

भारतीय गैर न्यायिक

भारत INDIA

₹. 500



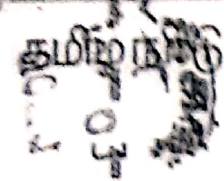
FIVE HUNDRED
RUPEES

पाँच सौ रुपये

Rs. 500

सत्यमेव जयते

INDIA NON JUDICIAL



तमिलनाडु TAMILNADU
Asirvad Micro Finance Ltd
Chennai

AD 623726
K MAHALAKSHIMI
B.V.L. No. 1018 / 80 / 08
New No. 11, Old No. 9, 2nd Street
Mangalambadi, Chennai
Chennai-600 009

This Stamp paper forms an integral part of the Debenture Trust Deed dated 25th May 2021, executed between "Asirvad Micro Finance Limited" and "IDBI Trusteeship Services Limited" at Chennai.

FOR IDBI TRUSTEESHIP SERVICES LTD.
[Signature]
AUTHORISED SIGNATORY

For ASIRVAD MICRO FINANCE LIMITED
[Signature]
Authorised Signatory

DEBENTURE TRUST DEED

EXECUTED BY

**ASIRVAD MICRO FINANCE LIMITED
(COMPANY)**

AND

**IDBI TRUSTEESHIP SERVICES LIMITED
(DEBENTURE TRUSTEE)**

IN RESPECT OF

**ISSUANCE 500 (FIVE HUNDRED) SENIOR UNSECURED RATED LISTED REDEEMABLE
TRANSFERABLE NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF
Rs. 10,00,000/- (RUPEES TEN LAKHS ONLY) EACH
AGGREGATING TO
Rs. 50,00,00,000/- (RUPEES FIFTY CRORE ONLY)**

DATED AS OF MAY 25, 2021

DEBENTURE TRUST DEED

This **DEBENTURE TRUST DEED** (hereinafter referred to as the "**Deed**" / "**Debtenture Trust Deed**") is made at Chennai on this the 25TH, day of May, Two Thousand and Twenty One, by and between:

ASIRVAD MICRO FINANCE LIMITED a public limited company incorporated under the Companies Act, 1956 (1 of 1956) having corporate identity number: U65923TN2007PLC064550 and registered as a non-banking financial company with the Reserve Bank of India, having its registered office at 47, Whites Road, 1st Floor, Deshbandhu Plaza, Royapettah, Chennai, Tamil Nadu - 600014, hereinafter called the "**Company**" (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 **ONE PART**;

AND

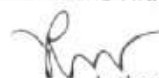
IDBI TRUSTEESHIP SERVICES LIMITED, a company incorporated under the Companies Act, 1956 (1 of 1956) having corporate identity number: U65991MH2001GOI131154 and having its registered office at Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai, and acting through its branch office at Chennai, India hereinafter called the "**Debtenture Trustee**", (which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns) of **THE OTHER PART**.

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

WHEREAS:

- A. With a view to raising debt, the Company has issued / proposes to issue 500 (Five Hundred) senior, unsecured, rated, listed, redeemable, taxable, transferable non-convertible debtentures each having a face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) of the aggregate nominal value of Rs. 50,00,00,000/- (Rupees Fifty Crores only) (hereinafter referred to as "**Debtentures**") for cash at par, in dematerialised form on a private placement basis to certain identified investors (hereinafter referred to as the "**Issue**");
- B. The Company has issued an information memorandum dated May 25, 2021 (hereinafter referred to as the "**Information Memorandum**") *inter alia*, setting out the broad terms and conditions on which the Debtentures are to be issued;
- C. The Company has issued a private placement offer cum application letter dated May 25, 2021 (hereinafter referred to as the "**Private Placement Offer cum Application Letter**") prepared as per Section 42 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014;
- D. The Company being duly empowered by its memorandum of association and articles of association, shall issue and allot the Debtentures, pursuant to the authority granted by the resolution of the shareholders of the Company in the general meeting held on August 25, 2020 and the resolution of the Borrowing and Securities Allotment Committee of the Board of Directors of the Company passed at its meeting held on May 20, 2021 to the parties detailed in the **Schedule I (Debtenture Holders at the time of Issue)** hereto who shall subscribe to, in the aggregate, all of the 500 (Five Hundred) Debtentures;

For ASIRVAD MICRO FINANCE LIMITED



Authorised Signatory

- E. The Debentures shall be issued in dematerialised form and are subject to the provisions of the Depositories Act, 1996 and rules notified by the Central Depository Services (India) Limited (“**CDSL**”) and the National Securities Depository Limited (“**NSDL**”) from time to time. Therefore, the Company has entered into / will enter into an agreement with CDSL and NSDL respectively, for issuing the Debentures in dematerialised form;
- F. The Company has obtained credit rating for the Debentures under these presents from the Rating Agency (as defined hereinafter), which has affirmed a rating of “CRISIL AA-” (pronounced as “CRISIL Double A Minus”) with ‘Stable’ outlook to the Debenture issuance of the Company vide its rating letter dated May 24, 2021;
- G. The Debentures are to be listed on the Wholesale Debt Market segment of BSE Limited (“**BSE**”) in India within a maximum period of 4 (Four) Business Days (as defined hereinafter) from the date of closing of the Issue;
- H. The Debenture Trustee is registered with the Securities and Exchange Board of India as a debenture trustee under the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 and pursuant to the consent letter dated May 24, 2021 (bearing reference number 28022/ITSL/OPR/CL/21-22/DEB/189) addressed by the Debenture Trustee which has been accepted by the Company, the Debenture Trustee has agreed to act as the debenture trustee in trust and on behalf of and for the benefit of the Debenture Holder(s) (as defined hereinafter) and the Debenture Holder(s) from time to time, and each of their successors and assigns;
- I. The Debenture Trustee and the Company have entered into a Trustee Agreement (as defined hereinafter) whereby the Company has appointed the Debenture Trustee and the Debenture Trustee has agreed to be appointed as the debenture trustee, in trust for, on behalf of, and for the benefit of the Debenture Holder(s) and for purposes related thereto;
- J. Accordingly, the Debenture Trustee has called upon the Company to execute a deed being these presents / the Debenture Trust Deed with a view to record the various terms, conditions and stipulations of the Debentures terms and conditions of the appointment of the Debenture Trustee as well as the Company’s obligations in respect of the Debentures including, redemption of the Debentures, payment of the Coupon including Default Interest thereon (if applicable), outstanding remuneration of the Debenture Trustee and all costs, charges, expenses and other monies payable in accordance with the terms of the issue of the Debentures and the Company has agreed to do so in the manner agreed by the Debenture Trustee, as hereinafter provided.
- K. This Deed is split into the following sections: (i) Part A which sets out the terms of Debentures, which are standard in nature or are terms stipulated pursuant to statutory or regulatory requirements; (ii) Part B which sets out the terms of the Debentures which are specific to this issuance; (iii) Part C which sets out the meaning of capitalised terms and expressions used in the Deed; and (iv) Part D, which contains the Schedules and Annexures which are cross referred to under Part A, Part B or Part C of this Deed.

1. PART A: STANDARD AND STATUTORY TERMS

1.1 APPOINTMENT OF DEBENTURE TRUSTEE

1.1.1 Settlement of Trust

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

- (a) to execute and deliver all documents, agreements, instruments and certificates contemplated by this Deed to be executed and delivered by the Debenture Trustee or as the Debenture Trustee shall deem advisable and in the best interest of the Debenture Holder(s);
- (b) to take whatever action shall be required to be taken by the Debenture Trustee by the terms and provisions of this Deed, to exercise its rights and perform its duties and obligations under such documents;
- (c) that it shall not revoke the trust(s) hereby declared until all the Secured Obligations in respect of the Debentures are irrevocably discharged and the Payments in respect of the Debentures are paid in full by the Company to the Debenture Holders and the Debenture Trustee in accordance with the terms of the Transaction Documents.
- (d) subject to the terms and provisions of this Deed, to take such other action in connection with the foregoing as the Debenture Holder(s) may from time to time direct.

PROVIDED that before initiating any action or exercising any right or performing any duty under this Deed or any of the other Transaction Documents, the Debenture Trustee shall, unless otherwise provided for in the Transaction Documents, seek written instructions from the Debenture Holder(s) and only upon receipt of relevant instructions from the Debenture Holder(s) in the manner set out in **Clause 2.1.18 of Part B** of this Deed, shall the Debenture Trustee exercise such rights and perform such duties and obligations referred to herein. Notwithstanding such requirement for instructions in writing, the Debenture Trustee shall never knowingly take any action inconsistent with the best interests of the Debenture Holder(s).

1.1.2 Resignation

- (a) The Debenture Trustee may, at any time, without assigning any reason and without being responsible for any loss or costs occasioned thereby, resign as the trustee, provided that it shall have given at least 1 (One) month's prior notice in writing to the Company in that behalf and that it shall continue to act as Debenture Trustee until a successor trustee ("**Successor Trustee**") is appointed by the Company.

- (b) The Company shall, upon receipt of notice of resignation issued by the Debenture Trustee, take prompt steps to appoint another entity competent to act as trustee for the Debenture Holder(s) in place of the Debenture Trustee. Provided any appointment of a successor trustee under this Clause shall only be filled after obtaining the written consent of the Majority Debenture Holder(s).

1.1.3 **Removal**

The Debenture Holder(s) may for sufficient cause, after giving not less than 21 (Twenty One) Business Days' notice in writing to the Company, remove the Debenture Trustee if so approved by the Debenture Holder(s) holding at least 75% (Seventy Five Percent) of the value of the outstanding Debentures and nominate an entity competent to act as their trustee and require the Company to appoint such entity as the Successor Trustee. The Company shall within 15 (Fifteen) Business Days of receipt of such decision approved by the Debenture Holder(s) take all the necessary steps to appoint the entity so nominated as the Successor Trustee and complete all necessary formalities to give effect to such appointment; Provided that the Debenture Trustee shall continue to act as Debenture Trustee until the Successor Trustee is appointed by the Company.

1.1.4 **Successor Trustee as the Debenture Trustee**

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

1.1.5 **Debenture Trustee Remuneration**

The remuneration of the Debenture Trustee shall be as per the terms of the of the fee letter executed between the Debenture Trustee and the Company dated May 24, 2021.

1.1.6 **Power and Right of Debenture Trustee to Inspect**

The Company hereby undertakes that it shall:

- (a) permit the Debenture Trustee, as the representative of the Debenture Holders, to enter into its premises and carry out technical, financial and legal inspections of its assets, facilities and inspect and make copies of the books of record and accounts of the Company to discuss the affairs, finances and accounts of the Company with, and be advised as to the same, by its officers.
- (b) The Company will, at the cost and expense of the Company, permit the Debenture Trustee, its employees, officers, consultants, agents and nominees to examine the relevant books and records, documents and accounts of the Company upon prior written notice and at such times and intervals as the Debenture Trustee may request.
- (c) The Company shall maintain all registers required under the terms of the Act and permit the Debenture Trustee to inspect the same and take copies and extracts therefrom.

- (d) The Company shall maintain proper books of account in accordance with Applicable Law and permit the Debenture Trustee, its employees, officers, consultants, agents and nominees, at the Company's cost and expense, and the representatives of the Debenture Holder(s), to visit and inspect any of the premises where its business is conducted and to have access to its relevant books of account and records in relation to this Issue.

1.2 AMOUNT OF DEBENTURES AND COVENANT TO MAKE PAYMENTS

- 1.2.1 The Debentures constituted and proposed to be issued are 500 (Five Hundred) Debentures each having a face value of Rs. 10,00,000/- (Rupees Ten Lakhs only), of the aggregate nominal value of Rs. 50,00,00,000/- (Rupees Fifty Crores only) on a private placement basis.
- 1.2.2 The tenure, the Coupon Rate, the periodicity of payments, the mode of payment, the period of redemption and the terms of redemption, in relation to the Debentures are set out in detail in **Part B** of this Deed.
- 1.2.3 The Company covenants with the Debenture Trustee that it shall pay to the Debenture Holder(s) the applicable Coupon, the Redemption Amount and all other monies in respect of the Debentures on the respective Due Date(s) and shall also pay all other amounts due in respect of the Debentures as stipulated and in accordance with the Financial Terms and Conditions. The Company shall make / release all Payments due by the Company in terms of the Transaction Documents to the Debenture Holders in proportion to their dues.
- 1.2.4 The Company hereby agrees and covenants that it shall pay additional interest / default interest / penal interest on the occurrence of any events set out in **Clause 2.1.11 (Default Interest Rate)** and **Clause 2.1.12 (Listing of the Debentures)** of **Part B** of this Deed.
- 1.2.5 The obligations of the Debenture Holders to subscribe to the Debentures is conditional upon the fulfillment prior to the Deemed Date of Allotment of the Debentures, to the satisfaction of the Debenture Trustee (or where permissible under Applicable Law, waiver by the Debenture Trustee in writing in their sole discretion) of each of the conditions described under **Chapter A of Schedule IV (Conditions Precedent)** (the "**Conditions Precedent**"). The Company shall be responsible for and use all efforts to ensure the satisfaction of each of the Conditions Precedent required to be fulfilled by it within the time prescribed herein.
- 1.2.6 The Company shall fulfill the conditions subsequent as set out in **Chapter B of Schedule IV (Conditions Subsequent)** (the "**Conditions Subsequent**") hereto within the time period as more particularly set out thereto.
- 1.2.7 The Company shall make all Payments due by the Company in terms of the Transaction Documents in accordance with the terms of this Deed and in the event that this Deed does not provide for the same, as per the instructions of the Debenture Trustee.
- 1.2.8 On such payment being made by the Company, the Company will inform the Depository and accordingly the respective beneficial owner accounts of the Debenture Holder(s) will be adjusted. The Company's liability to the Debenture Holder(s) in respect of all their rights in respect of the Debentures, including for payment of Default Interest or otherwise shall cease and stand extinguished on the Final Settlement Date in accordance with the terms of this Deed. The Company shall inform the Debenture Trustee whenever any payment to the Debenture Holder(s)

is made towards the Redemption Amount outstanding on the Debentures and any Coupon accrued thereon, including Default Interest (if any).

1.3 APPLICATION MONIES IN RESPECT OF THE DEBENTURES

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

- (a) for adjustment against the allotment of Debentures; or
- (b) for repayment of monies in the event the Company is unable to allot the Debentures.

1.4 FORM OF THE DEBENTURE

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

1.4.2 The right to receive the applicable Coupon, the Redemption Amount and all other monies payable in respect of the Debentures in terms of the Transaction Documents shall, between the Debenture Holder(s), inter-se rank *pari passu* without any preference or priority whatsoever.

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

1.5 LISTING OF THE DEBENTURES

1.5.1 The Company shall list the Debentures on the Wholesale Debt Market Segment of the BSE within 4 (Four) Business Days from the date of closing of the Issue.

