the registrar for the Debentures.

10.10 Inspection of Deed

A Debenture Holder is entitled to inspect this Deed or copy hereof during business hours, at such reasonable time on every working day as the board of directors of the Company may decide without payment of any fee.

A Debenture Holder is entitled to obtain a copy of this Deed on payment of such fee as may be specified in the articles of association of the Company but not exceeding INR 10 (Indian Rupees Ten) for each page. Such copy shall be supplied to the Debenture Holder within seven days of deposit of such fees.

10.11 Counterparts

This Deed may be executed in any number of counterparts. This has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

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PART B: SPECIFIC TERMS OF ISSUE

SCHEDULE I

SCHEDULE OF DETAILS

DESCRIPTION	PARTICULARS
Place of execution	New Delhi
Date of execution	March 13, 2024
Address for Notices for the purpose of Clause 9.2	Company : OXYZO FINANCIAL SERVICES LIMITED Address : # 101, Vipul Agora Mall, MG Road Gurgaon, Haryana – 122001, India Email : compliance@oxyzo.in Attn. : Mr. Anuj Sharma Trustee : IDBI TRUSTEESHIP SERVICES LIMITED Address : Ground Floor, Universal Building, SIR Phirozshah Mehta, Fort, Mumbai-400001 Email : itls@idbitrustee.com Attn. : Ms Sheetal/Mr. Munjal. G.Dhanani
Allotment Period	2 (Two) days from the date of receipt of Application Money by the Company.
Application Money Interest Rate	(a) Interest Rate or (b) the rate as per applicable Law, whichever is higher.
Application Money Repayment Period	15 (Fifteen) days from the date of expiry of Allotment Period.
Consent Letter	Letter dated March 07, 2024 pursuant to which the Debenture Trustee has agreed to act as a trustee in trust and on behalf of and for the benefit of the Debenture Holder(s).
Cure Period for breach of Financial Covenants	30 (Thirty) days
Cure Period for breach of Other Covenants	30 (Thirty) days
Business Day Convention	i. If the date of payment of any interest in respect of the Debentures falls on a day that is not a Business Day, such payment of interest shall be made on the next occurring Business Day; ii. If the Final Redemption Date or the Put Date (the date on which the Debentures are redeemed prior to the Final Redemption Date in terms of the Transaction Documents), as the case may be, falls on a day that is not a Business Day, such payment of Interest and Redemption Amount shall be made on the immediately preceding Business Day. iii. If a leap year (i.e. February 29) falls during the tenor of a security, then the number of days shall be reckoned as 366 days (Actual/ Actual day count convention) for the entire year, irrespective of whether the interest/ dividend is payable annually, half yearly, quarterly or monthly.
Day Count Basis	Actual/Actual
Debentures	up to 2500 (Two Thousand Five Hundred) rated, senior, listed, secured, redeemable taxable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 25,00,00,000/- (Indian Rupees Twenty-Five Crore Only) (" NCDs " / " Debenture ").
Debenture Trustee Agreement	Means the debenture trustee agreement dated March 07, 2024 entered into by the Company and the Debenture Trustee.
Deemed Date of Allotment	March 15, 2024
Default Interest Rate	Breach of covenants The Company shall pay a penalty of a sum equivalent to 2% (two percent) of the Outstanding Principal Amount in the event of breach of any of the Financial



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DESCRIPTION	PARTICULARS
	<p>Covenants/Affirmative Covenants/Negative Covenants. The Borrower shall pay the penalty for breach to the Debenture Holders within 30 calendar days from the date of such breach.</p> <p>Default in Payment and Other Defaults In case of default in payment of Interest and/or principal redemption on the Debentures on the due dates, additional interest at 2% p.a. (two percent per annum) over the Coupon Rate will be payable by the Issuer for the defaulting period.</p> <p>Delay in execution of Debenture Trust Deed If not already executed, the Company shall execute the Debenture Trust Deed within the timelines prescribed by SEBI. In case of a delay in execution of Debenture Trust Deed, the Company will pay penal interest of at least 2% p.a. (two percent per annum) over the Coupon Rate till the execution of Debenture Trust Deed.</p>
Depository	National Securities Depository Limited and/or Central Depository Services Limited
Final Redemption Date	February 15, 2027
First Security Cover Determination Date	The day falling on the Deemed Date of Allotment.
Interest Rate/ Coupon	<p>Fixed interest of 9.90% (nine decimal point nine zero percent) per annum.</p> <p>In the event Put Option is exercised, Interest Rate for the first 12 months would be 9.90% (nine decimal point nine zero percent) and the Interest Rate for the balance 6 months would be 8.30% (eight decimal point three zero percent) as set out in Schedule IV (Interest Payment Schedule) and Schedule V (Redemption Schedule)</p>
Interest Payment Frequency	Annually and on Final Redemption Date/ Put Option Date (as the case may be) as set out in Schedule IV (Interest Payment)
Listing Period	In accordance with the SEBI NCS Listing Regulations read together with the Listed NCDs Master Circular, the Company confirms that in the event there is any delay in listing of the Debentures beyond 3 (three) trading days from the date of closure of the issue for the Debentures, the Company (i) will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate for the period of delay from the Deemed Date of Allotment until the listing of the Debentures is completed.
Location of Dispute Resolution	Delhi
Majority Debenture Holders	Such number of Debenture Holders collectively holding more than 50% (Fifty percent) of the value of the Outstanding Principal Amounts of the Debentures.
Minimum Rating	ICRA A+ (Stable)
Monthly Hypothecated Assets Reporting Date	Means the 20 (twenty) calendar days from the end of each month.
Place(s) of Business	New Delhi
Promoter(s)	Means OFB Tech Private Limited and Ms. Ruchi Kalra
Put Option Date	September 15, 2025
Put Option Interest Rate	In case put option is exercised, Coupon rate for the first 12 months would be 9.90% and the Coupon rate for balance 6 months would be 8.30%.
Purpose	The Company shall utilize the amounts received from the subscription of the Debentures for raising debt for the ongoing business purposes of the Company (including expansion of the Company's Onward Lending loan portfolio).



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DESCRIPTION	PARTICULARS
Monthly Security Cover Determination Date	20 (twenty) calendar days from the end of each month.
Rating Agency	ICRA Limited or any other rating agency approved by SEBI for carrying out debt ratings in India.
Rating Letter	The rating letter issued by the Rating Agency dated November 28, 2023
Registrar	The registrar and transfer agent appointed for the issue of Debentures, being Kfin Technologies Limited.
Register Closure Period/Record Date	The date, as may be fixed by the Company, which will be 15 Calendar Days prior to the Final Redemption date on which the determination of the persons entitled to receive Redemption Amount in respect of the Debentures (i.e., persons whose names are registered in the register of Debenture Holders or NSDL/CDSL record) shall be made.
Resolutions	Means collectively, 1. board resolution of the board of directors dated March 7, 2024 of the Company under Section 42 and other applicable provisions of the Companies Act, 2013 and Rules thereunder; 2. special resolution of the shareholders of the Company dated March 7, 2024 under the applicable provisions of the Companies Act, 2013 and Rule 14(2) and other applicable provisions of Companies (Prospectus and Allotment of Securities) Rules, 2014.
Security Cover Ratio	1.10 X (One point one zero times) the aggregate amount of principal outstanding of the NCDs. The security cover shall be confirmed by the Issuer on a monthly basis on each Monthly Security Cover Determination Date commencing from Deemed Date of Allotment.
Security	The amounts outstanding under the Debentures shall be secured on a first ranking exclusive and continuing charge basis by way of hypothecation up to the Security Cover Ratio in favour of the Debenture Trustee over identified loan receivables that meet the Eligibility Criteria as set out in Schedule XIII ("Eligibility Criteria) of Debenture Trust Deed with the prescribed Security Cover on or prior to the Deemed Date of Allotment and in any case prior to listing of debentures. The outstanding principal amount, shall be secured by (to the satisfaction of the Debenture Holders) by a first ranking and exclusive charge of 1.10x (one point one zero time) or 110% (one hundred and ten percent) over (including but not limited to) receivables, including present and future identified Receivables which are free from any encumbrances/charge/lien; The Issuer shall on a monthly basis hypothecate additional loans and/or replace such loans constituting the Hypothecated Assets that do not comply with the prescribed Eligibility Criteria , under Schedule VIII such that the principal amounts outstanding under the Loans constituting the Hypothecated Assets shall not be less than 1.10x (one point one zero time) or 110% (one hundred and ten percent) of the aggregate amount of principal outstanding under the Debentures. Any additional loans added pursuant to the above to secure the Debentures shall be considered as part of the Hypothecated Assets. To provide a list on a monthly basis, of specific loan receivables/identified book debts to the Debenture Trustee and the Debenture Holder over which the charge is created and subsisting by way of hypothecation in favour of the Debenture

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DESCRIPTION	PARTICULARS
	<p>Trustee (for the benefit of the Debenture Holders) ("Monthly Hypothecated Asset Report").</p> <p>To add fresh loan assets to the Security Cover to ensure that the value of the Hypothecated Assets is equal to 1.10x (one point one zero time) or 110% (one hundred and ten percent) the aggregate amount of principal outstanding of the NCDs;</p> <p>To replace any Hypothecated Receivables that become overdue with beyond 60 days with current receivables as per the Eligibility Criteria for hypothecated receivables. Such replacement shall be affected within 15 (Fifteen) Days of the Receivables becoming overdue</p>
Special Majority Debenture Holders	Such number of Debenture Holders collectively holding more than 75% (Seventy Five percent) of the value of the Outstanding Principal Amounts of the Debentures.
Step-up Coupon	In the event, credit rating of the Debentures is downgraded from the current rating of "ICRA A+/ Stable" (" Rating ") and/or the credit rating of the Company is downgraded from the current rating of "A+/Stable" (" Company Rating ") at any point of time during the tenor of the Debentures, the Coupon Rate shall increase by 0.25% (zero decimal two five percent) for each notch downgrade of 1 (one) notch from the rating of the Debentures and/or Company (" Step-Up Rate "). Such increased rate of interest shall be applicable from the date of such downgrade (" Step-Up "). Following the Step Up until the rating of the Debentures and/or Company is restored to the Rating and/or the Company Rating (as the case may be), if the rating of the Debentures and/or the Company is upgraded, the prevailing Step Up Rate shall be decreased by 0.25% (zero decimal two five percent) for each upgrade of 1 (one) notch from the rating of the Debentures and/or the Company (until the rating of the Debentures and/or the Company is restored to the Rating and/or the Company Rating and such decreased rate of interest shall be applicable from the date of such upgrade. PROVIDED THAT the decreased rate of interest in accordance with this provision cannot, in any case, be lower than the Coupon Rate. It is clarified that, if following the Step Up, the rating of the Debentures and/or the Company is restored to the Rating and/or the Company Rating (as the case may be), then the interest shall be payable.
Tenor	35 (thirty-five) months from the Deemed Date of Allotment
Transaction Documents	<ol style="list-style-type: none"> 1. This Deed, 2. the Disclosure Documents, 3. Debenture Trustee Agreement, 4. the Deed of Hypothecation, and 5. all other documents in relation to the issuance of the Debentures.

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SCHEDULE II

APPLICANTS/ INITIAL DEBENTURE HOLDERS

Name	No. of Debentures	Amount (₹)
Dezerv Securities Private Limited	2,500	25,00,00,000/-
TOTAL	2,500	25,00,00,000/-



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SCHEDULE III

ISSUE TERMS AND CONDITIONS

A. FACE VALUE AND ISSUE PRICE

- (a) The face value of each Debenture is INR 1,00,000.
- (b) The Debentures will be issued at par.

B. REDEMPTION

(a) **Scheduled Redemption**

The Debentures shall be redeemed by the Company on Final Redemption Date as provided for in **Schedule V (Redemption Schedule)** hereto. All Debentures together with all Outstanding Amounts shall be fully redeemed on a *pari passu* basis by the Company by way of a single installment on the Final Redemption Date. The Company will not redeem all or any part of the Debentures except at the times and in the manner expressly provided for in this Deed.

(b) **Early Redemption**

The Company cannot redeem the Debentures during the tenure of the Debentures except as stated herein.

(c) **Prepayment**

Subject to applicable laws, in the event the Company proposes to prepay the outstanding Debenture amount. The Company shall pay prepayment penalty of 1.00% on the outstanding principal amount prepaid.

(d) **Put Option**

The Debenture Holders shall have the right but not the obligation to require the Company to, subject to the receipt of regulatory approvals, if applicable, redeem all or any of the Debentures held by them respectively on September 15, 2025 (being 18 months from the Deemed Date of Allotment) ("**Put Option Date**") by obtaining consent of the Majority Debenture Holders by delivering a 30 (thirty) calendar days written notice to the Company i.e. on or before August 15, 2025 ("**Put Notice**") prior to the Put Option Date, and in such an event, the Company shall redeem all such Debentures at 100% (one hundred percent) of the par value of the Debentures being redeemed (together with accrued but unpaid Interest and all other amounts payable to the Debenture Holders under the Debenture Documents or the Debentures) on the Put Option Date. The interest rate on the Outstanding Debentures from the date of the first interest payout date

On exercise of the put option by the Debentures Holders, the Debentures shall be redeemed at par including the accrued interest as set out in **Schedule V (Redemption Schedule)**. In case put option is exercised, Coupon Rate for the first 12 months would be 9.75% and the Coupon Rate for balance 6 months would be 8.30%. Please refer annexure for detailed cash flows.

(e) **Event of Default**

Debentures shall be redeemed on happening of any event as set out in Schedule XIV (Events of Default) under this Deed.

(f) **Accelerated Redemption Option**

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The Debenture Holders shall have the option to redeem the Debentures (outstanding principal, accrued interest including other dues and fee etc.) within 30 (thirty) Business Days of issue of notice to the Issuer (by written notice or email) ("**Accelerated Redemption Notice**") on happening of any of the following event ("**Acceleration Event**"):

- (a) If the rating by ICRA or any other *Rating Agency* is downgraded by more than 2 (two) notches for the any instrument issued by the Company (including bank loan ratings but excluding all SO / Securitization ratings) or suspension of rating for non-cooperation leading to inability of rating agency to be able to offer opinion;
- (b) In case of breach of Affirmative, Negative, Financial Covenants or any other covenants as set out in this Deed;
- (c) Any change in management Control without the prior consent of the Debenture Holders;
- (d) The Company's loans are categorized as "SMA 0"/NPA/restructured/rescheduled/CDR/S4A;
- (e) If ALM mismatch (negative) is beyond limits stipulated by RBI; and
- (f) Material Adverse Event such as revocation of the Company's NBFC banking license etc.

C. **INTEREST PAYMENT**

(a) ***Interest on Debentures***

Interest Rate per Debenture shall be paid by the as set out in Schedule IV (Interest Payment Dates) to this Deed.

(b) ***Payment of Interest***

Interest will be paid to the Debenture Holder subject to deduction of tax deducted at source (where applicable and in accordance with sub-clause (c) below) 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.

(c) ***Withholding Tax; Gross up***

Unless required by Law, the Company will not make any deduction towards withholding tax in relation to any payments made to the Debenture Holders pursuant to this Deed and the other Transaction Documents.

D. **DEFAULT INTEREST**

If, at any time, there shall be (a) a Payment Default or (b) breach of any other terms of the Transaction Documents, the Company agrees to pay additional interest at Default Interest Rate on the Outstanding Principal Amounts and accrued but unpaid interest on the Debentures from the date of the occurrence of (a) or (b) above, until such event in (a) or (b), as the case may be, is cured.

E. **COMPUTATION OF INTEREST AND OTHER CHARGES**

Interest and all other charges shall accrue based on actual/actual basis.



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F. SECURITY CREATION

(a) Hypothecation

- (i) The Debentures shall be secured pursuant to the Hypothecation Agreement by way of hypothecation in favour of the Debenture Trustee for the benefit of the Debenture Holders over all the present and future Receivables (identified in terms of the said Hypothecation Agreement), and proceeds thereof, along with all benefits, rights and incidentals attached thereto on a first ranking exclusive charge basis (hereinafter referred to as the "**Hypothecated Assets**");
- (ii) At all times from the First Security Cover Determination Date until the redemption of the Debentures in full, the Security Cover Ratio shall be maintained and register and perfect the charge created pursuant to this Agreement within 30 (Thirty) days thereof including by way of filing of form CHG-9 (or such other eforms as may be applicable under the Act and Rules thereunder) with the jurisdictional registrar of companies;
- (iii) If required the Hypothecated Assets shall be Topped Up with additional Receivables and/or any Receivables constituting the Hypothecated Assets shall be Replaced in accordance with the Hypothecation Agreement on or before the First Security Cover Determination Date and on or before each Monthly Security Cover Determination Date, followed by perfection of such creation and/or modification of charge within 30 (Thirty) days therefrom including by way of filing of form Filing of modification of CHG-9 (or such other eforms as may be applicable under the Act and Rules thereunder) on a yearly basis calculated from the Deemed Date of Allotment with the jurisdictional registrar of companies and provide such information sought by the Debenture Trustee for the purpose of filing the prescribed forms and particulars with the Central Registry, if any, and Information Utility in relation to the security interest over the Hypothecated Assets.
- (iv) The outstanding principal amount, shall be secured by (to the satisfaction of the Debenture Holders) by a first ranking and exclusive charge of 1.10x (one point one zero time) or 110% (one hundred and ten percent) (including but not limited to) receivables, including present and future receivables which are free from any encumbrances/charge/lien;
- (v) The Issuer shall on a monthly basis hypothecate additional loans and/or replace such loans constituting the Hypothecated Assets that do not comply with the prescribed Eligibility Criteria, under Schedule VIII such that the principal amounts outstanding under the Loans constituting the Hypothecated Assets shall not be less than 1.10x (one point one zero time) or 110% (one hundred and ten percent) of the aggregate amount of principal outstanding. Any additional loans added pursuant to the above to secure the Debentures shall be considered as part of the Hypothecated Assets.