1.5.2 In case of delay in listing of the debt securities beyond 4 (Four) Business Days from the date of closing of the Issue, the Company will (i) pay penal interest of 1% (One percent) p.a. over the Coupon Rate from the expiry of 4 (Four) Business days from the date of closing of Issue in respect of the Debentures till the listing of such Debentures; and (ii) be permitted to utilise the issue proceeds of its subsequent two privately placed issuances of securities only after receiving final listing approval from BSE in respect of the Debentures.

1.6 BANK ACCOUNT DETAILS AND PRE-AUTHORISATION

1.6.1 In accordance with the terms of Clause 3.2 of the SEBI Circular dated June 23, 2020 (bearing reference number: SEBI/HO/DDHS/CIR/P/103/2020), the Company hereby submits the following bank account details from which it proposes to pay the Payments in respect of the Debentures.

Beneficiary Name	Asirvad Micro Finance Limited
Bank Account No.	000905027410
SWIFT Code	NA
IFSC Code	ICIC0000009
Bank Name	ICICI Bank
Branch Address	Nungambakkam High Road, Chennai

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

1.6.3 The Company hereby further agrees and undertakes that it shall also inform the Debenture Trustee and the Debenture Holders of any change in aforesaid bank details within 1 (One) working day of such change.

1.7 SECURITY

1.7.1 The Debentures shall be unsecured in nature.

1.8 DEBENTURE REDEMPTION RESERVE

At present under Applicable Law, a Debenture Redemption Reserve is not required to be created for the issue of privately placed debentures by Non-Banking Financial Companies registered with the RBI. Since the Company is a Non-Banking Financial Company registered with RBI, no Debenture Redemption Reserve is being created in respect of the Debentures.

1.8.1 RECOVERY EXPENSE FUND

The Company hereby agrees and undertakes that it would create and maintain a recovery expense fund ("**Recovery Expense Fund**") as per the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, and all other Applicable Law, as amended from time to time, and if during the currency of these presents, any guidelines are formulated (or modified or revised) by SEBI or any other Governmental Authority under the Applicable Law in respect of creation and maintenance of the Recovery Expense Fund, 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.

1.9 REPRESENTATIONS AND WARRANTIES

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

1.9.1 STATUS:

- (i) It is a company, duly incorporated, registered and validly existing under the Applicable Law.
- (ii) As on date, the Company is registered with the Reserve Bank of India as a non-banking financial company- microfinance institution (NBFC-MFI).
- (iii) It has the power to own its assets and carry on its business as it is being conducted.

1.9.2 POWER AND AUTHORITY:

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

1.9.3 VALIDITY AND ADMISSIBILITY IN EVIDENCE:

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

- (a) 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;
- (b) to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and
- (c) for it to carry on its business

have been obtained or effected and are in full force and effect.

1.10 COVENANTS

1.10.1 AFFIRMATIVE AND REPORTING COVENANTS

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

(a) Utilisation of proceeds of Debentures

The Company shall utilise the monies received from the subscription of the Debentures, after meeting the costs and expenses in respect of the Issue, for the ongoing business purposes of the Company including towards the expansion of the onward lending and microfinance loan portfolio of the Company (the "**Purpose**").

The Company undertakes that no part of the monies received from the subscription of the Debentures shall be utilized by the Company directly or indirectly towards (A) any capital market instrument such as equity and equity linked instruments or any other

capital market related activities; or (B) any speculative purposes; or (C) investment in the real estate sector; or (D) in contravention of Applicable Law.

(b) Validity of Transaction Documents

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

(c) Further documents and acts

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

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

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

(e) Compliance with laws

The Company shall comply with:

- (i) the provisions of the Act and the notified rules issued thereunder, in relation to the issue of the Debentures.
- (ii) all the provisions as mentioned in the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Act and the rules issued thereunder, the provisions of the listing agreement entered into by the Company with the stock exchange in relation to the Debentures including the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Issuance of Non-convertible Debentures (Reserve Bank) Directions, 2010, RBI Master Direction dated September 1, 2016 bearing reference no. DNBR.PD.007/03.10.119/2016-17 on 'Non-Banking Financial Company –Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 as amended from time to time, the SEBI Circular dated June 23, 2020 (bearing reference number: SEBI/HO/DDHS/CIR/P/103/2020), SEBI Circular dated October 05, 2020 (bearing reference number: SEBI/HO/DDHS/CIR/P/2020/198) and the SEBI Circular dated October 13, 2020 (bearing reference number: SEBI/HO/MIRSD/CRADT/CIR/P/2020/203), as applicable and as amended from time to time and/or any other notification, circular, press release issued by SEBI / RBI.
- (iii) all the other Applicable Law.

- (i) the Company shall, while submitting half yearly/ annual financial results to the BSE disclose *inter alia* the following line items along with the financial results accompanied by a certificate from the Debenture Trustee confirming that it has taken note of the said content and the same shall be communicated to the Debenture Holder(s) on a half-yearly basis:
 - A. Credit rating of the Issue and change in credit rating, if any;
 - B. Debt- equity ratio of the Company;
 - C. Previous due date for the payment of interest/ repayment of principal and whether the same has been paid or not;
 - D. Next due date of payment along with the amount of interest/ principal along with the amount of interest payable;
 - E. Debenture Redemption Reserve (if applicable);
 - F. Net worth;
 - G. Net profit after tax; and
 - H. Earnings per share.

(f) Notify the Debenture Trustee

The Company shall:

- (i) notify the Debenture Trustee in writing, of any proposed change in the nature or conduct or scope of the business or operations of the Company, prior to the date on which such action is proposed to be given effect.
- (i) Inform the Debenture Trustee of any major change in the composition of its Board of Directors, which may amount to change in “control” as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended from time to time).
- (ii) Inform the Debenture Trustee promptly of any amalgamation, merger or reconstruction scheme proposed by the Company.
- (iii) The Company agrees that it shall forward to the Debenture Trustee promptly, which information can be forwarded in electronic form or fax:
 - A. a copy of the Statutory Auditors’ and Directors’ Annual Report, Balance Sheet and Profit & Loss Account and of all periodical and special reports at the same time as they are issued;
 - B. a copy of all notices, resolutions and circulars relating to new issue of debt securities at the same time as they are sent to shareholders/ holders of debt securities; and
 - C. a copy of all the notices, call letters, circulars, proceedings, etc. of the meetings of debt security holders at the same time as they are sent to the holders of debt securities or advertised in the media.

(g) Furnish Information to Debenture Trustee

- (i) Furnish quarterly (unless specified otherwise, in which case, reports shall be submitted according to the specified timeline) reports to the Debenture Trustee (and to the Debenture Holders), containing the following particulars: -

- A. Periodical status/performance reports from the Company within 7 (Seven) days of the relevant board meeting or within 45 (Forty Five) days of the respective quarter, whichever is earlier;
- B. Within 45 (Forty Five) Business Days from the end of each financial quarter, furnish a quarterly report to the Debenture Trustee containing the following particulars:
 - (a) Updated list of the names and addresses of the Debenture Holder(s).
 - (b) Details of the Coupon and principal payments to be made, but unpaid and reasons therefor;
 - (c) The number and nature of grievances received from the Debenture Holder(s) and resolved by the Company, and those grievances not yet solved to the satisfaction of the Debenture Holder(s) and the reasons thereof;
- C. Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holder(s). The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of its compliance.
 - (ii) The Company shall provide to the Debenture Trustee such information as it may require for any filings, statements, reports that the Debenture Trustee is required to provide to any Governmental Authority under Applicable Law.
- (h) Transfer of unclaimed Redemption Amounts.

The Company shall comply with the provisions of the Act relating to transfer of unclaimed / unpaid amounts of Coupon on Debentures and redemption of Debentures to the Investor Education and Protection Fund (IEPF), if applicable to it.
- (i) Financial Terms and Conditions

At all times during the term of these presents comply with each of the Financial Terms and Conditions.
- (j) The Company is aware that in terms of Regulation 14 of the SEBI (Debenture Trustees) Regulations, 1993 as amended from time to time, the Trust Deed has to contain the matters specified in Section 71 of the Companies Act, 2013 and Form No. SH.12 specified under the Companies (Share Capital and Debentures) Rules, 2014. The Company hereby agrees to comply with all the clauses of Form No. SH.12 as specified under the Companies (Share Capital and Debentures) Rules, 2014 to the extent applicable to it as if they are actually and physically incorporated herein in this Deed;

- (k) Within 15 (Fifteen) Business Days of receipt of a request from the Debenture Trustee, the Company shall authenticate any information relating to the Debentures, to be submitted by the Debenture Trustee with the Information Utility.
- (l) The Company shall submit to the Debenture Trustee, such information as may be required by the Debenture Trustee from time to time.
- (m) In addition to the aforesaid covenants, the Company shall also comply with the covenants set out in **Clause 2.5.1** (*Affirmative Covenants*) and **Clause 2.5.2** (*Reporting Covenants*) of **Part B** of this Deed.

1.10.2 **NEGATIVE COVENANTS**

The Company hereby covenants with the Debenture Trustee that the Company shall not, in addition to the negative covenants set out in **Clause 2.5.3** (*Negative Covenants*) of **Part B** of this Deed, (except as may otherwise be previously agreed in writing by the Debenture Trustee, acting on behalf of the Majority Debenture Holders), until the Final Settlement Date, undertake the following:

(a) **Payment of dividend**

Declare or pay any dividend and/or make any distributions to its shareholders during any Financial Year unless (i) the proposed dividend and/or distributions are being made out of the net income of the current Financial Year (excluding any amount resulting from the revaluation of the assets of the Company); (ii) no Event of Default has occurred and is then continuing or could occur or is reasonably like to occur, as a result of such payment or declaration of any dividend or distribution and after giving effect to any such action; and (iii) it has paid all the amounts then due and payable on the Debentures and other amounts under the Transaction Documents and has paid the other financial commitments due to the Debenture Holder(s) or has made provisions satisfactory to the Debenture Trustee for making such payments.

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

1.10.3 **FINANCIAL COVENANTS**

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

1.10.4 **BREACH OF COVENANT BY THE COMPANY MAY BE WAIVED**

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

1.11 **EVENTS OF DEFAULT**

If one or more of the events specified herein and under **Clause 1.11** and as specified in **Clause 2.6** (*Events of Default*) of **Part B** of this Deed (hereinafter each an “**Event of Default**” and

collectively, “**Events of Default**”) happen(s), the Debenture Trustee may, in their discretion, and shall, upon request in writing of the Majority Debenture Holder(s) by a notice in writing to the Company take all such action, expressly or impliedly permitted under the Transaction Documents or in law. For the avoidance of doubt, it is hereby clarified that the determination whether any of the acts, matters, events or circumstances mentioned in this **Clause 1.11** herein and under **Clause 2.6** (*Events of Default*) of **Part B** of this Deed have occurred, the opinion of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) shall be final and conclusive and be binding on the Company:

1.11.1 **NON-PAYMENT**

The failure to pay any amount payable in relation to the Debentures, including without limitation failure to make payment of the principal amount of the Debentures and/or the Coupon and/or any other amounts due in respect of the Debentures including the Payments in respect of the Debentures on the Due Date(s) at the place at which 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.

1.11.2 **CESSATION OF BUSINESS**

- (a) The Company suspends, ceases or threatens to suspend or cease to carry on its business or any substantial part thereof or gives notice or threatens to give, in writing, of its intention to do so.
- (b) The cessation of business by or the dissolution, winding-up, insolvency or liquidation of the Company or the passing of any order of a court ordering, restraining or otherwise preventing the Company from conducting all or any material part of its business.

1.11.3 **OPTIONAL ACCELERATED REDEMPTION OPTION**

The Company fails to redeem the Debentures in terms of the Transaction Documents upon exercise of the Optional Accelerated Redemption Option under **Clause 2.1.7** of **Part B** of this Deed.

1.11.4 **BREACH OF TERMS**

Except for the event contained in **Clause 1.11.1** (*Non-Payment*) of **Part A** of this Deed, **Clause 2.1.7** (*Optional Accelerated Redemption*) of **Part B** of this Deed, the Company defaults in the performance of any of its representations, warranties, obligations and covenants provided under the Transaction Documents including but not limited to **Clause 2.5.3** (*Negative Covenants*) of **Part B** of this Deed, **Clause 1.10.2** (*Negative Covenants*) of **Part A** of this Deed, **Clause 2.5.2** (*Reporting Covenants*) of **Part B** of this Deed, and the Company fails to comply with any reasonable monitoring and/or servicing requests from the Debenture Holder(s), including its monthly, quarterly or annual reporting requirements as required under **Clause 1.10.1** (*Affirmative and Reporting Covenants*) of **Part A** of this Deed and **Clause 2.5.1** (*Affirmative Covenants*) of **Part B** of this Deed.

1.12 **CONSEQUENCES OF AN EVENT OF DEFAULT**

On and at any time after the occurrence of an Event of Default, unless such Event of Default at the request of the Company is expressly waived by the Debenture Trustee acting on the

instructions of the Majority Debenture Holder(s), (a) upon the expiry of the cure period provided to the Company (if any), or (b) if the cure period provided is mutually extended by the Parties hereto upon the expiry of such extended period or (c) where it is not practical to provide a cure period, then forthwith, or (d) where no cure period has been provided and the Parties mutually agree to provide for a cure period, upon the expiry of such mutually agreed cure period, the Debenture Trustee shall if so directed by the Majority Debenture Holder(s) to exercise any or all of the following rights :

- (a) exercise any and all rights specified under this Deed and/or the other Transaction Documents, including without limitation, to accelerate the redemption of the Debentures and declare by way of written notice that all of the Debentures, together with accrued but unpaid Coupon, and the Secured Obligations in relation to the Debentures including all other costs, charges and expenses accrued or outstanding under the Transaction Documents to be (or such other date as the Debenture Trustee may specify) due and payable ("**Event of Default Notice**"), whereupon they shall become so due and payable immediately upon issuance of the Event of Default Notice. It is hereby clarified that the non-issuance of the Event of Default Notice by the Debenture Trustee (acting on the instructions of the Majority Debenture Holder(s)) shall not relinquish its rights, in any manner, to exercise any other rights available to them under the terms of this Clause 1.12; and/or
- (b) appoint a nominee Director or an observer on the Board of Directors of the Company in accordance with Applicable Law; and/or
- (c) review the management set-up or organization of the Company and to require the Company to undertake restructuring of the Company, if the Debenture Holders deem such restructuring to be necessary, including the formation of one or more committees with such powers and functions as may be deemed to be suitable by the Debenture Holders, if in the opinion of the Debenture Holders, the business of the Company is being conducted in a manner opposed to public policy or in a manner prejudicial to the interest of Debenture Holders. Further any person, by whatever name called, exercising substantial powers of management shall not be paid any commission in any Financial Year unless all the dues of the Debenture Holders in that Financial Year have been paid to the satisfaction of the Debenture Holders; and/or
- (d) in the event of an Event of Default under **Clause 1.11** of **Part A** of this Deed, the Debenture Trustee may appoint a third-party concurrent auditor of the Company for carrying out a concurrent audit of the Company and the Debenture Trustee shall determine the terms of such audit; and/or
- (e) exercise any other right that the Debenture Trustee and/or Debenture Holder(s) may have under the Transaction Documents or under Applicable law including pursuant to the SEBI Circular dated October 13, 2020 (bearing reference number: SEBI/HO/MIRSD/CRADT/CIR/P/2020/203), as amended, modified or replaced from time to time; and/or
- (f) exercise such other remedies, including legal and equitable rights, as permitted or available under Applicable Law (including initiating insolvency proceedings under IBC) or the Transaction Documents.