(vi) Enforcement

The Debenture Trustee shall be entitled to enforce the obligations of the Company under or pursuant to the Hypothecation Agreement as if the same were set out and contained in this Deed. The Hypothecated Assets shall be and remain as security to the Debenture Trustee and shall be held in trust on behalf of and for the benefit of the Debenture Holders for the due repayment of all amounts under the Debentures including the interest, redemption price, additional interest, remuneration of the Debenture Trustee, all agreed fees, costs, charges, expenses and all other monies payable under the Debentures.

- (vii) The Debenture Trustee shall with effect from the creation of first ranking and exclusive charge pursuant to the Hypothecation Agreement hold the Hypothecated Assets in trust on behalf of and for the benefit of the Debenture Holders, for the due repayment of the principal amount



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of the Debentures and payment of interest and other moneys payable in respect of the Debentures, without any preference to or priority of any one over the other or others.

(viii) The Debenture Trustee shall hold upon trust the monies which shall arise or may be obtained by the enforcement of the Hypothecated Assets. On receipt by the Debenture Trustee of the proceeds thereof after satisfaction of the claims of any other persons, if the said security interest relating to the Hypothecated Assets have become enforceable, the Debenture Trustee shall, in the first instance pay and reimburse to themselves and/or retain and discharge all the costs, charges and expenses incurred in or about the enforcement, sale, collection or conversion or exercise of the powers and trust of the Debenture Trustee and shall apply the residue of the said moneys in payment of interest on, and redemption of the Debentures.

(b) **Pledge**

None.

G. DATE CONVENTION

- (a) Day count shall be on actual/actual basis;
- (b) If the date of payment of any interest in respect of the Debentures falls on a day that is not a Business Day, such payment of interest shall be made on the next occurring Business Day;
- (c) If the Final Redemption Date or the Put Date (the date on which the Debentures are redeemed prior to the Final Redemption Date in terms of the Transaction Documents), as the case may be, falls on a day that is not a Business Day, such payment of Interest and Redemption Amount shall be made on the immediately preceding Business Day.
- (d) If a leap year (i.e. February 29) falls during the tenor of a security, then the number of days shall be reckoned as 366 days (Actual/ Actual day count convention) for the entire year, irrespective of whether the interest/ dividend is payable annually, half yearly, quarterly or monthly.



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SCHEDULE IV

INTEREST PAYMENT DATES

In case Put option is exercised:

18M	Coupon Rate	Cash flow per Debenture (in INR)
15-03-2024		-1,00,000.0
15-03-2025	9.90%	9,900.0
15-09-2025	8.30%	1,04,100.2

In case Put option is NOT exercised:

36M	Coupon Rate	Cash flow per Debenture (in INR)
15-03-2024		-1,00,000.0
15-03-2025	9.90%	9,900.0
15-03-2026	9.90%	9,900.0
15-02-2027	9.90%	1,09,107.0

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SCHEDULE V

REDEMPTION SCHEDULE

In case Put option is exercised:

18M	Amount to be redeemed per Debenture (in INR)
15-09-2025	1,00,000.0

In case Put option is NOT exercised:

36M	Amount to be redeemed per Debenture (in INR)
15-02-2027	1,00,000.0

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SCHEDULE VI

CONDITIONS PRECEDENT

- (i) A certified true copy of the constitutional documents of the Company (being its Memorandum and Articles of Association and Certificate of Incorporation) shall have been submitted to the Debenture Trustee.
- (ii) All corporate approvals from the Board of Directors and shareholders of the Company, if applicable, shall have been received for the issuance of the Debentures and the execution, delivery and performance by the Company of the Transaction Documents in accordance with the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules prescribed.
- (iii) Execution of the Transaction Documents in a form and manner satisfactory to the Debenture Trustee shall have taken place;
- (iv) Rating of the Debentures being completed and the rating agency having provided a minimum rating of '**(ICRA) A+ (Stable)**' for the Debentures and the rating letter issued by the Rating Agency being in a form and manner satisfactory to the Debenture Trustee;
- (v) Due execution of the Depository Agreements by, inter-alia, the Depository and the Company;
- (vi) Due execution of the Tripartite Agreement by, inter-alia, the Registrar and Transfer Agent, Depository and the Company;
- (vii) a copy of the consent from the Registrar to act as the Registrar and Transfer Agent for the issue of Debentures;
- (viii) The Company shall have received consent from the Debenture Trustee to act as the debenture trustee for the issue of Debentures;
- (ix) The Company shall have submitted to the Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements;
- (x) The Company shall have submitted to the Debenture Trustee, its audited account statements for the most recent financial year or financial half-year.
- (xi) The Company shall have submitted to the Debenture Trustee, a copy of the in-principle approval provided by the BSE in respect of the listing of the Debentures.
- (xii) Payment of all fees and stamp duty under the Transaction Documents executed is done to the satisfaction of the Debenture Trustee.

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SCHEDULE VII

CONDITIONS SUBSEQUENT

Subsequent to subscription of the Debentures, the Company shall deliver to the Debenture Trustee (and within the timelines specified below):

- (a) the Company shall make the application for listing of the Debentures and obtain listing of the Debentures within the time period prescribed under SEBI Listing Regulations and Circulars;
- (b) the record of private placement offers maintained by the Company, including the offer of the Debentures, in Form PAS – 5, on the Deemed Date of Allotment;
- (c) the details of the depository accounts of the Debenture Holders with the Depositories confirming that such account has been credited with the relevant Debentures as soon as possible but in event within 2 (two) Business Days from the closure of the Issue;
- (d) the return of allotment in Form PAS – 3, along with a complete list of allottees and containing the prescribed particulars, filed with the relevant Registrar of Companies within 15 (fifteen) days of the Deemed Date of Allotment of the Debentures;
- (e) evidence that the Security shall have been perfected in a form and manner acceptable to the Debenture Trustee and that the Form CHG-9 in respect of creation of hypothecation over the Hypothecated Assets has been filed with the relevant Registrar of Companies within 30 (thirty) days of the Deemed Date of Allotment of the Debentures.
- (f) a copy of the certificate of registration of charge issued by the relevant Registrar of Companies in connection with the Security Interest created under the Deed of Hypothecation within 1 (one) Business Day of the receipt thereof by the Company.
- (g) comply with such other condition and provide such other information and documents and execute such documents as are customary for a financing similar to the issuance of the Debentures or as the Debenture Holders may reasonably request or as may be required under Applicable Law (including without limitation, the Act and any guidelines/circulars issued by the SEBI).
- (h) Ensure that Debenture Trustee files Form I with CERSAI in respect thereof within 30 (thirty) calendar days from date of execution of the Hypothecation Agreement or within such other extended time as permissible under the applicable law.

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SCHEDULE VIII

AFFIRMATIVE COVENANTS

(a) **Utilization of the issue proceeds**

The Issuer shall utilize the proceeds of this issue in accordance with applicable Laws and regulations and as provided in this Deed

(b) **Amendment of Articles of Association**

Issuer has amended and incorporated provisions in their Articles of Association, authorizing the Debenture Trustee to appoint a nominee director on the board of directors of the Company as per Clause 15 (1)(e) of the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 and Rule 18(3) (e) of Companies (Share Capital and Debentures) Rules, 2014 as specified SEBI Listed Debentures Circulars and Regulations;

(c) **Notice of winding up or other legal process**

Company shall promptly inform the Debenture Trustee if it has notice of any application for winding up having been made or any statutory notice of winding up under the provisions of the Act or any other notice under any other statute relating to winding up or otherwise of any suit or other legal process intended to be filed or initiated against the Company;

(d) **Change in the shareholding and Control**

The Company during the tenure of the Debentures shall ensure that Miss Ruchi Kalra shall hold the position of Key Managerial Personnel in the Company.

The Company will ensure that until the Final Redemption Date, the fully diluted equity stake of the Company held by the Promoters in the share capital of the Company shall not fall below 51% (fifty one percent).

(e) **Loss or damage by uncovered risks**

Company shall promptly inform the Debenture Trustee of any material loss or significant damage which the Company may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Company may not have insured its properties;

(f) **Costs and expenses**

Company shall pay all costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of Debenture Holders' interests, including traveling 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 and shall not include any foreign travel costs;

(g) **Payment of Rents, etc.**

Company shall punctually pay all rents, royalties, taxes, rates, levies, cesses, insurance premium, assessments, impositions and outgoing, governmental, municipal or otherwise imposed upon or payable by the Company as and when the same shall become payable and when required by the Debenture Trustee produce the receipts of such payment and also punctually pay and discharge all debts and obligations and liabilities which may have priority over the Debentures and observe, perform and comply with all covenants and obligations which ought to be observed and performed by the Company under this Deed;



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(h) **Preserve corporate status; authorisations**

Company shall

- (i) diligently preserve and maintain its corporate existence and status and all rights, contracts privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business and comply with each and every term of the said franchises and concessions and all acts, authorizations, consents, permissions, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to its Assets or any part thereof PROVIDED THAT the Company may contest in good faith the validity of any such acts, rules, regulations, orders and directions and pending the determination of such contest may postpone compliance therewith if the rights enforceable under the Debentures are not thereby materially endangered or impaired. The Company will not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the principal of or interest on the Debentures might or would be hindered or delayed; and
- (ii) conduct its business with due diligence and efficiency and in accordance with sound technical, managerial and financial standards and business practices with qualified and experienced management and personnel;
- (iii) promptly obtain all consents and authorizations as maybe necessary for performing its obligations in relation to the issue of the Debentures;

(i) **Pay stamp duty**

Company shall pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Company may be required to pay according to the applicable state laws and in the event of the Company failing to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee will be at liberty (but shall not be bound) to pay the same and the Company shall reimburse the same to the Debenture Trustee on demand;

(j) **Furnish information to Debenture Trustee/Debenture Holders**

Company shall give to the Debenture Trustee or its nominee(s)/ agent(s) such information/copies of relevant extracts as they shall require as to all matters relating to the business of the Company or any part thereof and to investigate the affairs thereof and the Company shall allow the Debenture Trustee to make such examination and investigation as and when felt necessary and shall furnish him with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation;

Debenture Holders may call for various financial, business and operational data of the Issuer (including, but not limited to portfolio cuts, disbursement & collection data, ALM reports, exposure concentration data, capital structure, external debt profile, related party transactions, write-offs and credit loss data etc.) and/or request for meetings with the Issuer's Management team, as part of the Annual Credit Review of the Account, including any Credit Review prior to any Put Option Date or Quarterly monitoring of the account.

Issuer to co-operate to make available/facilitate all such data and management meeting requests, on an ongoing basis, till redemption of the Debentures.

(k) **Grievance**

Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. 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 the compliance;



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(l) **Specific Information to be provided to the Debenture Trustee**

Company shall inform and provide the Debenture Trustee with applicable documents in respect of the following:

- (i) notice of any Event of Default or potential Event of Default, each as listed in **Schedule XII (Events of Default)** of this Deed;
- (ii) periodic review of the ratings obtained by the Company by the credit rating agencies and any revision in the rating;
- (iii) details of any material litigation, arbitration or administrative proceedings, etc. including those that are required to be disclosed to Debenture Trustee;
- (iv) any and all information required to be provided to the Debenture Holders under the listing agreement that may be entered into between the Company and the BSE; and
- (v) the declaration or distribution of dividend;

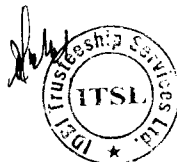
(m) **Comply with Investor Education and Protection Fund requirements**

Company shall comply with the provisions of the Act relating to transfer of unclaimed/ unpaid amounts of interest on Debentures and redemption of Debentures to Investor Education and Protection Fund (IEPF), if applicable to it;

(n) **Further assurances**

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) furnish to the Debenture Trustee 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 the Company shall comply with the instructions of the Debenture Trustee issued in this regard;
- (iii) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it to lawfully 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;
- (iv) comply with:
 - (A) all Laws, rules, regulations and guidelines (including but not limited to environmental, social and taxation related Laws), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time;
 - (B) the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the



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provisions of Regulation 15 thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures;

- (C) the provisions of the Act in relation to the issue of the Debentures;
- (D) procure that the Debentures are rated and continued to be rated until the redemption of the Debentures; and
- (E) The Company shall ensure that, at time of making any payment of interest or repayment of the principal amount of the Debentures in full or in part, the Company shall do so in the manner that is most tax efficient for the Debenture Holders (including withholding tax benefit) but without, in any way, requiring the Company to incur any additional costs, expenses or taxes and the Company shall avail of all the benefits available under any treaty applicable to the Company and/or the Debenture Holders.
- (F) In the event of failure by the Issuer to meet standards with respect to collection quality, management, governance, internal systems and processes, and data integrity, as may be required by the Debenture Holder. The Debenture Trustee shall be authorised by the Debenture Holders to conduct such discretionary audits on its behalf.
- (G) Issuers undertakes to amend and incorporate provisions in their Articles of Association, authorizing the Debenture Holders and the Debenture Trustee to appoint a nominee director on the board of directors of the Company as per Clause 15 (1)(e) of the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 and Rule 18(3) (e) of Companies (Share Capital and Debentures) Rules, 2014.

(o) **Filings**

The Company shall file with the BSE such information as required under Chapter V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Operating Circular and NCS Regulations.

(p) **Security**

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

- (i) the Debentures shall be secured with first ranking exclusive continuing security by way of a first ranking exclusive charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders;
- (ii) that all the Hypothecated Assets that shall be charged to the Debenture Trustee under the Hypothecation Agreement shall always be kept distinguishable and held as the exclusive property of the Company specifically appropriated to this security and be dealt with only under the directions of the Debenture Trustee. The Company shall not create any charge, lien or other encumbrance upon or over the same or any part thereof except in favour of the Debenture Trustee nor suffer any such charge, lien or other encumbrance or any part thereof nor do or allow anything that may prejudice this security and the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve this security and to maintain the same undiminished and claim reimbursement thereof;
- (iii) shall, on the First Security Cover Determination Date and at all times thereafter, ensure that the Security Cover Ratio is maintained and towards this end, it shall on or before each Monthly Security Cover Determination Date, Top-up the Hypothecated Assets with additional Receivables and/or Replace any Receivables constituting the Hypothecated Assets in accordance with the Hypothecation Agreement so as to ensure that Security Cover Ratio is maintained at all times from the First Security Cover Determination Date until the redemption of the Debentures in full

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- (iv) perfect the first ranking and exclusive charge over Hypothecated Assets in favor of the Debenture Trustee over modified Hypothecated Assets (modified by way of Top-Up/Replacement etc.) by filing Form CHG-9 with the concerned ROC and the required filing with the Central Registry in relation thereto as soon as practicable on a quarterly basis and no later than 30 (thirty) days therefrom;
- (v) shall, on the First Security Cover Determination Date and on each Monthly Hypothecated Assets Reporting Date, as also whenever required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time and shall furnish and verify all statements, reports (including Monitoring Reports as prescribed in the Hypothecation Agreement), returns, certificates and information from time to time and as required by the Debenture Trustee and furnish and execute all necessary documents to give effect to the Hypothecated Assets;
- (vi) the security interest created on the Hypothecated Assets shall be a continuing security as described in the Hypothecation Agreement;
- (vii) the Hypothecated Assets shall satisfy the eligibility criteria set out in **Schedule XIII (Eligibility Criteria)**;
- (viii) nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any Financial Indebtedness or liability of the Company to the Debenture Trustee and/or the Debenture Holders; and
- (ix) the Debenture Holders shall have a beneficial interest in the moveable Assets of the Company which have been charged to the Debenture Trustee to the extent of the Outstanding Principal Amounts of the Debentures under this Deed;

(q) **Amounts to be reimbursed to the Debenture Trustee**

Company shall, forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee to reasonably protect the Hypothecated Assets and such amounts shall be deemed to be secured by the Hypothecated Assets;

(r) **Delay in Security Creation**

Company shall in the event of any delay in the creation of first ranking and exclusive charge over the Hypothecated Assets within the timelines stipulated in the Hypothecation Agreement or in the event the Security Cover Ratio is not met on or prior to the First Security Cover Determination Date, the Company will, at the option of the Debenture Holders, either:

- (i) refund the Application Money as set out in Clause 2.6 of this Deed, to the Debenture Holders; or
- (ii) pay to the Debenture Holders additional interest at Default Interest Rate on the Outstanding Principal Amounts from the Deemed Date of Allotment till the creation of first ranking and exclusive charge over the Hypothecated Assets pursuant to the terms of the Hypothecation Agreement such that the Security Cover Ratio is met.