1.13 RIGHT TO DISCLOSE / PUBLISH THE NAMES OF THE COMPANY AND ITS DIRECTORS AS DEFAULTERS:

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

1.14 ROLE AND RESPONSIBILITY OF THE DEBENTURE TRUSTEE

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

- (a) The Debenture Trustee shall perform all such acts and duties as are set out in the other Transaction Documents.
- (b) The Debenture Trustee shall on a quarterly basis, obtain a certificate from the statutory auditor of the Company certifying compliance with the covenants of the Information Memorandum in the manner as may be specified by SEBI from time to time along with the half-yearly financial results of the Company.
- (c) 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 and shall not be responsible for any loss occasioned by so acting. Provided that, the Debenture Trustee shall at all times act with due care and diligence before relying upon any advice, opinion, information and communication received by it from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert its attorney, representative or receiver;
- (d) The Debenture Trustee shall act only on the instructions of the Majority Debenture Holders and in accordance with this Deed and the other Transaction Documents.
- (e) The Debenture Trustee shall be at liberty to accept a certificate signed by any one of the directors of the Company as to any act or matter *prima facie* within the knowledge of the Company as sufficient evidence;
- (f) With a view to facilitating any dealing under any provisions of these presents subject to the Debenture Trustee obtaining the prior written consent of the Majority Debenture Holders, the Debenture Trustee shall have full power to consent (where such consent is required) to a specified transaction or class of transactions unconditionally;
- (g) Subject to the Debenture Trustee obtaining the prior written consent of the Majority Debenture Holders, the Debenture Trustee shall have full power, to determine all questions and doubts arising in relation to any of the provisions of these presents and

every such determination bona fide made (whether or not the same shall relate wholly or partially to the acts or proceedings of the Debenture Trustee) shall be conclusive and binding upon all persons interested under these presents;

- (h) The Debenture Trustee shall not be bound to give notice to any person of the execution hereof or to see to the performance or observance of any of the obligations hereby imposed on the Company or in any way to interfere with the conduct of the Company's business unless and until the rights under the Debentures shall have become enforceable and the Debenture Trustee shall have determined to enforce the same;
- (i) The Debenture Trustee shall not be bound to take any steps to ascertain whether any Event of Default has happened upon the happening of which the rights under the Debentures becomes enforceable unless the Debenture Trustee has knowledge of such Event of Default. In the event the Debenture Trustee has knowledge of certain facts which would consequently result in an Event of Default, the Debenture Trustee shall immediately inform the Debenture Holders and declare an Event of Default upon their instructions;
- (j) The Debenture Trustee shall not be responsible for the monies paid by the Applicants for the Debentures or be bound to see to the application thereof;
- (k) 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 any of the foregoing from the Company;
- (l) subject to the approval of the Majority Debenture Holders at the 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 the discretion as to the exercise thereof and to the mode and time of exercise thereof. In the absence of any fraud, gross negligence, wilful misconduct or breach of trust the Debenture Trustee shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the aforementioned exercise or non-exercise thereof. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing the same and the Debenture Trustee is indemnified to its satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction;
- (m) 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 in the execution or purported execution of the powers and trusts thereof; and

PROVIDED NEVERTHELESS that nothing contained in this **Clause 1.14** (*Role and Responsibility of the Debenture Trustee*) shall exempt the Debenture Trustee or its officers, employees, agents from or indemnify it or them against any liability for negligence, breach of trust or wilful default nor any liability which by virtue of any rule or law would otherwise attach to it in respect of any negligence, wilful default or breach of trust which they may be guilty in relation to their duties thereunder.

1.15 MODIFICATIONS TO THESE PRESENTS

- (a) The Debenture Trustee shall, before taking any action on behalf of the Debenture Holders or providing any consent on behalf of the Debenture Holders under any Transaction Document, obtain the consent of the Debenture Holders in accordance with the terms of this Deed.
- (b) Subject to Clause 1.15(a) (*Modifications to these Presents*) above, the Debenture Trustee shall concur with the Company in making any modifications in these presents which in the opinion of the Debenture Trustee would not be prejudicial to the interests of the Debenture Holders, and to any modification of the terms of the Debentures or any of the other Transaction Documents which is of a formal, minor or technical nature or is to correct a manifest error. Any other change or modification to the terms of the Debentures or this Deed shall require the approval of the Majority Debenture Holders.
- (c) Upon obtaining such approval, the Debenture Trustee and the Company shall give effect to the same by executing necessary deed(s) supplemental to these presents (as necessary).

1.16 NOTICES

Please refer to **Clause 2.12** (*Notices*) of **Part B** of this Deed.

1.17 PROVISIONS REGARDING MEETING OF THE DEBENTURE HOLDER(S)

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

1.18 SEVERABILITY

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

1.19 EFFECTIVE DATE

The provisions of this Deed shall become effective on the Deemed Date of Allotment.

1.20 DISPUTES AND GOVERNING LAW

Please refer to **Clause 2.14** (*Disputes and Governing Law*) of **Part B** of this Deed.

1.21 COUNTERPARTS

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

1.22 APPROPRIATION OF PAYMENTS

Please refer to **Clause 2.17** (*Appropriation of Payments*) of **Part B** of this Deed.

1.23 COSTS AND EXPENSES

The Company shall pay any amounts payable under Applicable Law as stamp duty on this Deed and the issuance of Debentures. The Company shall pay such other amounts as set out in **Clause 2.18** (*Costs and Expenses*) of **Part B** of this Deed.

1.24 REGISTER OF DEBENTURE HOLDER

The Company shall, as required by Section 88 of the Act, keep at its registered office situated at 47, Whites Road, 1st Floor, Deshbandhu Plaza, Royapettah, Chennai, Tamil Nadu – 600014 a Register of the Debenture Holder(s) which shall include the addresses of the Debenture Holder(s), record of the subsequent transfers and changes in ownership. For the above purpose, the Company shall request the Registrar and Transfer Agent for the Issue to provide a list of Debenture Holder(s) by the Record Date. The Debenture Trustee and/or the Debenture Holder(s) or any of them or any other person shall, as provided in Section 94 of the Act, be entitled to inspect the said Register of Debenture Holder(s) and to take copies of or extracts from the same or any part thereof during usual business hours. Further a copy of this Deed shall be forwarded to any Debenture Holder or member of the Company at his request within, 7 (Seven) calendar days of making such request, on payment of the fees prescribed.

2. PART B: DETAILS SPECIFIC TO THE ISSUE

2.1 FINANCIAL TERMS AND CONDITIONS

2.1.1 DEBENTURES TO RANK PARI PASSU

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

2.1.2 INTEREST

(a) Interest on Application Money

The interest on Application Money received for the Debentures (if any) shall be payable at the Coupon Rate of 10.50% (Ten Decimal Point Five Zero Percent) per annum (subject to deduction of tax at source, as applicable) from the date of realization of cheque (s)/ demand draft(s)/ RTGS up to 1 (one) day prior to the Deemed Date of Allotment for the Debentures. Where Pay-in Date for the Debentures and Deemed Date of Allotment for the Debentures are the same, no interest on Application Money is to be paid.

(b) Coupon Payment Date(s):

Monthly on June 25, July 25, August 25, September 25, October 25, November 25, December 25, January 25, February 25, March 25, April 25 and May 25 of every calendar year until Maturity Date with the final Coupon Payment Date being the Maturity Date.

(c) Rating Downgrade

(i) In the event that the credit rating assigned to the Company by the Rating Agency and/or by any other credit rating agency is downgraded below "AA-" (pronounced as "Double A Minus") or upon the assignment of a new accepted rating of the Company by any credit rating agency below "AA-" (pronounced as "Double A Minus"), the Coupon Rate payable on the principal amount of the Debentures shall, without any act, deed or thing, automatically increase by 0.25% (Zero Decimal Point Two Five Percent) for every notch below such credit rating assigned to the Company by the Rating Agency and/or by any other credit rating agency as on the date of this Deed, over and above the prevailing Coupon Rate. The increase in the Coupon Rate shall be applicable on and from the date of the downgrade of credit rating or assignment of such new rating of the Company by the Rating Agency and/or such credit rating agency to the residual maturity of the Debentures. As on the date of this Deed, the credit rating assigned to the Company is "CRISIL AA-" (pronounced as "CRISIL Double A Minus").

(ii) As on the date of this Deed, the credit rating assigned to the Debentures is CRISIL AA- (pronounced as "CRISIL Double A Minus")

2.1.3 PRINCIPAL PAYMENT DATE(S)

The principal amount of the Debentures shall be payable by the Company on a quarterly basis on August 25, 2021, November 25, 2021, February 25, 2022, May 25, 2022, August 25, 2022, November 25, 2022, February 25, 2023 and May 25, 2023 (or earlier upon the exercise of the

Optional Acceleration Redemption Option or upon the occurrence of an Event of Default), subject to adjustments on account of business day convention, in the manner set out in Schedule V (*Illustration of Cashflows for Debentures*) hereto (each date a “**Principal Payment Date**”).

2.1.4 COMPUTATION OF COUPON

All Coupon accruing on the face value of the Debenture shall accrue from day to day and be calculated on an actual/actual day count basis, at the Coupon Rate and rounded to the nearest Rupee. The Coupon shall be computed on the principal outstanding on the Debentures and shall be payable on each Coupon Payment Date.

2.1.5 CHANGE OF TAX DEDUCTED AT SOURCE (‘TDS’)

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. For seeking TDS exemption/lower rate of TDS, relevant certificate/document must be lodged by the Debenture Holders at the office of the Registrar & Transfer Agents of the Company at least 15 (Fifteen) days before the relevant payment becoming due.

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

2.1.6 BUSINESS DAY CONVENTION

If any of the Coupon Payment Date(s) falls on a day that is not a Business Day, the payment shall be made by the Company on the immediately succeeding Business Day, which becomes the Coupon Payment Date for that coupon.

If the Principal Payment Date(s) on a day that is not a Business Day, such payment shall be made by the Company on the immediately preceding Business Day.

If the Maturity Date (also being the last Coupon Payment Date and the last Principal Payment Date) or the Optional Acceleration Redemption Date as the case may be or the date for payment of any other amounts under the Transaction Documents, falls on a day that is not a Business Day, the payment of Coupon and Redemption Amount falling on such day shall be made on the immediately preceding Business Day.

2.1.7 OPTIONAL ACCELERATION OPTION

- (a) Upon the occurrence of any of the following events (each an “**Optional Acceleration Redemption Event**”):
- (i) breach of any covenants under **Clause 2.5.4** (*Financial Covenants*) of **Part B** set out under this Deed in the event such breach has not been cured or remedied within the cure period set out under this Deed; or
 - (ii) any breach of Rating Covenant (as defined below); or
 - (iii) any breach of Holding Covenant (as defined below); or

- (iv) any breach of Management Covenant (as defined below); or
- (v) in the event the Company prepays any Financial Indebtedness of the Company availed by it from any third party (whether voluntarily or mandatorily) including the redemption of any debentures, prior to its stated maturity thereof and such prepayment and/or redemption leads to a negative mismatch on a cumulative basis in any of the buckets of the ALM statement of the Company until residual maturity of the Debentures, after incorporating all the liabilities of the Company including any put options or reset options. It is hereby clarified that the unutilised bank lines and cash credit limits available to the Company shall be excluded while testing the said negative mismatch; or
- (vi) in the event of there being any Material Adverse Effect in the business, condition (financial or otherwise), operations, performance or prospects of the Company due to any pending or threatened litigation, charges, investigation or proceedings that may or can have an adverse effect on the business condition (financial or otherwise), operations, performance or prospects of the Company, that affects the payment of amounts outstanding under the Debentures to the Debenture Holder(s) in any manner.

the Debenture Holder(s) shall have the right, without being obligated, to require the Company to redeem the Debentures (in full or in part) prior to the Maturity Date in the manner set out in this sub-clause 2.1.7 (the “**Optional Acceleration Redemption Option**”). For the avoidance of doubt, it is hereby clarified that the occurrence of an Optional Acceleration Redemption Event shall be determined by the Debenture Holder(s) solely in their discretion.

- (b) In the event that any Debenture Holder is desirous of exercising the Optional Acceleration Redemption Option, the Debenture Trustee (acting on the instructions of the Debenture Holders) shall issue a notice to the Company (with a copy marked to the Debenture Holders), in writing, requiring the Company to redeem the relevant Debentures as set out in the notice thereto by making payment of all outstanding Payments in relation to such Debentures (including any unpaid principal, accrued but unpaid Coupon, Default Interest (as applicable)) as on the date of the exercise of the Optional Acceleration Redemption Option (“**Optional Acceleration Redemption Notice**”).
- (c) Within and no later than 7 (Seven) calendar days of issuance of the Optional Acceleration Redemption Notice by the Debenture Trustee (the “**Optional Acceleration Redemption Date**”), the Company shall compulsorily redeem the relevant Debentures identified in the Optional Acceleration Redemption Notice by crediting to the beneficiary account of the relevant Debenture Holder(s), the outstanding Payments in relation to such Debentures (including any unpaid principal, accrued but unpaid Coupon, Default Interest (as applicable)) as on the date of the exercise of the Optional Acceleration Redemption Option.
- (d) Notwithstanding anything contained above, in the event an Optional Acceleration Redemption Option is being exercised solely pursuant to breach of **Clause 2.5.41.1(a)** of **Part B** of this Deed under the terms of this sub-clause 2.1.7, then the Company shall compulsorily redeem the relevant Debentures identified in the Optional Acceleration Redemption Notice within the timelines mentioned in sub-clause 2.1.7(c) above, by crediting to the beneficiary account of each Debenture Holder, the Optional Acceleration Redemption Price. For the purposes of this paragraph, the term “**Optional Acceleration Redemption Price**” shall mean the amount calculated at the rate of 10.75% (Ten Decimal Point Seven Five Percent) (on a XIRR basis) considering the cashflows for subscription of Debentures and interest and principal payment

made during the period starting from the Deemed Date of Allotment until the actual date of redemption of the Debentures.

2.1.8 REDEMPTION

The Debentures shall be taken as fully redeemed on payment of the entire Redemption Amount by the Company on the Maturity Date or earlier including upon the occurrence of an Event of Default. Such payment will be a legal discharge of the liability of the Company towards the Debenture Holder(s). The Redemption Amount for each Debenture shall be equal to the face value of the said Debentures plus the accrued Coupon and Default Interest (if any).

2.1.9 PAYMENTS

Payment of the Redemption Amount will be made on the Principal Payment Date(s) to the Debenture Holders, whose names appear on the List of Beneficial Owner(s) given by Depository to the Company as on the Record Date and in case of joint holders of Debentures to the one whose name stands first in the Register of Debenture Holder(s). Such Payments shall be made by cheque or warrant / demand draft / credit through the NEFT/RTGS system.

2.1.10 SECURITY

The Debentures shall be unsecured in nature.

2.1.11 DEFAULT INTEREST RATE

In the event of a payment default of the amounts due under this Issue, the Company shall pay an additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on the outstanding principal amount and accrued Coupon of the Debentures, calculated from the date of the occurrence of the default until such default is cured or the Debentures are redeemed pursuant to such default, as applicable ("**Default Interest**").

2.1.12 LISTING OF THE DEBENTURES

- (a) The Company shall list the Debentures in accordance with **Clause 1.5 of Part A** of this Deed. .

2.1.13 NOMINEE DIRECTOR

The Debenture Trustee shall have a right to appoint a nominee Director or observer on the Board of Directors of the Company in the manner as set out in **Clause 1.12 of Part A** of this Deed and **Clause 2.7 of Part B** of this Deed.

2.1.14 TRANSFER OF DEBENTURES

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

2.1.15 DEBENTURES FREE FROM EQUITIES

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

2.1.16 DEBENTURE HOLDER NOT ENTITLED TO SHAREHOLDERS' RIGHTS

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

2.1.17 VARIATION OF DEBENTURE HOLDER(S)' RIGHTS

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

2.1.18 DECISIONS OF THE DEBENTURE HOLDER(S)

The Debenture Trustee shall, unless otherwise provided for in the Transaction Documents, seek written instructions from the Debenture Holder(s) and only upon receipt of the written instructions from the Majority Debenture Holder(s) for the time being outstanding, or by a Special Resolution duly passed at a meeting of the Debenture Holder(s) convened in accordance with the provisions set out in **Schedule III** (*Provisions for the Meeting of the Debenture Holder(s)*) hereto, exercise such rights and perform such duties and obligations referred to under this Deed.

2.2 REPRESENTATIONS AND WARRANTIES

2.2.1 REPRESENTATIONS AND WARRANTIES OF THE COMPANY

In addition to the representations and warranties represented and warranted by the Company pursuant to **Clause 1.9** (*Representations and Warranties*) of **Part A** of this Deed, the Company hereby, represents and warrants with reference to the facts and circumstances as on the date hereof:

(a) BINDING OBLIGATIONS:

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

(b) NON-CONFLICT WITH OTHER OBLIGATIONS:

The entry into, and performance by it of, and the transactions contemplated by the Transaction Documents does not constitute a default, acceleration or termination of any other agreement to which the Company is a party or breach of any judgment, decree, order or award and does not and will not conflict with, or cause a breach in relation to:

- (i) any Applicable Law; or
- (ii) its constitutional documents;

- (iii) any agreement or instrument entered into by the Company or binding upon it or any of its assets; or
- (iv) any judgment, decree, order or award of any competent court, tribunal or arbitrator; and
- (v) constitute a default, acceleration or termination of any other document, instrument, or deed that the Company is party to.

(c) **EXECUTION OF TRANSACTION DOCUMENTS:**

This Deed and the Transaction Documents executed or to be executed constitute legal, valid and enforceable obligations of the Company.

(d) **NO DEFAULT:**

- (i) No Event of Default has currently occurred and is continuing as of the date hereof or reasonably be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures.
- (ii) No other event or circumstance is outstanding which constitutes as on the date hereof (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 may have a Material Adverse Effect.

(e) **RANKING:**

- (i) Its payment obligations under the Debentures are the direct, unconditional and irrevocable obligations of the Company.
- (ii) The Debentures shall rank *pari passu* inter se and the payment obligations of the Company under the Transaction Documents shall be *pari passu* with the claims of all of its other unsecured creditors, except for obligations mandatorily preferred by Applicable Law applying to companies generally.

(f) **NO PROCEEDINGS PENDING:**

No litigation, investigation, action, suit, claim, complaint, or other proceedings, arbitration or administrative proceedings of or before any court, arbitral body or agency which have been commenced and/ or pending, or has been threatened (by issuance of notice), against the Company or its officers (including in relation to the insolvency or winding up of the Company), which if adversely determined, may have a Material Adverse Effect.

(g) **NO MISLEADING INFORMATION:**

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 and is not misleading due to omission of material fact or otherwise.

(h) **COMPLIANCE**

- (i) The entry into and performance by it of, and the transactions contemplated by the Transaction Documents complies with Applicable Law.
- (ii) The Company shall complete all necessary formalities including all filings with the relevant regulatory authorities, including but not limited to the SEBI, the BSE and obtain all consents and approvals required for the completion of the Issue.
- (iii) The Company has made all payments in respect of its statutory dues, and other amounts required to be paid by it under Applicable Law.

(i) **ASSETS:**

Except for the security interests and encumbrances created and recorded with the ROC, 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 or desirable for the conduct of its business as it is being, and is proposed to be, conducted or as disclosed in its financial statements.

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

There are no stamp duties, registration, Taxes, fees, filings, recordings or notarizations before or with any Governmental Authority required to be carried out in India in relation to the legality, validity, enforceability, execution and delivery of the Transaction Documents by the Company other than the:

- (i) stamping of the Transaction Documents (on or prior to execution in Chennai, India) in accordance the Applicable Law;
- (ii) stamping of the Debentures in accordance with the Indian Stamp Act, 1899;
- (iii) filing of the return of allotment of securities under Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC;
- (iv) the filings with the BSE in which the Debentures are proposed to be listed by the Company including the necessary filings in respect of obtaining the in-principal approval and the final listing approval from BSE;
- (v) the necessary filings with the Depositories in respect of the dematerialisation of the Debentures including the filing of the Master Creation Form for obtaining the International Securities Identification Number for the Issue;
- (vi) the necessary filings with the Information Utility; and
- (vii) the Taxes payable under Applicable Law.

(k) **FINANCIAL STATEMENTS:**

- (i) The Company maintains accurate and correct business and financial records.

- (ii) Its financial statements (including those most recently supplied to the Debenture Trustee as of March 31, 2020) are prepared in accordance with GAAP consistently applied save to the extent expressly disclosed in such financial statements.
- (iii) Its financial statements as of March 31, 2020 supplied to the Debenture Trustee, give a true and fair view and represent its financial condition and operations during the Financial Year save to the extent expressly disclosed in such financial statements.

(l) **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 Financial 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.

(m) **MATERIAL ADVERSE EFFECT**

No Material Adverse Effect has occurred, including without limitation, in relation to the business, condition, operations, performance or prospects of the Company. There are no facts or circumstances, conditions or occurrences, which could collectively or otherwise be expected to result in Material Adverse Effect

(n) **NO IMMUNITY**

Neither the Company, nor any of its assets are entitled to immunity from suit, execution, attachment or other legal process in its jurisdiction of incorporation. This Issue (and the documents to be executed in relation thereto) constitutes, and the exercise of its rights and performance of and compliance with its obligations in relation thereto, will constitute, private and commercial acts done and performed for private and commercial purposes.

(o) **TRANSACTIONS WITH AFFILIATE(S)**

All transactions entered into by the Company with its affiliate(s) have been entered into on commercially agreed terms and on an arm's length basis in compliance with Applicable Law.

(p) **INDEBTEDNESS**

No Financial Indebtedness availed by the Company from any third party has been declared to be due and payable prior to the stated maturity under the terms of any instrument or agreement evidencing, securing or in relation to such Financial Indebtedness.

(q) **DIRECTORS**

None of the directors of the Company have not been declared as a 'wilful defaulter' as defined under the applicable RBI regulations.

(r) **DISCLOSED LIABILITIES**

Save and except as disclosed in the financial statements of the Company from time to time and as separately disclosed to the Debenture Trustee and the Debenture Holder(s), the Company has not received any claims from any third parties and has not incurred any additional liabilities.

2.2.2 **Nature of Representations and Warranties**

Each of the representations and warranties set out above shall be true and accurate as on the date of the execution of this Deed and unless otherwise specifically provided, shall be deemed to be repeated by the Company on and as on each day upto the Final Settlement Date as if made with respect to the facts and circumstances existing on such dates, except where expressly stated to be made as of a particular date.

2.2.3 The Company further confirms that the Debenture Trustee, "*ipso facto*" does not have the obligations of the Company or the borrower or a principal debtor or a guarantor as to the monies paid/invested by the Debenture Holder(s) for the subscription of the Debentures.

2.3 **REPRESENTATIONS AND WARRANTIES OF THE DEBENTURE TRUSTEE**

The Debenture Trustee hereby represents, warrants and covenants in favour of the Company and the Debenture Holder(s) 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 authorised to enter into the Transaction Documents in accordance with the Applicable Law.
- (b) This Deed has been duly and validly executed and delivered by the Debenture Trustee and constitutes a legal and binding obligation of the Debenture Trustee enforceable against the Debenture Trustee in accordance with its terms.
- (c) The execution, delivery and performance by the Debenture Trustee of this Deed does not and will not, with or without the giving of notice or lapse of time or both, violate, conflict with, require any consent or result in a breach of or default under:
 - (i) any Applicable Law to which the Debenture Trustee is subject; or
 - (ii) any order, judgment or decree applicable to the Debenture Trustee; or
 - (iii) any term, condition, covenant, undertaking, agreement or other instrument to which the Debenture Trustee is a party or by which the Debenture Trustee is

bound;

- (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 SEBI (Debenture Trustees) Regulations, 1993 (as amended from time to time);
- (f) The Debenture Trustee shall not have, claim or exercise any right of deduction, lien or set-off on, over or in respect of any of the amounts, writings or things held by it or continued to be held by it or coming within its power or possession pursuant to or in connection with these presents.
- (g) All information set forth in this Deed, and all information furnished and/or to be furnished by the Debenture Trustee to the Debenture Holder/s is true and correct and was/is not misleading whether by reason of omission to state a material fact or otherwise.
- (h) The Debenture Trustee is eligible to act as a debenture trustee for the Issue under the Act and the rules made thereunder including without limitation under the Companies (Share Capital and Debenture) Rules, 2014 and under the SEBI (Debenture Trustees) Regulations, 1993 (as amended from time to time).
- (i) It is clarified that the Debenture Trustee is neither a principal debtor nor a guarantor in respect of the Debentures and has not made any representations, warranties or provided any investment advice or recommendation to subscribe to the Debentures to the Debenture Holder(s) who have subscribed to the Debentures of their own accord and after obtaining separate independent advice.

2.4 MISCELLANEOUS PROVISIONS IN RELATION TO THE DEBENTURES

2.4.1 RECEIPT OF DEBENTURE HOLDER

The receipt of each Debenture Holder or if there be joint holders, then the receipt of the first named Debenture Holder or of the survivors or survivor of the Debenture Holder(s) of the Redemption Amount payable in respect of each of such Debenture shall be a good discharge to the Debenture Trustee and the Company.

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

No purchaser, mortgagee or other person dealing with the Debenture Trustee or any Receiver appointed by them or their attorneys or agents shall be concerned to inquire whether the power exercised or purported to be exercised by the Debenture Trustee has become exercisable or whether any money remains due under this Deed and/or the other Transaction Documents or as to the necessity or expediency of the stipulations and conditions subject to which any sale shall have been made or otherwise as to the propriety or regularity of any invocation, sale, calling in, collection or conversion 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, mortgagee or other Person to be within the powers hereby conferred and be valid and effectual accordingly and the

remedy of the Company or their respective assigns in respect of any impropriety or irregularity whatsoever in the exercise of such power shall be in damages only.

2.4.3 TRUSTS OF DEBENTURES NOT RECOGNISED

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

2.4.4 SURRENDER OF DEBENTURES ON PAYMENT

For payment to the Debenture Holder(s) of the Redemption Amount, the Company shall make the payment of the Redemption Amount to the Debenture Holder(s) or to any subsequent transferee(s) who are entitled to receive the payment on the Principal Payment Date(s). Upon receipt of the Redemption Amount, the Debenture Holder(s) or the subsequent transferee(s), as applicable, shall issue appropriate receipts in this regard to the Company and any Debenture Holder (who has re-materialised the Debenture(s) held by it) shall also hand over the certificate representing the Debentures redeemed as aforesaid.

2.4.5 FAILURE TO SURRENDER THE DEBENTURES

In the event of any Debenture Holder (who has rematerialized the Debentures held by it) not surrendering such Debentures which the Company is ready to pay or satisfy in accordance with the terms of these presents, to the Company, within 30 (Thirty) calendar days after the Due Date for the redemption or payment of the amount owed thereby, the Company shall be at liberty to deposit in a scheduled commercial bank in the name of the Company for the purpose, an amount equal to the amount due to any such Debenture Holder(s) in respect of such Debentures and upon such deposit being made subject to the condition that the monies deposited therein shall be withdrawn for settling the future claim of the Debenture Holder(s), the Debentures which the Company is ready to pay or satisfy as aforesaid shall be deemed to have been paid off or satisfied in accordance with the provisions hereof. The Company agrees to furnish an undertaking from the abovementioned scheduled commercial bank that withdrawals from the no-lien account shall be permitted only to meet the claims of the Debenture Holder(s).

2.4.6 POWER OF THE DEBENTURE TRUSTEE TO INVEST UNCLAIMED AMOUNT

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

2.4.7 AUTHORISED INVESTMENTS

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

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

Payments made in accordance with **Clause 1.2** (*Amount of Debentures and Covenant to make Payments*) of **Part A** of this Deed, shall be considered a legal discharge of the liability of the Company towards the Debenture Holder(s). On such payment being made, the Company will inform the Depository(ies) and accordingly the account of the Debenture Holder(s) with the Depository(ies) will be adjusted. The Company's liability to the Debenture Holder(s) in respect of all their rights including for Payments or otherwise shall cease and stand extinguished after maturity, in all events save and except for the Debenture Holder's right of redemption as stated above. Upon dispatching the payment instrument towards the payments as specified in **Clause 1.2** (*Amount of Debentures and Covenant to make Payments*) of **Part A** of this Deed in respect of the Debentures, the liability of the Company shall stand extinguished.

2.5 COVENANTS

2.5.1 AFFIRMATIVE COVENANTS

The Company hereby covenants with the Debenture Trustee that the Company shall, in addition to the covenants set out in **Clause 1.10.1** (*Affirmative and Reporting Covenants*) of **Part A** of this Deed, (except as may otherwise be previously agreed in writing by the Debenture Trustee (acting upon the instructions of the Majority Debenture Holders), undertakes to comply with the following covenants:

(a) LISTING

Take all steps for making an application to the WDM segment of the BSE and all steps necessary to get the Debentures listed within 4 (Four) Business Days from the date of closing of the Issue. In case of delay in listing of the debt securities beyond 4 (Four) Business Days from the date of closing of the Issue, the Company will (i) pay penal interest of 1% (One percent) p.a. over the Coupon Rate from the expiry of 4 (Four) Business days from the Deemed Date of Allotment till the listing of such Debentures; and (ii) be permitted to utilise the issue proceeds of its subsequent two privately placed issuances of securities only after receiving final listing approval from BSE in respect of the Debentures.