(s) **Books of Account**

Company shall maintain proper books of account as required by the Act and therein make true and proper entries of all dealings and transactions of and in relation to the Hypothecated Assets and the business of the Company and keep such books of account and all other books, registers and other documents relating to the affairs of the Company at its registered office or, where permitted by Law,



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at other place or places where the books of account and documents of a similar nature may be kept. The Company will ensure that all entries in the same relating to the Hypothecated Assets and the business of the Company shall at all reasonable times be open for inspection of the Debenture Trustee and such person or persons as the Debenture Trustee shall, from time to time, in writing for the purpose, appoint.

(t) **Material Adverse Effect**

Company shall promptly inform the Debenture Trustee in writing of the occurrence of any, or the occurrence of any event that is likely to have a, Material Adverse Effect, together with explanation of the reasons thereof;

(u) **Corporate Governance**

- (i) the Company shall maintain the highest standards of corporate governance in accordance with the NBFC Master Directions;
- (ii) the Company shall at all times comply with the NBFC Master Directions; and
- (iii) the Company shall at all times comply with the corporate governance and fair practice codes prescribed by the RBI.

(v) **General**

- (i) the Company shall perform all of its obligations under the terms of the Transactions Documents and maintain in full force and effect each of the Transaction Documents;
- (ii) the Company shall promptly pay and discharge all its financial obligations and regularly make all payments due and payable by the Company, including but not limited to taxes and also such payment due and payable under or in respect of the Issue or any documents executed in connection there with;
- (iii) the Company shall give the Debenture Trustee any information, relating to the business, property, affairs of the Company, that materially impacts the interests of the Debenture Holders;
- (iv) the Company shall comply with the 'Guidelines on Fair Practices Code for Non-Banking Financial Companies' as prescribed by the RBI from time to time;
- (v) the Company shall obtain, comply with and maintain all necessary licenses / authorisations; and
- (vi) the Company shall at all times act and proceed in relation to its affairs and business in compliance with applicable Law.

(w) **Access**

Company shall permit the Debenture Trustee (and the Debenture holders) and/or accountants or other professional advisers and contractors appointed by the Debenture Trustee access at all reasonable times and on reasonable notice of the Company to:

- (i) check the management of the funds made available through subscription to the Debentures;
- (ii) inspect and take copies and extracts from the books, accounts and records of the Company;
- (iii) visit and inspect the premises of the Company; and

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(iv) meet and discuss matters with senior management employees of the Company.

(x) **Conditions Subsequent**

Company shall comply with the conditions stipulated in **Schedule VII** (*Conditions Subsequent*).

(y) **Financial Covenants**

Company shall comply with the financial covenants stipulated in **Schedule IX** (*Financials Covenants*).

(z) **Issue Terms and Conditions**

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

(aa) **Internal Controls**

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

(bb) **Information to Debenture Trustee**

The Company shall promptly provide all assistance, documents and information to the Debenture Trustee on a quarterly basis and as may be required from time to time.

Company undertakes to comply with all the directions/guidelines/ circulars/regulations issued by any regulatory authority with regard to the Debenture issue including latest amendments i.e. SEBI (Debenture Trustee) Amendment Regulation, 2020, SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as may be amendment by SEBI from time to time and further company shall take such steps as may be required from time to time.



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SCHEDULE IX

FINANCIAL COVENANTS

Until Final Redemption Date the Issue shall comply with the following Financial Covenants.

These covenants are to be measured on the standalone Issuer basis

- Gross Asset Under Management/Tangible Net worth to be less than **5.0** (five decimal point zero percent);
- Capital Adequacy Ratio to be greater than **20.0%** ((Tier I capital + Tier II capital)
- Debt to Equity at 3.0.
- Quarterly Profit Before Tax to be greater than 0. Computation of Profit Before Tax to include all exceptional/one-time items as well.
If there are any write-offs in any quarter (including anything carried over to the balance sheet and adjusted from reserves & surplus), the same to be adjusted (reduced) from the Profit Before Tax above, to read with this definition.
- Gross NPA (90 DPD + restructured Assets) to be less than **3.0%** (three decimal point zero percent) (as per extant RBI definitions for GNPA, NNPA)

For the purpose of aforementioned Financial Covenants, following terms shall have the following meanings:

- **"Tangible Net Worth"** ("TNW") shall mean (total of Equity Share Capital + Reserves & Surplus) – Intangible assets (including Goodwill and Intangibles under development) – Miscellaneous expenses to the extent not written off – Deferred Tax Assets (*and excluding any Revaluation reserves, any Minority Interest etc.*).
- **"Gross Asset Under Management"** shall mean All on-balance sheet and off-balance sheet Loan assets (excluding loan assets that are assigned / sold off and which if it goes delinquent is without recourse to the Issuer)
- **"Gross NPA"** shall be computed as per the Master Circular - Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances, 2022 (as amended from time to time).
- **"Net NPA"** shall be computed as per the Master Circular - Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances, 2022 (as amended from time to time).

All covenants would be tested on a quarterly basis for the Company i.e. as on 31st March, 30th June, 30th September and 31st December every year starting from 31st March 2024 on a standalone balance sheet till the redemption of the Debentures. and the Issuer shall furnish the compliance status with respect to financial covenants certified by statutory auditor to Debenture the Debenture Trustee as specified under SEBI Circular No: SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 date May 19, 2022. The Financial covenants shall be certified by the Company within 45 days from end of each reporting quarter.



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SCHEDULE X

REPORTING COVENANTS

Company shall provide or cause to be provided to the Debenture Trustee (and to the Debenture Holders if so requested), in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items:

(a) Monthly Reporting

- i. The Security Cover must be tested on a monthly basis on each Monthly Hypothecated Assets Reporting Date.

(b) Quarterly Reports

As soon as available and in any event within 45 (Forty Five) calendar days after the end of each quarterly reporting period of the Company, the quarterly reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

- (i) the shareholding structure and composition of the board of directors in the Company;
- (ii) keeping the debenture trustee informed of all orders, directions, notices, of court/tribunal affecting or likely to affect the hypothecated assets;
- (i) Financials and other operational metrics as per the requirement and format agreed with the Trustee from time to time.
- (ii) Financial covenant compliance certificate signed by a Director or the Chief Financial Officer or authorized signatory
- (iii) The Company shall furnish quarterly report to the Debenture Trustee containing the following particulars:
 - a. Updated list of the names and addresses of the Debenture Holders.
 - b. Details of the Interest due, but unpaid and reasons thereof.
 - c. The number and nature of grievances received from the Debenture Holders and (A) resolved by the Company (B) unresolved by the Company and the reasons for the same.
 - d. Within 30 days from the end of each quarter a statement that the Hypothecated Assets is sufficient to discharge the claims of the Debenture Holders as and when they become due
 - e. The Company shall, while submitting quarterly/annual financial results, accordingly shall provide Debenture Trustee the following information, on the letter head of the Company, addressed to the Stock Exchange/(s):
 - i. debt equity ratio;
 - ii. debt service coverage ratio;
 - iii. interest service coverage ratio;
 - iv. outstanding redeemable preference shares (quantity and value);
 - v. capital redemption reserve/debenture redemption reserve, as applicable;
 - vi. net worth;
 - vii. net profit after tax;
 - viii. earnings per share;



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- ix. current ratio;
- x. long term debt to working capital;
- xi. bad debts to Account receivable ratio;
- xii. current liability ratio;
- xiii. total debts to total assets;
- xiv. debtors turnover;
- xv. inventory turnover;
- xvi. operating margin (%);
- xvii. net profit margin (%); and
- xviii. sector specific equivalent ratios, as applicable.