(b) PRESERVE CORPORATE STATUS

Diligently preserve its corporate existence and status and its license to conduct business as a non-banking financial company and any other rights, licenses, authorizations and franchises necessary for its obligations under the Debentures and the Transaction Documents and continue to be a validly existing organization in good standing and at all times act and proceed in relation to its affairs and business in compliance with Applicable Law.

(c) COSTS AND EXPENSES

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

(d) **FURTHER ASSURANCES**

The Company shall:

- (i) execute and/or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;
- (ii) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all licenses or authorisations necessary to enable it lawfully to enter into and perform its obligations under this Deed or to ensure the legality, validity, enforceability or admissibility in evidence in India of this Deed and the other Transaction Documents;
- (iii) comply with any monitoring and/or servicing requests from Debenture Holder(s);
- (iv) comply with any directions/ guidelines issued by any Governmental Authority, in relation to the Issue;
- (v) provide such other information relating to the Company (which is relevant to the rights of the Debenture Holders and/ or the ability of the Company to meet its obligations in respect of the Debentures) that is requested for reasonably by the Debenture Trustee in writing at reasonable time intervals. The Company shall be required to furnish all the relevant details to the Debenture Trustee, within 15 (Fifteen) Business Days from the receipt of such request.

(e) **CORPORATE GOVERNANCE**

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

(f) **FINANCIAL STATEMENTS**

- (i) The Company shall submit to the Debenture Trustee (and to the Debenture Holder(s), if so requested), the duly audited annual financial accounts and statements on a standalone and consolidated basis within 120 (One Hundred and Twenty) calendar days from the closure of the preceding financial year.
- (ii) Submit to the Debenture Trustee (and to the Debenture Holder(s), if so requested), its provisional/unaudited quarterly financial statements and other details of the portfolio of the Company, within 45 (Forty Five) calendar days from the close of each of its accounting quarters.

(g) **KYC REQUIREMENTS**

In the event any of the Debenture Holder(s) is obliged for any reason to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, the Company shall, promptly on the request of the Debenture Holder(s), supply (or procure the supply of) such

documentation and other evidence as is requested in order for the Debenture Holder(s) to carry out, and be satisfied that it has complied with, all necessary "know your customer" or other similar checks under all Applicable Law.

(h) **RECORDS AND INSPECTION**

The Company hereby undertakes that it shall keep such adequate accounting and control systems, management information systems, books of account, and other records as are required to be maintained under Applicable Law and such accounts as are adequate to reflect truly and fairly the financial condition and results of operations and which shall contain full, true and correct entries in conformity with GAAP / IND AS consistently applied and all requirements of Applicable Law.

(i) **RATING COVENANT**

The Company hereby undertakes that until the Final Settlement Date (such covenant is hereinafter referred to as the "**Rating Covenant**"):

- (i) the Debentures are rated by the Rating Agency and continue to be rated by the Rating Agency(ies) during the tenure of the Debentures.
- (ii) the long-term credit rating of the Company shall not be downgraded and/or assigned at "A or below" from any credit rating agency. Provided however that, in the event that the Company agrees to a similar rating based covenant with any other lender(s) / debenture holder(s) but with a higher ratings threshold (i.e. A or above), such higher rating threshold shall be deemed to be applicable to the terms of this Issue as well and this provision shall be deemed to be automatically modified so as to refer to such higher ratings threshold without the requirement for any further act, deed or thing.
- (iii) the credit rating assigned to the Company by the Rating Agency and/or by any other credit rating agency and/or the credit rating assigned to the Debentures by the Rating Agency is not suspended due to any non-cooperation of the Company with the Rating Agency and/or any other credit rating agency.

(j) **HOLDING COVENANT**

The Company hereby undertakes that until the Final Settlement Date, unless the prior written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) is obtained, Manappuram Finance Limited shall hold minimum 51% (Fifty One Percent) of the equity share capital of the Company, on a fully diluted basis, and shall retain Management Control of the Company (such covenant is hereinafter referred to as the "**Holding Covenant**").

For the purpose of this sub-clause (j), the term "**Management Control**" shall, in relation to any entity, mean:

- (i) the right to appoint the majority of directors of such entity; and
- (ii) to control the management of such entity or policy decisions are exercisable by a person or persons acting individually or in concert, directly or indirectly, by

virtue of their shareholding or management rights or shareholders agreements or voting agreements.

(k) **MANAGEMENT COVENANT**

The Company hereby undertakes that until the Final Settlement Date, unless the prior written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) is obtained, Mr. V.P Nandakumar shall continue to remain on the Board of Directors of the Company (such covenant is hereinafter referred to as the “**Management Covenant**”).

(l) **PERFORMANCE OF OBLIGATIONS**

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

(m) **ACCESS**

The Company shall provide the Debenture Holders with access to data and information in relation to meetings with the management team of the Company for periodical portfolio monitoring.

2.5.2 **REPORTING COVENANTS**

The Company shall provide or cause to be provided to the Debenture Trustee, in form and substance reasonably satisfactory to the Debenture Trustee (and to the Debenture Holders if so requested), each of the following items in addition to the items set out under **Clause 1.10.1 of Part A** of this Deed:

- (a) Within 45 (Forty Five) calendar days from the end of each quarter of every calendar year, the Company shall issue in favour of the Debenture Trustee and the Debenture Holder(s), a certificate issued by an authorised officer of the Company certifying the compliance by the Company of each of the financial covenants provided for in **Clause 2.5.4 (Financial Covenants)** of **Part B** of this Deed, which certificate shall be delivered to the Debenture Trustee and the Debenture Holder(s).
- (b) As soon as practical and in any case within 30 (Thirty) Business Days upon the occurrence of the following event(s):
 - (i) change in the shareholding structure of the Company.
 - (ii) change in the composition of the Board of Directors of the Company.
 - (iii) change in any senior management officials including the Chief Executive Officer of the Company or any other person holding a similar position in the Company.
 - (iv) change in statutory auditor of the Company.
 - (v) approval of the annual business plan by the Board of Directors of the Company.

- (vi) after the Company obtains knowledge thereof, notice of the occurrence of any fraud amounting to more than 1% (One Percent) of the gross loan portfolio of the Company.
 - (vii) any changes in the accounting policy of the Company;
 - (viii) any change in the credit bureaus whose services are being used by the Company as on the date of this Deed;
 - (ix) any change or amendment in the constitutional documents of the Company.
 - (x) after the Company obtains knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect.
 - (xi) after the Company knew or received, notice of any dispute, litigation, investigation or other proceeding affecting the Company or its property or operations, which, if adversely determined, could result in a Material Adverse Effect.
 - (xii) in the event a petition is filed for the winding up of the Company or any winding up proceedings are initiated against the Company.
 - (xiii) after the Company obtains knowledge thereof, inform and keep the Debenture Trustee informed of the occurrence of any event which constitutes in the opinion of the Company, a potential Event of Default or an Event of Default specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same.
 - (xiv) Any prepayment of any Financial Indebtedness by the Company or upon the receipt of notice of any prepayment of any Financial Indebtedness of the Company.
- (c) As soon as practicable within 45 (Forty Five) calendar days from the end of each quarter of every calendar year, the Company shall furnish a report, containing the following particulars:
- (i) Information on financials, operations, portfolio growth and asset quality data, funding or borrower profile data in the formats acceptable to the Debenture Holder(s);
 - (ii) list of Board of Directors of the Company;
 - (iii) Shareholding pattern of the Company;
 - (iv) Asset Liability Management (“**ALM**”) statement of the Company for the relevant financial quarter in the formats acceptable to the Debenture Holders;
 - (v) Liquidity position of the Company at the end of such financial quarter in a format acceptable to the Debenture Holders;
 - (vi) Static pool data of the Company;
 - (vii) Restructuring data and data related to loan support during Covid-19;
 - (viii) Copy of returns filed by the Company with RBI; and
 - (ix) Any information in relation to:

- (A) any new products introduced by the Company and/or any change in features in existing products offered by the Company;
 - (B) any new business correspondent relationships formed by the Company and/or any discontinuation of any relationship with an existing business correspondent of the Company;
 - (C) in the event the Company undertakes any form of geographic expansion in any new State;
 - (D) any material change in the information technology systems or procedures and/or MIS systems of the Company;
 - (E) any revision in the business plan of the Company;
 - (F) any change in the credit bureaus whose services are being used by the Company as on the date of this Deed;
 - (G) any changes in the accounting policy of the Company;
 - (H) the occurrence of any fraud amounting to more than 1% (One Percent) of the gross loan portfolio of the Company.
- (d) Within 120 (One Hundred and Twenty) calendar days from the end of each Financial Year, the Company shall submit to the Debenture Trustee:
- (i) A certificate issued by a director or the chief financial officer of the Company confirming that no Event of Default or potential Event of Default has occurred or is continuing thereof;
 - (ii) Copy of all annual information submitted by the Company to the RBI; and
 - (iii) Corporate social responsibility report of the Company.
- (e) The Company shall promptly notify the Debenture Trustee in writing, if it becomes aware of any fact, matter or circumstance which would cause any of the representations and warranties under any of the Transaction Documents to become untrue or inaccurate or misleading in any respect.
- (f) The Company shall promptly provide to the Debenture Trustee such further information regarding the financial condition, business and operations of the Company as the Debenture Trustee may reasonably request in relation to the Payments due to be made on the Debentures.
- (g) notify the Debenture Trustee of any revision or downgrade in the rating provided by the Rating Agency in the Issue or any downgrade in the rating of the Company.

2.5.3 NEGATIVE COVENANTS

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

(a) CHANGE IN CONTROL

Take any action resulting in a change in Control of the Company whereby the shareholding of Manappuram Finance Limited, reduces below 51% (Fifty One Percent) of the share capital of the Company (on a fully diluted basis) without the prior written

consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders).

(b) CHANGE IN DIRECTOR

Take any action for removal of Mr. V.P Nandakumar from the Board of Directors of the Company without making a prior written intimation to the Debenture Trustee (acting on the instructions of the Majority Debenture Holders)

(c) CHANGE OF BUSINESS

(i) Change the general nature of its business from that which is permitted as a non-deposit accepting or holding non-banking financial company registered with the RBI.

(ii) Undertake any new business outside of financial services or any diversification of its business outside of financial services.

(d) DISPOSAL OF ASSETS

Shall not sell, transfer, or otherwise dispose of in any manner whatsoever any assets, of the Company, except for any securitisation or direct assignment transactions which form a part of the ordinary course of business of the Company in compliance with the RBI Master Direction dated September 1, 2016 bearing reference no. DNBR.PD.007/03.10.119/2016-17 on 'Non-Banking Financial Company –Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 as amended from time to time. Provided that any securitisation or direct assignment transaction undertaken by the Company which has the effect of exiting the business shall not be construed as forming a part of the ordinary course of business of the Company and the Company shall not undertake such transactions without the prior written consent of the Debenture Trustee.

(h) ARRANGEMENT WITH CREDITORS / SHAREHOLDERS

(i) Enter into any transaction of merger, de-merger, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction.

(ii) Enter into any compromise or arrangement or settlement with any of its creditors (whether secured or unsecured) other than any prepayment made in favour of such creditors by the Company.

(i) CONTRACTUAL OBLIGATIONS

Enter into any contractual obligation with any third party which may have an adverse effect on the financial standing of the Company.

(j) WILFUL DEFAULTER

Appointment of any person and/or continuing the appointment of any person declared / classified as a 'wilful defaulter' as defined under the applicable RBI regulations, on the Board of Directors of the Company and/or as a Key Managerial Personnel.

(k) **WINDING UP**

Shall not voluntarily wind up or file any application for voluntary winding up of the Company before any court or tribunal and shall ensure that the shareholders of the Company, do not vote on any resolution placed before the shareholders related to voluntary winding of the Company prior to fulfilment of its obligations in respect of the Debentures.

(l) **BUSINESS TRANSACTIONS**

Enter into any transaction with any Person or enter into or continue business transactions with its shareholders, employees, affiliate(s), holding company(ies) and/or subsidiaries other than business transactions which have been entered into on commercially agreed terms and on an arm's length basis in compliance with Applicable Law.

(m) **PROFIT SHARING / ROYALTY ARRANGEMENTS**

Enter into or establish any partnership, profit sharing, royalty agreement or any similar arrangement with any Person which shall result in the income or profits of the Company being shared with such Person other than in the ordinary course of business on an arm's length basis and in compliance with Applicable Law (including transactions undertaken by the Company which may be construed as a partnership with business correspondents for sourcing loans).

(n) **CHANGE OF FINANCIAL YEAR**

The Company shall not change its financial year-end from March 31 unless such change is mandatorily required to be made for compliance with Applicable Law.

(o) **MANAGEMENT CONTRACTS**

Enter into any management contract or similar arrangement with any Person resulting in the business or operations of the Company being managed by any other Person.

(p) **CHANGE IN STATUTORY AUDITORS**

The Company shall not change its statutory auditors unless required mandatorily under Applicable Law.

(q) **CHANGE IN CAPITAL STRUCTURE**

Shall not change its capital structure of the Company which leads to reduction of its share capital. Provided however that the Company shall provide a written intimation to the Debenture Trustee and/or Debenture Holder(s) within 5 (Five) calendar days of taking any other action resulting in any change in capital structure of the Company.

(r) **VOLUNTARY INSOLVENCY**

The Company shall not file any application for initiation of corporate insolvency resolution process against the Company or initiate any corporate action to initiate voluntary liquidation of the Company. The Company shall not participate in any involuntary process undertaken under the IBC in relation to the Company.

(s) **REPAYMENT OF UNSECURED LOANS**

The Company shall not make any repayments in relation to any unsecured loans and inter-corporate deposits which the Company has availed from its Promoter(s) and/or Related Party(ies) other than by way of conversion to equity shares so long as an Event of Default exists or is continuing or would result therefrom and/or for the period commencing from the date of any breach of the Transaction Documents and expiring on the date on which such default ceases or has been remedied or waived. For the purpose of this sub-clause the terms 'Promoter(s)' and 'Related Party(ies)' shall have the meaning assigned to such term in the Act.

2.5.4 **FINANCIAL COVENANTS**

The Company shall ensure that at all times until the Final Settlement Date:

- (a) it maintains the total Debt: Equity ratio below 5x.
- (b) it maintains a Capital Adequacy Ratio of at least 17% (Fifteen Percent) or as prescribed by the applicable regulations of the RBI from time to time, whichever is higher. Further, in respect of the above Capital Adequacy Ratio, the Company shall maintain a Tier I Capital Adequacy Ratio of at least 13% (Thirteen Percent);
- (c) On and from the Deemed Date of Allotment and until and including September 30, 2021, the Company shall at all times maintain a ratio of the sum of (x) Portfolio at Risk over 90 (Ninety) days plus (y) Restructured Loans and Written Off Loans during the last 12 (Twelve) months of not greater than 6% (Six Percent) of the Gross Loan Portfolio of the Company. On and from October 1, 2021 and until the Final Settlement Date, the Company shall at all times maintain a ratio of the sum of (x) Portfolio at Risk over 90 (Ninety) days plus (y) Restructured Loans and Written Off Loans during the last 12 (Twelve) months of not greater than 4% (Six Percent) of the Gross Loan Portfolio of the Company.
- (d) it maintains a ratio of the sum of (x) Loan Loss Reserves divided by (y) Portfolio at Risk over 90 (Ninety) days plus (z) Restructured Loans of not less than 100% (One Hundred Percent).
- (e) the Net Income (excluding extra-ordinary income) of the Company to remain positive. This covenant shall be tested on a quarterly and annual basis on and from March 31, 2022 until the Final Settlement Date.
- (f) it shall not extend any debt / loan to any single individual or entity and/or undertake any guarantee obligations on behalf of any third party, amounting to greater than 1% (Five Percent) of its Net Worth. Provided that any loans extended by the Company to the Manappuram Group shall be exempted while calculating this covenant.

- (g) it shall not have any negative mismatches on a cumulative basis in any of the buckets till the next one year of ALM statement after incorporating all the liabilities of the Company including any put options or reset options exercisable in any form. The unencumbered cash and cash equivalents of the Company which are maturing across all the buckets of the ALM shall be included under the asset and form a part of the opening asset balance. Provided that unutilised bank lines and cash credit limits available to the Company shall be excluded while testing this covenant.
- (h) The Company hereby agrees and undertakes that in the event the Company obtains any borrowings secured by any comfort / unconditional and irrevocable guarantee given by Manappuram Finance Limited during the tenure of the Debentures, such similar guarantee shall also be deemed to be applicable in respect of the Debentures. The Company shall ensure that Manappuram Finance Limited forthwith executes any and all documents the Debenture Holders require in relation thereto and failure to do so shall be construed to be an Event of Default.

For the purpose of this **Clause 2.5.4 (Financial Covenants)**, the following terms shall have the meaning ascribed to them as provided below:

“*Capital Adequacy Ratio*” shall have the meaning assigned to such term in the applicable regulations of the RBI from time to time;

“*Client Loan*” shall mean each loan made by the Company as a lender, and “*Client Loans*” shall refer to the aggregate of such loans;

“*Debt*” shall mean all loans, debentures, cash credit, working capital facility, secured or unsecured, securitised portfolio which are recognised on balance sheet under the accounting norms or any other form of financing availed by the Company.

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

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

“*Loan Loss Reserves*” shall mean the total reserve established to cover potential losses in the Company’s outstanding loans or other credit facilities.

“*Net Income*” shall mean profit after tax minus the extraordinary income as per the audited/unaudited quarterly profit and loss statement.

“*Net Worth*” shall have the meaning assigned to such term under Clause (57) of Section 2 of the Act.

“*Portfolio at Risk over 90 Days*” shall on the Company’s entire assets under management at any point of time, as the case may be, the outstanding principal value of the relevant portfolio of the Company that has one or more instalments of principal, interest, penalty interest, fee or any other expected payments overdue for 90 (Ninety) days or more, including restructured loans.

“*Restructured Loans*” shall mean, with respect to the Company, the outstanding principal balance of all past due Client Loans that have been renegotiated or modified to either lengthen or postpone the originally scheduled instalments of principal, or to substantially alter the original terms, of such Client Loans.

“*Written Off Loans*” shall mean with respect to the Company, the outstanding principal balance of such Client Loans which have been written off from the books of account.

“*Tier I Capital Adequacy Ratio*” shall have the meaning assigned to such term in the applicable RBI regulations.

The Debenture Trustee shall monitor the compliance with the above covenants set out in **Clause 2.5.4 (Financial Covenants)**, as on the last date of every financial quarter, i.e. on March 31, June 30, September 30 or on December 31 (“**Testing Date**”) until the Final Settlement Date, on the standalone balance sheet of the Company.

The Company shall, within 45 (Forty Five) calendar days of the expiry of each financial quarter, issue in favour of the Debenture Trustee and the Debenture Holder(s), a certificate issued by an authorised officer of the Company certifying the compliance by the Company of each of the financial covenants provided for in **Clause 2.5.4 (Financial Covenants)** above, which certificate shall be delivered to the Debenture Trustee and the Debenture Holder(s).

2.6 EVENTS OF DEFAULT

If one or more of the events specified herein and under **Clause 2.6** and as specified in **Clause 1.11 (Events of Default)** of **Part A** of this Deed (hereinafter each an “Event of Default” and collectively, “**Events of Default**”) happen(s), the Debenture Trustee may, in their discretion, and shall, upon request in writing of the Majority Debenture Holder(s) by a notice in writing to the Company take all such action, expressly or impliedly permitted under the Transaction Documents or in law. For the avoidance of doubt, it is hereby clarified that the determination whether any of the acts, matters, events or circumstances mentioned in this **Clause 2.6** herein and under **Clause 1.11 (Events of Default)** of **Part A** of this Deed have occurred, the opinion of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) shall be final and conclusive and be binding on the Company:

(a) 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.

(b) INSOLVENCY OR INABILITY TO PAY DEBTS

(i) The Company is unable or admits in writing its inability to pay its debts as they mature or, suspends making payments on any of its debts, 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 is deemed by Applicable Law or a court to be) insolvent or bankrupt or unable to pay its debts as they fall due, or stops or suspends payment of all its debts, makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of 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, quashed or stayed within 15 (Fifteen) calendar days or as given in the said order.

(c) **MATERIAL ADVERSE EFFECT**

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 and such Material Adverse Effect has not been remedied or rectified within 30 (Thirty) Business Days from the date of its occurrence.

(d) **CROSS DEFAULT**

If the Company, in regards to any Financial Indebtedness availed by it from the Debenture Holders and/or any third party (A) defaults in any payment of any Financial Indebtedness provided in the instrument or agreement under which such Financial Indebtedness was created or (B) defaults in the observance or performance of any agreement or condition relating to such Financial Indebtedness or contained in any instrument or agreement evidencing securing or in relation to such Financial Indebtedness, 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 Indebtedness to become due prior to its stated maturity; or (C) such 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.

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

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

- (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company or its affiliate(s);
- (ii) a composition, compromise, assignment or arrangement with any creditor of the Company or its affiliate(s);
- (iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager, trustee or other similar officer in respect of the Company or its affiliate(s);

- (iv) any reference, enquiry or proceedings against the Company or its affiliate(s) are instituted before the National Company Law Tribunal or under any mechanism prescribed by the RBI in respect of resolution or restructuring of stressed assets (including without limitation, under the RBI Circular dated June 7, 2019 (bearing reference number: DBR.No.BP.BC.45/21.04.048/2018-19) on the "Prudential Framework for Resolution of Stressed Assets" as amended, modified or restated from time to time);
- (v) initiation of an insolvency resolution process under the IBC or any similar process under Applicable Laws by any person (whether a financial creditor or an operational creditor or otherwise) in respect of the Company or its affiliate(s); or
- (vi) enforcement of any security over any assets of the Company or its affiliate(s); or
- (vii) any other event occurs or proceeding is instituted that under any Applicable Law would have an effect analogous to any of the events listed in clauses (i) (ii),(iii), (iv), (v) and (vi) above.
- (viii) 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-organisation, merger or consolidation on terms approved by a Special Resolution of the Debenture Holders.

(f) **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 by any Governmental Authority, or any Governmental Authority shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or Governmental authority.
- (ii) Failure of the Company to inform the Debenture Trustee of 1 (one) or more of the other creditors of the Company accelerating the payment obligations of the Company on the grounds of a material adverse change (howsoever defined under the respective transaction documents) or a material adverse effect (howsoever defined under the respective transaction documents) in the financial, operational or regulatory conditions governing the Company.
- (iii) The Company voluntarily or involuntarily becomes 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 adjudicated insolvent or is found to be taking advantage of any law for the relief of the insolvent debtors.

(g) **JUDGEMENT DEFAULT**

One or more judgments or decrees shall be 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 and such judgments or decrees either shall be final and non-appealable or shall not be vacated, discharged or stayed pending appeal for any period of 30 (Thirty) consecutive calendar days.

(h) **TRANSACTION DOCUMENTS**

(i) Any of the Transaction Documents are, in whole in whole or in part, terminated or ceases 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 failing to provide the rights, title, remedies, powers or privileges intended to be created thereby (including the priority intended to be created thereby), or such rights, title, remedies, powers or privileges becoming unlawful, invalid or unenforceable.

(i) **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.

(j) **REPUDIATION**

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

(k) **GOVERNMENTAL INTERVENTION**

(i) Any step is taken by any 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; or

(ii) Any Governmental Authority shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, or its officers from carrying on their 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.

(l) **DELISTING**

Subsequent to the listing of the Debentures, if the Debentures are delisted from BSE without the prior written consent of the Debenture Trustee.

(m) **CESSATION**

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

(n) **ALTERATION IN CONSTITUTIONAL DOCUMENTS**

The Company, without the prior written consent of the Debenture Trustee, makes or attempts to make any alteration in the provisions of the constitutional documents of the Company (i) which would, in the opinion of the Debenture Trustee prejudicially affect the interests of the Debenture Holder(s); and (ii) the Company refuses or neglects to or is unable to rescind such alteration.

(o) **NON-COMPLIANCE WITH JUDICIAL ORDERS**

The Company fails to comply with or fulfil any judicial order passed against it and such judicial order either shall be final and non-appealable or shall not be stayed pending appeal.

(p) **EROSION OF NET WORTH**

The Debenture Holders' on the basis of quarterly or annual financial reporting from the Company assesses that, or any accountant of a firm / an independent chartered accountant appointed by the Debenture Trustee (which appointment the Debenture trustee is entitled and hereby authorised to make at any time until the Final Settlement Date) certifies that there has been an erosion of 50% (Fifty Percent) or more of the Net Worth of the Company. For the purposes of this sub-clause the term 'Net Worth' shall have the meaning assigned to such term under the Act.

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

The Company has taken or suffered to be taken any action for re-organisation of its share capital or any rearrangement, consolidation, amalgamate with or merge with or into, or receive all or substantially all the assets or obligations of, another entity, without the prior written approval of the Debenture Trustee.

(r) **DISPOSAL OF ASSETS**

Sell, transfer, or otherwise dispose of in any manner whatsoever all or a substantial part of the assets of the Company, other than in ordinary course of business of the Company.

(s) **ANTI TERRORISM**

The Company finances clients listed on:

- (i) any list of terrorists or terrorist organizations of the United Nations, the European Union and any other applicable country; or

- (ii) any financial sanctions list, being defined as lists of persons, groups or entities which are subject to United Nations, European Union and the US Office of Foreign Asset Control (OFAC) sanctions.

(t) **WILFUL DEFAULT**

Any promoter(s) or directors of the Company or any of the Key Managerial Personnel being declared as a 'wilful defaulter' by any competent authority and/or the promoter and/or the any of the director(s) of the Company or any of the Key Managerial Personnel are accused of, charged with, arrested or convicted in a criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of the promoter(s) and/or the director(s), including any accusations, charges and/or convictions of any offence relating to bribery.

(u) **THIRD PARTY DEFAULT**

Due to any default or an event of default resulting from a breach of any representation or information covenant under the terms of any agreement involving borrowed monies or the extension of credit or any other Financial Indebtedness availed by the Company or under which the Company is obligated as a guarantor, such borrowed monies, credit and/or Financial Indebtedness 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, without the prior written consent of the Debenture Holder(s). Provided that such consent shall not be unreasonably delayed or withheld by the Debenture Holder(s).

- (v) The subscription proceeds of the Debentures received by the Company are not utilised for the Purpose in compliance with this Deed and the other Transaction Documents.

(w) **FORCE MAJEURE**

Any failure or delay by the Company in the performance of its obligations under this Deed and/or the other Transaction Documents, if it is prevented from so performing its obligations upon the occurrence of any force majeure event such as act of God, flood, fire, natural calamities, war (whether declared or undeclared), terrorism, riot, rebellion, civil commotion lockout, epidemic and/or pandemic.

- (x) In the event the Company fails to comply with and/or breaches any Applicable Law.

(y) **CHANGE OF CONTROL**

In the event the Company takes any action without the prior written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) which would result in Manappuram Finance Limited holding less than 51% (Fifty One Percent) of the equity share capital of the Company, on a fully diluted basis, and which would result in Manappuram Finance Limited not retaining Management Control of the Company. For the purposes of this sub-clause the term "Management Control" shall have the meaning assigned to such term under **Clause 2.5.1 (k) of Part B** of this Deed.

2.7 CONSEQUENCES OF AN EVENT OF DEFAULT

2.7.1 On and at any time after the occurrence of an Event of Default, unless such Event of Default at the request of the Company is expressly waived by the Debenture Trustee acting on the instructions of the Majority Debenture Holder(s), (a) upon the expiry of the cure period provided to the Company (if any), or (b) if the cure period provided is mutually extended by the Parties hereto upon the expiry of such extended period or (c) where it is not practical to provide a cure period, then forthwith, or (d) where no cure period has been provided and the Parties mutually agree to provide for a cure period, upon the expiry of such mutually agreed cure period, the Debenture Trustee shall if so directed by the Majority Debenture Holder(s) to exercise any or all of the following rights:

- (a) exercise any and all rights specified under this Deed and/or the other Transaction Documents, including without limitation, to accelerate the redemption of the Debentures and declare by way of written notice that all of the Debentures, together with accrued but unpaid Coupon, and the Secured Obligations in relation to the Debentures including all other costs, charges and expenses accrued or outstanding under the Transaction Documents to be (or such other date as the Debenture Trustee may specify) due and payable ("**Event of Default Notice**"), whereupon they shall become so due and payable immediately upon issuance of the Event of Default Notice. It is hereby clarified that the non-issuance of the Event of Default Notice by the Debenture Trustee (acting on the instructions of the Majority Debenture Holder(s)) shall not relinquish its rights, in any manner, to exercise any other rights available to them under the terms of this Clause 2.7.1(a); and/or
- (b) appoint a nominee Director or an observer on the Board of Directors of the Company in accordance with Applicable Law; and/or
- (c) review the management set-up or organization of the Company and to require the Company to undertake restructuring of the Company, if the Debenture Holders deem such restructuring to be necessary, including the formation of one or more committees with such powers and functions as may be deemed to be suitable by the Debenture Holders, if in the opinion of the Debenture Holders, the business of the Company is being conducted in a manner opposed to public policy or in a manner prejudicial to the interest of Debenture Holders. Further any person, by whatever name called, exercising substantial powers of management shall not be paid any commission in any Financial Year unless all the dues of the Debenture Holders in that Financial Year have been paid to the satisfaction of the Debenture Holders; and/or
- (d) in the event of an Event of Default under **Clause 1.11.1 of Part A** of this Deed, the Debenture Trustee may appoint a third party concurrent auditor of the Company for carrying out a concurrent audit of the Company and the Debenture Trustee shall determine the terms of such audit; and/or
- (e) exercise any other right that the Debenture Trustee and /or Debenture Holder(s) may have under the Transaction Documents or under Applicable law including pursuant to the SEBI Circular dated October 13, 2020 (bearing reference number: SEBI/HO/MIRSD/CRADT/CIR/P/2020/203), as amended, modified or replaced from time to time; and/or

- (f) exercise such other remedies, including legal and equitable rights, as permitted or available under Applicable Law (including initiating insolvency proceedings under IBC) or the Transaction Documents

2.7.2 Notwithstanding any cancellation or termination pursuant to **Clause 2.7** (Consequences of an Event of Default) above, all the provisions of the Transaction Documents for the benefit or protection of the Debenture Holders and their interests shall continue to be in full force and effect as specifically provided in the Transaction Documents. The Debenture Trustee shall, on being informed by the Company of the happening of any of the Event(s) of Default set out in **Clause 2.6** (*Events of Default*) above or upon the happening of any of such Event(s) of Default coming to its notice, forthwith give written notice to the Debenture Holder(s) of the same.