Provided that if the information mentioned in sub-regulation (4) above is not applicable to the listed entity, it shall disclose such other ratio/equivalent financial information, as may be required to be maintained under applicable laws, if any

(c) Annual Reports

As soon as available, and in any event within 90(ninety) calendar days after the end of each Financial Year of the Company, the annual reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

- (i) certified copies of its audited consolidated and non-consolidated (if any) financial statements for its most recently completed fiscal year, prepared in accordance with IND-AS including its balance sheet, income statement and statement of cash flow. All such information shall be complete and correct in all material respects and fairly represents the financial condition, results of operation and changes in cash flow of the Company as of the date thereof;

(d) Event Based Reports

- (i) As soon as available and in any event within 5 (Five) Business Days of the occurrence of such event, the details of any change in the shareholding structure of the Company (except where such change is due to primary infusion of equity), in form and substance satisfactory to the Debenture Trustee and the Debenture Holders.
- (ii) As soon as available and in any event within 5 (Five) Business Days of the occurrence of such event, the details of any change in board of directors and other senior management officials like Chief Executive Officer, Chief Financial Officer/Head of Finance and Treasury, Chief Risk Officer, Chief Operations Officer/Head of Business and the Head of Audit;
- (iii) The Company shall provide/cause to be provided information to the Debenture Trustee (and to the Debenture Holders, if so requested) as soon as practicable, and in any event within 5 (Five) Business Days from the occurrence of such event:
 - i. the Company obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect;



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- ii. the Company obtains or reasonably should have obtained actual knowledge thereof, 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;
- iii. the Company obtains actual knowledge thereof, notice of the occurrence of any Event of Default or potential Event of Default, specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same;
- iv. the Company makes any prepayment or receives a notice of any prepayment of any Financial Indebtedness of the Company;
- v. the Company alters its Constitutional Documents (except where such change is due to primary infusion of equity); and
- vi. any application for winding up has been admitted before the court.
- vii. Any revision of annual business plan of the Issuer, or any board approval of annual business plan.
- viii. Any fraud amounting to more than 1% of Gross Loan Portfolio.
- ix. Any change in the accounting policy.
- x. Any new products introduced or change in existing product features.
- xi. Any New business corresponding relationships or discontinuance of existing relationships.
- xii. Any Material changes to IT/MIS systems.

(e) Disclosures under listing regulations

The Company disclose all such information to the Debenture Trustee under applicable laws and shall file with the BSE all such information as required under SEBI Listing Regulations and Circulars.

(f) Others

Debenture Holders may call for various financial, business and operational data of the Issuer (including, but not limited to portfolio cuts, vintage (static pool) charts, disbursement & collection data, ALM reports, exposure concentration data, NPA concentration data, capital structure, external debt profile, related party transactions, write-offs and credit loss data etc.) and/or request for meetings with the Issuer's Management team, as part of the Annual Credit Review of the Account, including any Credit Review prior to any Put Option Date or Quarterly monitoring of the account.

Issuer to co-operate to make available/facilitate all such data and management meeting requests, on an ongoing basis, till redemption of the Debentures.



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SCHEDULE XI

NEGATIVE COVENANTS

Without the prior written consent of the Debenture Trustee the Company shall not take any action/ permit any action to be taken in relation to the items set out herein:

(a) **Change in shareholding of Promoter**

- (i) The Company will ensure that until the Final Redemption Date, the fully diluted equity stake of the Company held by the Promoters in the share capital of the Company shall not fall below 51% (fifty-one percent).
- (ii) The Company during the tenure of the Debentures shall ensure that Miss Ruchi Kalra shall hold the position of Key Managerial Personnel of the Company.

(b) **Dividend**

Declare or pay any dividend or make any distributions on its share capital (other than dividends or distributions payable on shares of the Company), unless:

- (i) the proposed payment or distribution is out of net income of the current Financial Year (excluding any amount resulting from the revaluation of any of the Company's assets);
- (ii) no Event of Default has occurred and is then continuing, or could occur or is reasonably likely to occur, as a result of such payment or declaration of any dividend or distribution and after giving effect to any such action;
- (iii) the Company is in compliance with the financial covenants set forth in **Schedule IX (Financial Covenants)**; and
- (iv) the company has paid or made satisfactory provision for the payment of the installments of principal and interest due on the Debentures.

(c) **Arrangement/compromise, etc.**

Undertake or permit scheme of arrangement or compromise with its creditors or shareholders.

(d) **Merger, Acquisition etc**

Enter into any merger, demerger, consolidation, re-organization, or effect any scheme of amalgamation or reconstruction, acquire any other companies, business or undertaking during that financial year in excess of 10% (Ten percent) of the net worth of the Company.

(e) **Joint Venture**

Without the prior written consent of the Debenture Holders as stated herein:

- (i) acquire (or agree to acquire) any shares, stocks, securities or other interest in any joint venture; or
- (ii) transfer any assets or lend to or guarantee or indemnify or give security for the obligations of a joint venture (or agree to transfer, lend, guarantee, indemnify or give security for the obligations of a joint venture).

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- (a) Any sale of assets/business/division that has the effect of exiting the business or restructuring of the existing business

(f) **Loans and Guarantees**

The Company shall not:

- (i) extend a loan to any single individual or entity amounting to greater than 15% (Fifteen percent) of its Tangible Net Worth; or
- (ii) undertake to guarantee the liabilities of any individual or entity (unless the entity is a wholly owned subsidiary of the Company).

(g) **Arm's length basis; No profit sharing arrangements**

The Company shall not, without the prior written consent of the Majority Debenture Holders:

- (i) enter into any transaction with any person or enter into or continue business relations with its shareholders, employees, affiliate(s), holding company(ies), and/or subsidiary(ies) except on proper commercial terms negotiated on an arm's length basis;
- (ii) enter into or establish any partnership, profit sharing, royalty agreement or other similar other arrangement whereby the Company's income or profits are, or might be, shared with any other person; or
- (iii) enter into any management contract or similar arrangement whereby its business or operations are managed by any other person.

(h) **Immunity**

Claim any immunity or limitation of liability against any payment obligations arising towards the Debenture Holders.

(i) **Auditor**

Change its auditor without the prior written intimation to the Majority Debenture Holders. The Company shall authorize its auditors to communicate directly with the Debenture Trustee and the Debenture Holders.

(j) **Liabilities**

Incur, create, assume, or allow any Financial Indebtedness that ranks prior to the Debentures or subordinates the Debentures.

(k) **Change of control**

Issue any additional shares or equity interests and shall not have its existing shares or equity interests transferred, sold, pledged or otherwise encumbered, if such action results in change in Control of the Company.

(l) **Disposal of Assets**

Sell, transfer, or otherwise dispose of in any manner whatsoever any material Assets of the Company, other than any securitization/portfolio sale of assets undertaken by the Company in its ordinary course of business.



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(m) **Management Control**

Any change in Management Control of the Company.

(n) **Change in constitutional documents**

The Company shall not amend or modify its Constitutional Documents, where such amendment would have a Material Adverse Effect. The above does not apply to any changes to affect an increase in authorised share capital and any changes to the articles of association to reflect the terms of any equity infusion or strategic sale.

(o) **Change of business;**

Change the general nature of its business from that which is permitted by the RBI. Not undertake any new major new business outside financial services or any diversification of its business outside financial services.

(p) **Material compromise or Settlement**

Enter into material compromise or arrangement or settlement with any of its creditors (secured and unsecured) that would prejudicially affect the interest of the Debenture Holders.

(q) **Anti-money laundering**

The operations of the Issuer Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial record keeping and reporting requirements, as applicable money laundering statutes of all jurisdictions where the Company or any of its subsidiaries conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental or regulatory agency (collectively, the "Anti-Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company threatened.

Permit any of the Debenture proceeds to be used to fund any form of violent political activity, terrorists or terrorist organizations, nor any money laundering process or scheme to disguise illegally obtained funds, nor any other criminal activity including arms sales, drug trafficking, robbery, fraud or racketeering.

(r) **Related Party Transactions**

Except as stated in this Deed, the prior written intimation to the debenture trustee, the Issuer shall not enter into or perform any transaction(s) with a related party other than in the ordinary course of business such as payments made by the Issuer in form of salaries to directors and key management persons, service charges, business related payments, rent payments to OFB Tech Private Limited, and the same shall be reported on a quarterly basis.

Without affecting the above clause, the Issuer shall not without the prior written consent of the Debenture Trustee (i) enter into any transaction(s) (other than as mentioned in above clause) whereby the overall outstanding amount owed to the Issuer under all such transactions exceeds 10.00% (Ten percent) of its net worth, (ii) whereby the overall expense incurred through such transactions (other than as mentioned in above clause) during any financial year exceeds 10.00% (Ten percent) of its net profit, or (iii) provide any guarantee for any indebtedness of a related party. The Debenture Trustee shall be granted access to any additional information that it deems necessary to monitor and evaluate this covenant. For the purposes of this clause, the terms 'net worth' and 'related party' shall respectively



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have the meaning ascribed to them in sections 2 (57) and 2 (76) of the Companies Act, 2013 (and the Rules framed thereunder).

(s) **Financial Year**

Company shall not change its financial year-end from 31st March (or such other date as may be approved by Majority Debenture Holders) without the prior written consent of the Debenture Trustee.

(t) **Change in terms of the Debenture**

The Company shall not make any material modification to the structure of the Debentures in terms of coupon, redemption, or otherwise without the prior approval of the stock exchange and such prior approval of the stock exchange would be obtained only after: (a) approval of the Board and the Debenture Trustee; and (b) complying with the provisions of Companies Act, 2013 including approval of the requisite majority of Debenture Holder(s). Further, any proposal of restructuring received by Debenture Trustee shall be communicated to Debenture Holder(s) immediately.



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SCHEDULE XII

EVENTS OF DEFAULT AND REMEDIES

PART A

Each of the events or circumstances set out in this schedule shall constitute an Event of Default.

(a) **Payment Defaults**

The Company does not pay on the Due Date any amount payable pursuant to this Deed and the Debentures (including but not limited to penal interest, if any) at the place at and in the currency in which it is expressed to be payable, unless its failure to pay is caused by administrative or technical error and payment is made within 3 (Three) Business Days of its Due Date.

(b) **Insolvency / Inability to Pay Debts / Distress**

- (i) The Company is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, 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) The Company is (or deemed by Law or declared by a court to be) insolvent or unable to pay its debts or stops or suspends payments of all its debts, makes a general assignment or an arrangement or composition with or for benefit of the relevant creditors in respect of any such debts or a moratorium is agreed or declared in respect of or affecting all the debts of the Company.
- (iii) Any distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part of the property, assets, or revenues of the Company and is not discharged or quashed or stayed within 15 (fifteen) days.

(c) **Charge over Hypothecated Assets**

The Company creates or attempts to create any charge/encumbrance on the Hypothecated Assets or any part thereof, in addition to the charge created pursuant to the Hypothecation Agreement without the consent of the Majority Debenture Holders.

(d) **Change in Business**

The Company without obtaining the prior consent of the Majority Debenture Holders ceases to carry on its business or gives notice of its intention to do so;

(e) **Change in Control**

There is a change in the management Control without prior written consent from the Debenture Holders.

(f) **Security in Jeopardy**

- (i) In the opinion of the Debenture Trustee the Hypothecated Assets is in jeopardy;
- (ii) If, the security provided pursuant to the Hypothecation Agreement depreciates in value to such an extent that in the reasonable opinion of the Trustee further security should be given and on advising the Company to that effect such security has not been given to the Debenture Trustee to their satisfaction;



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- (iii) If, without the prior written approval of the Debenture Trustee, the Hypothecated Assets or any part thereof is transferred, assigned, charged, encumbered or alienated but no prior approval shall require for the replacement of assets comprising the Hypothecated Assets with other similar assets; or
- (iv) the value of the Hypothecated Assets is insufficient to maintain the Security Cover Ratio and Company fails to maintain the minimum-Security Cover Ratio specified in the Hypothecation Agreement within the stipulated timelines in the Hypothecation Agreement.

(g) **Misrepresentation**

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/Debenture Holders by the Company shall prove to have been incorrect, false or misleading in any material respect when made or deemed made.

(h) **Material Adverse Change**

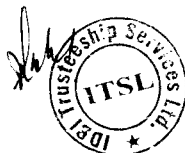
There shall have occurred a change in the business, operations, property, Assets, liabilities, condition (financial or otherwise) or prospects of the Company since the date hereof that has resulted in a Material Adverse Effect in the sole opinion of the Debenture Trustee.

(i) **Liquidation or Dissolution of the Company / Appointment of Receiver or Liquidator**

- (i) Any corporate action, legal proceedings or other procedure or step is taken in relation to:
 - (A) the suspension of payments, a moratorium of any Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company;
 - (B) a composition, compromise, assignment or arrangement with any creditor of the Company;
 - (C) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Company; or
 - (D) the Company, in respect of any reference or 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.45/21.04.048/2018-19 dated June 7, 2019 on "Prudential Framework for Resolution of Stressed Assets" (as amended or modified or restated from time to time));
 - (E) admission of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 (to the extent applicable) or under any other applicable Law, in respect of the Company or its Affiliate; or
 - (F) enforcement of any security over any Assets of the Company.

Any other event occurs or proceeding instituted under any applicable Law that would have an effect analogous to any of the events listed in sub-Clauses (A) to (F) above.

- (ii) An order is made or an effective resolution passed for the winding up or dissolution, judicial management or administration of the Company, or the Company ceases to carry on all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, re-organization, merger or consolidation on terms approved by Majority



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Resolution of Debenture Holders.

(j) **Cross Default**

- i. The Company (i) defaults in any payment of any Financial Indebtedness beyond the period of grace (not to exceed 30 days), if any, provided in the instrument or agreement under which such Financial Indebtedness was created; (ii) 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 (iii) any Financial Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.
- ii. If an event of default is declared by any other lender/debenture trustee/ debenture holders (event of default on external borrowings, be it on balance sheet or off-balance sheet debt/liability) for any facility availed by the Issuer and subsequently, the Issuer fails to make payment of all outstanding amounts to such lender/investor within the cure period (if any), specified by the lender/investor, the same would trigger event of default under the Transaction Documents.
- iii. Invocation of any corporate guarantee/letter of comfort/put option agreement not honoured, given by Issuer/Promoter company, to any lender/investors of the Issuer/s
- iv. If Debenture Holders declare event of default in any of its other facilities availed by the Issuer, the same would trigger event of default under the Transaction Documents

(k) **Creditors' Process**

- (i) All or a material part of the undertaking, Assets, rights or revenues of the Company are condemned, seized, nationalised, expropriated or compulsorily acquired, or 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 or a substantial part thereof, by or under the authority of any Government or any Government Authority.
- (ii) The Company does not inform the Debenture Trustee of one or more of the other creditors of the Company accelerating the payment obligations on the grounds of a material adverse change (howsoever described) or a material adverse effect (howsoever described) in the financial, operational or regulatory conditions governing the Company.
- (iii) The Company has voluntarily or involuntarily become the subject of proceedings under any bankruptcy or insolvency laws and such proceedings have been admitted by a competent court or the Company is voluntarily or involuntarily dissolved.
- (iv) The Company is adjudged insolvent by a competent court or takes advantage of any law for the relief of insolvent debtors.
- (v) Any expropriation, attachment, garnishee, sequestration, distress or execution affects any Receivables constituting Hypothecated Assets or part thereof.
- (vi) A petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Company is filed on the Company (voluntary or otherwise) or have been admitted



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or makes an assignment for the benefit of its creditors generally and such proceeding is not contested by the company for staying, quashing or dismissed within 15 (Fifteen) days

(l) **Judgments Defaults**

One or more judgments or decrees entered against the Company involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 5% (five percent) of the Total Assets of the Company PROVIDED THAT such judgments or decrees are either final and non-appealable or have not been applied for vacation, discharge or stay pending appeal for any period of 30 (thirty) consecutive calendar days.

(m) **Transaction Documents**

(i) This Deed or any other Transaction Document in whole or in part, are terminated or cease to be effective or cease to be a legally valid, binding and enforceable obligation of the Company.

(ii) In the opinion of the Debenture Trustee, any of the Transaction Documents fails to provide the security interest, rights, title, remedies, power or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests do not have the priority contemplated under the Transaction Documents, or the security interest created thereunder become unlawful, invalid, or unenforceable.

(n) **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.

(o) **Repudiation**

The Company repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents.

(p) **Government Intervention**

(i) Any step is taken by Governmental Authority or agency or any other competent authority, with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or (in the opinion of the Debenture Trustee) a material part of the assets of the Company which is material to the Company;

(ii) Any Governmental Authority having assumed custody or control of the business or operations of the Company or having taken any action for the dissolution of the Company or any action that would prevent the Company or its officers from carrying on its business or operations thereof; or

(iii) The Company's organizational or legal status, or any license or franchise is revoked or suspended by any Governmental Authority or authority after the Company has exhausted all remedies and appeals relating thereto.

(q) **Delisting**

If the Debentures are listed and any Debenture is subsequently delisted from any exchange on which it is listed without the prior written consent of the Debenture Trustee.

(r) **Cessation**

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The Company ceases or threatens to cease to carry on the main business it is currently engaged in.

(s) ***Alteration in Constitutional Documents***

Except as stated in this Deed, if the Company, without the previous consent in writing of the Debenture Trustee, makes or attempts to make any alteration in the provisions of its Constitutional Documents where (i) such change might in the opinion of the Debenture Trustee detrimentally affect the interests of the Debenture Holder(s) and (ii) the Company refuses or neglects to or is unable to rescind such alteration.