2.8 **POWER OF DEBENTURE TRUSTEE TO DELEGATE**

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

2.9 **POWER OF DEBENTURE TRUSTEE TO EMPLOY AGENTS**

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

2.10 **DEBENTURE TRUSTEE MAY CONTRACT WITH COMPANY**

Neither the Debenture Trustee nor any agent of the Debenture Trustee shall be precluded from making any contract or entering into any arrangement or transaction with the Company or with itself in the ordinary course of business of the Debenture Trustee or from undertaking any banking, financial or agency services for the Company or for itself or from underwriting or guaranteeing the subscription of or placing or subscribing for or otherwise acquiring, holding or dealing with any of the stocks or shares or debentures or debenture stocks or any other securities whatsoever of the Company or in which the Company may be interested either with or without a commission or other remuneration or otherwise at any time entering into any contract of loan or deposit or any other contract or arrangement or transaction with the Company or being concerned or interested in any such contract or arrangement or transaction which any other company or person not being the Debenture Trustee of these presents would be entitled to enter into with the Company and they shall not be in any way liable to account either to the Company

or to the Debenture Holder(s) for any profits made by them thereby or in connection therewith and the Debenture Trustee or any agent of the Debenture Trustee shall also be allowed to retain for their or his own benefit any customary share of brokerage, fee, commission, interest, discount or other compensation or remuneration allowed to them or him.

2.11 APPOINTMENT OF DEBENTURE TRUSTEE AS ATTORNEYS OF THE COMPANY

2.11.1 The Company hereby irrevocably appoints the Debenture Trustee to be appointed under these presents otherwise to be its attorney or attorneys, and in the name and on behalf of the Company (and to the exclusion of the Company) to act and execute all deeds and things, which the Company is authorised to execute and do under the covenants and provisions herein contained and generally to use the name of the Company in the exercise of all or any of the powers by these presents or by Applicable Law conferred on the Debenture Trustee and also to exercise on behalf of the Company at its cost, the powers hereunder or by Applicable Law conferred on the Debenture Trustee and also to execute on behalf of the Company at the cost of the Company, such documents and deeds as may be necessary to give effect to the provisions referred to and the Company shall bear the expenses that may be incurred by the Debenture Trustee in that behalf and without prejudice to the generality of the foregoing the Debenture Trustee has been appointed by the Company, *inter alia*, to:

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

2.12 NOTICES

2.12.1 Unless otherwise stated, all notices, approvals, instructions and other communications for the purposes of this Deed may be given by e-mail, by facsimile, by personal delivery or by sending the same by prepaid registered mail addressed to the Party concerned at its address stated in the title of this Deed or the fax numbers set out below or the email address set out below and/or any other address subsequently notified to the other Party with a period of 4 (four) Business Days from any change thereof, for the purposes of this Clause and shall be deemed to be effective (a) if delivered personally, when delivered; (b) if delivered by fax transmission, when sent (on receipt of a confirmation to the correct fax number); (c) if sent by courier or registered post acknowledgement due, 1 (One) Business Day after deposit with a courier/ or post office; and (d) if sent by electronic mail, forthwith in case no delivery failure is received. Any Party may from time to time change its address for the purpose of notices to that Party by giving a similar notice specifying a new address, but no such notice will be deemed to have been given until it is actually received by the Party sought to be charged with the contents thereof..

- (a) To: The Company

ASIRVAD MICRO FINANCE LIMITED

Address: 47, Whites Road 1st Floor,
Deshabandu Plaza, Royapettah, Chennai-600 014

Attention: Ms. Aparna Menon

Phone: 044-43510081

Fax No.: 044-43510081

Email: cs@asirvad.in

(b) To: The Debenture Trustee

IDBI TRUSTEESHIP SERVICES LIMITED

Address: Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai,
Maharashtra- 400001

Attention: Mr. Naresh Sachwani/ Mr. Deepak Avasthi

Phone: +91-22-40807000

Email: itsl@idbitrustee.com

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

2.12.3 All other documents provided under or in connection with this Deed must be in English;

if not in English, and if so required by the Debenture Trustee, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

2.12.4 This Clause 2.12 (*Notices*) shall survive the termination or expiry of this Deed.

2.13 WAIVER

2.13.1 No Implied Waiver or Impairment

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

2.13.2 Express Waiver

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

2.14 DISPUTES AND GOVERNING LAW

2.14.1 The Debentures and this Deed are governed by and shall be construed in accordance with the laws of India.

2.14.2 The Parties agrees that the courts and tribunals in Chennai 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.

- 2.14.3 The Company irrevocably waives any objection now or in future, to the laying of the venue of any Proceedings in the courts and tribunals at Chennai 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 Chennai shall be conclusive and binding upon them 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.
- 2.14.4 Nothing contained in this **Clause 2.14** (*Disputes and Governing Law*), 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 accept for itself and in respect of each 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.
- 2.14.5 The Company hereby consents generally in respect of any Proceedings arising out of or in connection with this Deed to the giving of any relief or the issue of any process in connection with such Proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.
- 2.14.6 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.

2.15 **MISCELLANEOUS**

2.15.1 **Discharges and Releases**

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

2.15.2 **Limitation on Rights of Others**

Nothing in this Deed, whether express or implied, shall be construed to give to any Person other than the Debenture Trustee and the Debenture Holder any legal or equitable right, remedy or claim under or in respect of this Deed, except as expressly provided in this Deed, any covenants,

conditions or provisions contained herein all of which are, and shall be construed to be, for the sole and exclusive benefit of the Debenture Trustee and the Debenture Holder(s).

2.15.3 Other Remedies

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

- (a) shall not prejudice any other rights or remedies to which the Debenture Trustee may, independently of this Deed, whether by statute or otherwise, be entitled and in particular, the Debenture Trustee and/or the Debenture Holders shall retain all rights and remedies available to it under the Information Memorandum and this Deed; and
- (b) shall not be prejudiced by any other rights or remedies to which the Debenture Trustee may, independently of this Deed, be entitled to.

2.16 INDEMNITY

- (a) The Company shall, whether or not the transactions herein contemplated are consummated, indemnify the Debenture Holders, Debenture Trustee and their respective shareholders, officers, directors, employees, representatives and attorneys and hold each of them harmless against any and all liabilities, demands, obligations, losses, damages, penalties, claims, actions, judgments, suits, costs, expenses and disbursements incurred by any of them as a result of, or arising out of, or in any way related to, or by reason of breach of the provisions of the Transaction Documents.
- (b) The Company shall, forthwith on demand by the Debenture Holders or the Debenture Trustee pay any amounts due under this **Clause 2.16** (*Indemnity*).
- (c) This **Clause 2.16** (*Indemnity*) shall survive the termination or expiry of this Deed.

2.17 APPROPRIATION OF PAYMENTS

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

- (a) Firstly, towards costs, charges and expenses incurred by the Debenture Trustee in accordance with the terms of this Deed;
- (b) Secondly, reimbursement of all costs and expenses paid by the Debenture Holder(s) as provided under **Clause 2.18** (*Costs and Expenses*) of **Part B** of this Deed;
- (c) Thirdly, Default Interest payable under **Clause 2.1.11** (*Default Interest Rate*) above;
- (d) Fourthly, towards interest at the Coupon Rate, as the context may require; and
- (e) Lastly, towards the redemption of the Debentures due and payable under this Deed.

2.18 COSTS AND EXPENSES

- 2.18.1 The Company shall pay all Taxes, stamp duties, fees, penalties or other charges payable on or in connection with the valuation, due diligence exercise in connection with the transactions contemplated herein, the execution, issue, delivery, registration of this Deed and the Transaction Documents as well as stamp duty and incidental charges for the Debentures or certificates issued to the Debenture Holders and any document, act and registration performed pursuant hereto, if

and when required to pay the same according to this Deed or Applicable Law. If the Company fails to pay the Taxes, fees, penalties or other charges payable, then the Debenture Trustee may (but is not obligated to) pay such amounts, on behalf of the Company. Any money paid by the Debenture Trustee as aforesaid, shall constitute a part of the Payments. The Company undertakes to deliver to the Debenture Trustee originals of the receipts evidencing payment of stamp duty and other charges in connection with the stamping and registration of this Deed.

- 2.18.2 The Company hereby undertakes and agrees that if due to any circumstances whatsoever they fail to comply with **Clause 2.18** (*Costs and Expenses*) above and the payments are made by the Debenture Trustee, the Company shall indemnify the Debenture Trustee (on behalf of itself and each of its officers, directors, employees, agents and advisors) against such payments made by the Debenture Trustee (including, without limitation, payment of any such stamp duty and any penalties) and against any and all losses, liabilities, damages, costs and expenses (including, without limitation, fees and expenses of counsel on a full indemnity basis) which the Debenture Trustee may suffer and/or incur or which may arise as a consequence of the non-performance by the Company of the undertaking contained in Clause 2.18.1 (*Costs and Expenses*) above.

2.19 **NO WAIVER; REMEDIES CUMULATIVE**

No failure or delay on the part of the Debenture Trustee or the Debenture Holders in exercising any right, power or privilege hereunder or under any other Transaction Documents and no course of dealing between the Company, on the one hand, and the Debenture Trustee or the Debenture Holders, on the other hand, shall impair any such right, power or privilege or operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or under any other Transaction Documents preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder or thereunder. The rights, powers and remedies herein or in any other Transaction Documents or expressly provided are cumulative and not exclusive of any rights, powers or remedies which the Debenture Trustee or the Debenture Holders would otherwise have. No notice to or demand on the obligors in any case shall entitle the obligors to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the Debenture Trustee or the Debenture Holders to any other or further action in any circumstances without notice or demand.

2.20 **DISCLOSURE**

The Company hereby consents to the Debenture Trustee and each Debenture Holder, their officers and agents disclosing information relating to and/ or provided by the Company and/ or relating to the Debentures, to:

- (a) the head office of the Debenture Trustee and each Debenture Holder, any of their subsidiaries or subsidiaries of their holding company, affiliates, representative and branch offices in any jurisdiction (together with the Debenture Trustee and each Debenture Holder, the "**Permitted Parties**");
- (b) professional advisers and service providers of the Permitted Parties who are under a duty of confidentiality to the Permitted Parties;
- (c) any actual or potential assignee, novatee, transferee in relation to any of the Debenture Holders' rights and/or obligations under any agreement (or any agent or adviser of any of the foregoing); and
- (d) any court or tribunal or regulatory, supervisory, governmental or quasi-Government Authority with jurisdiction over the Permitted Parties.

2.21 **RATIFICATION**

The Company covenants with the Debenture Trustee to ratify and confirm all acts or things made, done or executed by any attorney or substitute as contemplated herein.

2.22 **TAXES**

- (a) The Company shall make all payments to be made by it pursuant to this Deed without any Tax Deduction, unless a Tax Deduction is required by Applicable Law.
- (b) Payment of interest on Debentures will be subject to deductions as per the Income Tax Act, 1961 as applicable.

3. PART C: DEFINITIONS AND CONSTRUCTION

3.1 DEFINITIONS AND CONSTRUCTION

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

- (a) “**Act**” shall mean the provisions of the Companies Act, 2013, along with the rules and regulations made thereunder and the notifications, circulars and orders issued in relation thereto, as amended, modified or supplemented from time to time;
- (b) “**Applicable Law**” includes all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof;
- (c) “**Applicants**” shall mean the recipients of the Information Memorandum and/or the Private Placement Offer cum Application Letter;
- (d) “**Application Form**” shall mean the form used by the recipient of the Information Memorandum and/or the Private Placement Offer cum Application Letter(s), to apply for subscription to the Debentures;
- (e) “**Application Money**” means the subscription monies paid by the Applicants at the time of submitting the Application Form;
- (f) “**Beneficial Owner(s)**” means the Debenture Holder(s) of the Debentures in dematerialised form whose name is recorded as such with the Depository;
- (g) “**Business Day**” shall mean any day of the week (excluding Sundays and any other day which is a ‘public holiday’ for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881)) on which banks are normally open for business in Mumbai, India and “**Business Days**” shall be construed accordingly;
- (h) “**Coupon**” means the coupon payable on the Debentures on the Coupon Payment Date(s), at the Coupon Rate;
- (i) “**Coupon Payment Date(s)**” means the payment dates as specified in **Clause 2.1.2(b)**(*Coupon Payment Date(s)*) of **Part B** of this Deed;
- (j) “**Coupon Rate**” shall mean the coupon payable on a monthly basis (fixed) in respect of the Debentures from the Deemed Date of Allotment on the Coupon Payment Date(s) until the Maturity Date, which shall be 10.50% (Ten Decimal Point Five Zero Percent) per annum.