(t) ***Non-compliance with judicial order***

The Company fails to comply with or fulfil any judicial order passed against it provided however that such order shall not include any order against which appeal is available or for which an appeal is pending.

(u) ***Erosion of Net Worth***

The Debenture Holders' assessment from quarterly or annual financial reporting from the company, or at any time certified by an accountant of a firm or chartered accountant appointed by the Debenture Trustee (which the Debenture Trustee is entitled and hereby authorized to do so at any time), that the net worth (as defined in the Act) of the Company has eroded by 50% or more.

(v) ***Merger***

The rearrangement or consolidation or amalgamation with or merger with or into, or receiving of all or substantially all the assets or obligations of, another entity, or any action for reorganisation of capital without the prior written consent of the Debenture Trustee.

(w) ***Sale, disposal***

Sale, transfer, or other disposition of all or substantially all of the Company's Assets other than in the normal course of business of the Company.

(x) ***Third party***

A default or Event of Default occurs on account of a breach of representation or breach of an information covenant under the terms of any other agreement involving borrowed money or the extension of credit or any other Financial Indebtedness under which the Company may be obligated as a borrower or guarantor and pursuant to which the Company is called upon to and makes a prepayment to a 3rd party without the prior written consent of the Debenture Holder. Such consent shall not be unreasonably delayed or withheld by the Debenture Holders.

(y) ***Wilful default***

Any Promoters or directors or Key Managerial Personnel of the Company is/are declared as wilful defaulter by any competent authority or accused of, charged with, arrested or convicted a criminal offence involving moral turpitude, any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the Company funds or revenues, dishonesty or which otherwise impinges on the integrity of the promoter/s and/or director, Key Managerial Personnel including any accusations, charges and/or convictions of any offence relating to bribery or any other act having a similar effect being committed by the management or an officer of the Company..

(z) ***Breach of Financial Covenants***



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Any breach of financial covenants stipulated in **Schedule IX (Financial Covenants)** and such breach is not remedied (if capable of remedy) within the expiry of Cure Period for breach of Financial Covenants from the date of such breach.

(aa) **Breach of Negative Covenants, Affirmative Covenants**

Any breach of negative covenants as stated in Schedule XI (Negative Covenants), affirmative covenants as stated in mentioned in **Schedule VIII (Affirmative Covenants)**.

(bb) **Breach of other terms of this Deed**

A breach by the Company of any of its obligations and covenants provided in terms of this Deed or other Transaction Documents (other than (a) to (dd) above) and such breach is not remedied (if capable of remedy) within the expiry of Cure Period for breach of Other Covenants from the date of such breach.

PART B

Remedies for Event of Default

If one or more of the events specified in PART A **Schedule XII (Events of Default)** occur(s), the Debenture Trustee may after the expiry of the Cure Period for Financial Covenants and Cure Period for Other Covenants, in its discretion, that is, without requiring any consent or confirmation of the Company, and upon request in writing of Majority Debenture Holders in accordance with the provisions set out in **Clause 6 (Provisions for the meetings of the Debenture Holders)** hereto by a notice in writing of 10 Business Days to the Company initiate the following course of action:

- (a) require the Company to mandatorily redeem the Debentures and repay the principal amount along with Interest Rate as computed in **Schedule IV (Interest Payment Dates)** on the Debentures, along with accrued but unpaid interest, and other costs, charges and expenses incurred under or in connection with this Deed and other Transaction Documents;
- (b) declare all or any part of the Debentures to be immediately (or on such dates as the Debenture Trustee may specify) due and payable, whereupon it shall become so due and payable;
- (c) enforce any security created pursuant to the Hypothecation Agreement in accordance with its terms, as may be set out herein or therein, towards repayment of the Debentures;
- (d) appoint any independent agency to inspect and examine the working of the Company and give a report to Debenture Holders/ the Debenture Trustee. The Company shall give full co-operation and provide necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other expenses;
- (e) to appoint a nominee director as per the SEBI (Debenture Trustee) Regulations, 1993 on the board of directors of the Company or to appoint an observer to all meetings of the board of directors of the Company,
- (f) take necessary action of either enforcing the Security or entering into the Inter Creditor Agreement ("ICA") or take any other action as decided in the meeting of Debenture Holder(s) based on the decision of the Debenture Holder(s) with Special Majority, including the decision of formation of a committee of the Debenture Holder(s) to participate in the ICA or to enforce the Security or as may be decided in the meeting of Debenture Holder(s). Such a committee, if decided to be formed, may comprise of the designated members representing the interest of the ISIN level Debenture Holder(s) under the Debentures and be responsible to take decisions which shall be binding on the specific ISIN level Debenture Holder(s) relating to ICA matters, or in relation to enforcement of the Security, or take any



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other action as may be decided by the Debenture Holder(s), from time to time. The Debenture Trustee(s) may in accordance with the decision of the Debenture Holder(s), sign the ICA and consider the resolution plan, if any, on behalf of the Debenture Holder(s)/ Beneficial Owners in accordance with the requirements under the extant RBI guidelines, SEBI circulars, guidelines and other Applicable Laws.

- (g) The Debenture Trustee after obtaining consent of Debenture Holder(s) for enforcement shall inform the designated stock exchange seeking release of the Recovery Expense Fund. The Debenture Trustee shall follow the procedure set out in by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund" issued by SEBI, as amended from time to time for utilization of the Recovery Expense Fund and be obligated to keep proper account of all expenses, costs including but not limited to legal expenses, hosting of meetings etc., incurred out of the Recovery Expense Fund towards enforcement of Security. All expenses over and above those met from the Recovery Expense Fund incurred by the Beneficial Owners(s)/Trustee after an Event of Default has occurred.
- (h) take all such other action expressly permitted under this Deed or in the other Transaction Documents or permitted under the Law.
- (i) to initiate any enforcement action including without limitation under SARFAESI Act, 2002, Insolvency and Bankruptcy Code, 2016 (wherever applicable), or any other Applicable Law;
- (k) exercise such other rights as the Debenture Trustee may deem fit under applicable Law to protect the interest of the Debenture Holders.
- (l) The Debenture Trustee shall be entitled to appoint any independent agency to inspect and examine the working of the Company and give a report to Debenture Holders/ the Debenture Trustee. The Company shall give full co-operation and provide necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other expenses; The Debenture Trustee may exercise any other right that the Debenture Trustee and / or Debenture Holder(s) may have under the Transaction Documents or under applicable law;



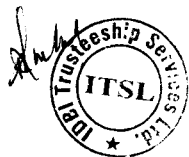
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SCHEDULE XIII

ELIGIBILITY CRITERIA

- (a) Each Receivable(s) comprising the Hypothecated Asset must be a Loan (but not a Loan that has been sold or assigned by the Company);
- (b) The hypothecated Loans must have been originated while complying with all the extant 'know your customer' norms specified by the RBI;
- (c) The hypothecated Loans must have been originated at the branches owned, controlled and operated by the Company directly and not through branches operated by the Company's origination partners and must existing at the time of Hypothecation;
- (d) The hypothecated Loans must be current and not overdue at the time of inclusion in the Hypothecated Assets and should not have been terminated or prepaid;
- (e) The Loans constituting the Hypothecated Assets shall be unencumbered and no security interest of any kind shall exist over them except in accordance with the Transaction Documents.
- (f) All Loans hypothecated must comply with RBI norms and guidelines
- (g) Company's Receivables forming part of the Hypothecated Assets must be 'standard' as on the Deemed Date of Allotment;
- (h) The Receivables have not been restructured or rescheduled and are 'standard' and should not be overdue by more than 30 days for computing the Security Cover.



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SIGNATURE PAGE

IN WITNESS WHEREOF the Debenture Trustee and the Company have caused these presents and the duplicate thereof to be executed by their authorised official on the day, month and year first above written as hereinbefore appearing.

SIGNED AND DELIVERED BY
OXYZO FINANCIAL SERVICES LIMITED, the within
named Company
by the hand of its authorized official

Oxyzo Financial Services Limited

Anuj Sharma

Authorised Signatory

Oxyzo Financial Services Limited


Authorised Signatory



SIGNED AND DELIVERED BY
IDBI TRUSTEESHIP SERVICES LIMITED,
the within named Debenture Trustee
by the hand of its authorized official

RAMESH JACINDRA

For IDBI TRUSTEESHIP SERVICES LTD.


AUTHORISED SIGNATORY

Oxyzo Financial Services Limited


Authorised Signatory