The Coupon Rate shall be subject to increase upon the occurrence of an event set out in **Clause 2.1.2(c)** (*Rating Downgrade*) of **Part B** of this Deed;

- (k) “**Conditions Precedent**” shall mean those conditions which are set out in **Chapter A of Schedule IV** (*Conditions Precedent*) below;

- (l) “**Conditions Subsequent**” shall mean those conditions which are set out in **Chapter B of Schedule IV** (*Conditions Subsequent*) below;
- (m) “**Control**” (including the terms ‘Controlled by’ or ‘under common Control with’), as used with respect to any Person, shall mean (a) the power to control the majority of the composition of the board of directors of such person; (b) the power to control the management or policy decisions exercisable by a Person or Persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholder’s agreements or voting agreements or in any other manner; or (c) any combination of (a) and (b). For avoidance of doubt, it is clarified that the term “Control” shall also include the instances covered within the definition of control in Section 2(27) of the Act;
- (n) “**Debentures**” shall have the meaning assigned to the term in Recital A above;
- (o) “**Debenture Holder(s)**” means initially the persons detailed in **Schedule I** (*Debenture Holders at the time of Issue*) hereto who are the subscribers to the Debentures and for the time being, holders of the Debentures and for the subsequent Debenture Holder(s), each of whom fulfils the following requirements:
- (i) Persons who are registered as such as Beneficial Owner(s); and
 - (ii) Persons who are registered as debenture holder(s) in the Register of Debenture Holder(s);
- (and shall include registered transferees of the Debentures from time to time with the Company and the Depository) and in the event of any inconsistency between sub paragraph (i) and (ii) above, sub paragraph (i) shall prevail.
- (p) “**Deemed Date of Allotment**” shall mean May 25, 2021, being the date on which the Debentures have been allotted to the Debenture Holder(s);
- (q) “**Default Interest**” shall have the meaning assigned to such term in **Clause 2.1.11** (*Default Interest Rate*) of **Part B** of this Deed;
- (r) “**Depository**” means the depository with whom the Company has made arrangements for dematerializing the Debentures, being CDSL or NSDL;
- (s) “**Due Date**” shall mean any date on which any Payments in relation to the Debentures becomes due and payable to the Debenture Holder(s) in accordance with the term of this Deed;
- (t) “**Event of Default**” shall mean the occurrence of any of the events specified in **Clause 1.11** (*Events of Default*) of **Part A** and **Clause 2.6** (*Events of Default*) of **Part B** of this Deed and as the same may, from time to time, be modified in accordance with these presents;
- (u) “**Final Settlement Date**” shall mean the date on which the entire outstanding amounts of the Company in relation to the Debentures including the principal amounts in respect of the Debentures, the Coupon accrued thereon, the Default Interest, additional interest, costs, fees, charges, etc. and all obligations of the Company under the Transaction

Documents have been irrevocably and unconditionally discharged in full, to the satisfaction of the Debenture Trustee.

- (v) **“Financial Terms and Conditions”** means the terms and conditions on the part of the Company to be observed and performed as set out in **Clause 2.1 of Part B** of this Deed.
- (w) **“Financial Indebtedness”** means any indebtedness for or in respect of:
 - (i) monies borrowed;
 - (ii) any amount availed of by acceptance of any credit facility;
 - (iii) any amount raised pursuant to the issuance of any notes, bonds, debentures, loan stock or any other similar securities or instruments;
 - (iv) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the generally accepted principles of accounting in India, be treated as a finance or capital lease;
 - (v) receivables sold or discounted (other than any receivables sold in the ordinary course of business or to the extent that they are sold on a non-recourse basis);
 - (vi) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
 - (vii) any derivative transaction entered into in connection with protection against or benefit from fluctuation in price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
 - (viii) 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;
 - (ix) the amount of any liability under an advance or deferred purchase agreement if one of the primary reasons behind the entry into such agreement is to raise finance;
 - (x) any put option, guarantees, keep fit letter(s), letter of comfort, etc by whatever name called, which gives or may give rise to any financial obligation(s);
 - (xi) any preference shares (excluding any compulsorily convertible preference shares);
 - (xii) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (xi) above;
 - (xiii) Notwithstanding the items in paragraphs (i) to (xii) above, all obligations of any person from time to time (whether present or future, actual or contingent, as principal or surety or otherwise) for the payment or repayment of money.
- (x) **“Financial Year”** means the financial year of the Company used for the purposes of accounting;

- (y) **“GAAP”** shall mean the generally accepted accounting principles as prescribed by the Institute of Chartered Accountants of India from time to time and consistently applied by the Company;
- (z) **“Governmental Authority”** shall include the President of India, the Government of India, the Governor and the Government of any State in India, any Ministry or Department of the same, any municipal or local government authority, any authority or private body exercising powers conferred by applicable law and any court, tribunal or other judicial or quasi-judicial body, and shall include, without limitation, a stock exchange and any regulatory body;
- (aa) **“Holding Covenant”** shall have the meaning assigned to such term in **Clause 2.5.1(j)** of **Part B** of this Deed;
- (bb) **“Information Memorandum”** shall have the meaning assigned to the term in Recital **Error! Reference source not found.** above;
- (cc) **“IND AS”** shall mean the Indian generally accepted accounting principles issued under the Companies (Indian Accounting Standards) Rules, 2015, as amended, together with any pronouncements issued under applicable law thereon from time to time, and applied on a consistent basis;
- (dd) **“Information Utility”** means the National E-Governance Services Limited or any other entity registered as an information utility under the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017;
- (ee) **“IBC”** shall mean the Insolvency and Bankruptcy Code, 2016, and the rules and regulations made thereunder which are in effect from time to time and shall include any other statutory amendment or re-enactment thereof;
- (ff) **“Issue”** shall have the meaning assigned to the term in Recital A above;
- (gg) **“Key Managerial Personnel”** shall have the meaning assigned to such term in the Act;
- (hh) **“Majority Debenture Holder(s)”** means Debenture Holder(s) holding an aggregate amount representing not less than 51% (Fifty One Percent) of the value of the nominal amount of the Debentures for the time being outstanding;
- (ii) **“Management Covenant”** shall have the meaning assigned to such term in **Clause (k)** of **Part B** of this Deed;
- (jj) **“Manappuram Finance Limited”** shall mean a private limited company incorporated under the provisions of the Companies Act, 1956 and subsisting under the Companies Act, 2013 and having its registered office at IV / 470 (old) W638A (New), Manappuram House, Valapad, Thrissur Kerala – 680567;
- (kk) **“Manappuram Group”** shall mean Manappuram Finance Limited and/or any subsidiary of Manappuram Finance Limited;
- (a) **“Material Adverse Effect”** means the effect or consequence of an event, circumstance, occurrence or condition which in the sole opinion of the Debenture Trustee (acting on the

instructions of the Majority Debenture Holder(s)) has caused or is likely to cause , as of any date of determination, a material and adverse effect on (i) the condition (financial or otherwise), performance, business or operation of the Company, or prospects of the Company; (ii) the ability of the Company to perform their respective obligations under the Transaction Documents; or (iii) the validity or enforceability of any of the Transaction Documents including the ability of any party to enforce any of its remedies thereunder) (iv) any other interest of the Debenture Holder(s) or the Debenture Trustee under any of the Transaction Documents.

- (ll) **“Maturity Date”** means May 25, 2023 being the date falling 24 (Twenty Four) months from the Deemed Date of Allotment or such other date on which the final payment of the principal amount of the Debentures becomes due and payable provided by the Debenture Holders, whether at such stated maturity date, by declaration of acceleration, or otherwise;
- (mm) **“Net Worth”** shall have the same meaning as assigned to it in Clause (57) of Section 2 of the Act;
- (nn) **“Optional Acceleration Redemption Date”** shall have the meaning assigned to such term in **Clause 2.1.7(c)**(*Optional Acceleration Option*) of **Part B** of this Deed;
- (oo) **“Optional Acceleration Redemption Event”** shall have the meaning assigned to such term in **Clause 2.1.7(a)** (*Optional Acceleration Option*) of **Part B** of this Deed;
- (pp) **“Optional Acceleration Redemption Notice”** shall have the meaning assigned to such term **Clause 2.1.7(b)**(*Optional Acceleration Option*) of **Part B** of this Deed;
- (qq) **“Optional Acceleration Redemption Option”** shall have the meaning assigned to such term in **Clause 2.1.7(a)** (*Optional Acceleration Option*) of **Part B** of this Deed;
- (rr) **“Optional Acceleration Redemption Price”** shall have the meaning assigned to such term in **Clause 2.1.7(d)** (*Optional Acceleration Option*) of the **Part B** of this Deed;
- (ss) **“Payments”** means all payments to be made by the Company in relation to the Issue including payment of principal amount, Coupon, Redemption Amount, Default Interest, remuneration of the Debenture Trustee, and all fees, costs, charges, expenses and other monies in respect of the Debentures;
- (tt) **“Permitted Parties”** shall have the meaning assigned to such term in **Clause 2.20** (*Disclosure*) of **Part B** of this Deed;
- (uu) **“Principal Payment Date(s)”** shall have the meaning assigned to such term in **Clause 2.1.3** of **Part B** of this Deed;
- (vv) **“Private Placement Offer cum Application Letter”** shall have the meaning assigned to the term in Recital C above;
- (ww) **“Proceedings”** shall have the meaning assigned to the term in **Clause 2.14** (*Disputes and Governing Law*) of **Part B** of this Deed;

- (xx) **“Purpose”** means the purpose for which the Company is issuing the Debentures as more particularly detailed in **Clause 1.10.1(a)** (*Utilisation of Proceeds*) of **Part A** of this Deed;
- (yy) **“Rating Agency”** means CRISIL Ratings Limited (**“CRISIL”**), a company incorporated under the provisions of the Companies Act, 1956 and having its office at CRISIL House Central Avenue Hiranandani Business Park Powai, Mumbai, Maharashtra-400076;
- (zz) **“Rating Covenant”** shall have the meaning assigned to such term in **Clause 2.5.1(i)** of **Part B** of this Deed;
- (aaa) **“RBI”** means the Reserve Bank of India;
- (bbb) **“Record Date”** shall mean in relation to any Due Date on which any payments are scheduled to be made by the Company to the Debenture Holders, the day falling 15 (Fifteen) calendar days prior to such Due Date;
- (ccc) **“Redemption Amount”** shall mean with reference to each Debenture, the principal amount outstanding on the Debentures plus the accrued Coupon along with the Default Interest (if any), and other such costs, charges and expenses if any, payable under the Transaction Documents.

For the avoidance of doubt, it is hereby clarified that in the event an Optional Acceleration Redemption Option is being exercised by the Debenture Holder(s) solely pursuant to breach of **Clause 2.5.4(a)** of **Part B** of this Deed, the term “Redemption Amount” for such Debentures shall in that case, be deemed to automatically mean the Optional Acceleration Redemption Price.

- (ddd) **“Register of Debenture Holders”** means the register maintained by the Company containing the name(s) of the Debenture Holder(s) in the form and manner as prescribed under the Companies (Management and Administration Rules), 2014, which register shall be maintained at the registered office of the Company;
- (eee) **“Repay”** shall include **“Redemption”** and vice-versa and **“repaid”**, **“repayable”**, **“repayment”**, **“redeemed”**, **“redeemable”** and **“redemption”** shall be construed accordingly;
- (fff) **“Rs.”** or **“Rupees”** means Indian rupees, the lawful currency of India;
- (ggg) **“ROC”** means Registrar of Companies;
- (hhh) **“SEBI”** means the Securities and Exchange Board of India;
- (iii) **“Secured Obligations”** shall mean all obligations at any time due, owing or incurred by the Company to the Debenture Trustee and the Debenture Holder(s) in respect of the Debentures and shall include the obligation to redeem the Debentures in terms thereof including payment of Coupon, Default Interest accrued thereon (if any), any outstanding remuneration of the Debenture Trustee and all fees, costs, charges and expenses payable to the Debenture Trustee and other monies payable by the Company in respect of the Debentures under the Transaction Documents;

- (jjj) **“Transaction Documents”** shall mean the documents executed in relation to the issue of the Debentures and shall include the Information Memorandum, the Private Placement Offer cum Application Letter, the Trustee Agreement, this Deed, the consent letter issued by the Debenture Trustee for Debentures, the credit rating letter from the Rating Agency in respect of Debentures, shareholder resolution authorising private placement of debentures under Section 42 of the Act, board resolution authorising the issuance of Debentures under Section 179 of the Act, the shareholders resolutions’ under Section 180(1)(c) of the Act, any other document in relation to the issuance of Debentures and that may be designated by the Debenture Trustee as a Transaction Document;
- (kkk) **“Trustee Agreement”** shall mean the trustee agreement entered into by and between the Company and the Debenture Trustee in relation to the Debentures, dated May 25, 2021;
- (lll) **“Special Resolution”** shall have the meaning set forth in paragraph 24 of **Schedule III** (*Provisions for the Meetings of the Debenture Holders*) hereto;
- (mmm) **“Taxes”** or **“Tax”** shall include any and all present or future, direct or indirect, claims for tax, levy, impost, duty, cess, statutory dues or other charge of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) including on gross receipts, sales, turn-over, value addition, use, consumption, property, service, income, franchise, capital, occupation, license, excise, documents (such as stamp duties) and customs and other taxes, duties, assessments, or fees, however imposed, withheld, levied, or assessed by any Government, but shall not include tax on the income of any Party; and
- (nnn) **“Tax Deduction”** means a deduction or withholding for or on account of Tax from payment under a Transaction Document;

3.2 CONSTRUCTION

- (a) Words denoting singular number only shall include plural number and vice-versa;
- (b) Words denoting one gender only shall include the other gender;
- (c) Words and expressions defined in the Financial Terms and Conditions shall, where used in these presents, have the same meanings save where such meaning would render the same inconsistent with the definitions in this Clause;
- (d) headings and bold typeface are inserted/ used for convenience only and shall not affect the construction of this Deed;
- (e) references to the word “include” or “including” shall be construed without limitation;
- (f) unless the context otherwise requires, all references in this Deed, to the Debenture Trustee shall be deemed to refer to the Debenture Trustee (acting on behalf of, for the benefit of and in trust for the Debenture Holder(s));

- (g) All references in this Deed to any provision of any statute shall be deemed also to refer to the statute, modification or re-enactment thereof or any statutory rule, order or regulation made thereunder or under such re-enactment;
- (h) All references in this Deed to Schedules, Clauses, Sub-Clauses, Paragraphs or Sub-paragraphs shall be construed as reference respectively to the Schedules, Clauses, Sub-clauses, Paragraphs and Sub-paragraphs of these presents;
- (i) The provisions contained in the Schedules hereunder written shall have effect in the manner as if they were specifically herein set forth and in the event of any inconsistency between the provisions contained in the Schedules and the operative part of this Deed, the provisions contained in the Schedules shall prevail;
- (j) "Person" shall include an individual, natural person, corporation, partnership, joint venture, incorporated or unincorporated body or association, company, Governmental Authority and in case of a company and a body corporate shall include their respective successors and assigns and in case of any individual, shall include his/her respective legal representative, administrators, executors and heirs and in case of a trust, shall include the trustee(s) for the time being and from time to time. The term "Persons" or words denoting persons shall be construed accordingly;
- (k) In case of any conflict between the provisions of this Deed and any other Transaction Document, the provisions of the Debenture Trust Deed shall prevail and override the provisions of that Transaction Document and the said Transaction Document shall forthwith be amended to make it consistent with the terms of this Deed;
- (l) It is clarified that for the purposes of this Deed, the Debenture Trustee (acting in accordance with the Majority Debenture Holder(s) consent) after necessary consultations with the Company, shall determine what would constitute 'ordinary course of business' as the term appears in this Deed;
- (m) "materiality" and "reasonableness" of a particular event or occurrence shall be determined by the Debenture Trustee acting in accordance with the instructions of the Majority Debenture Holder(s).

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

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

SCHEDULE I: DEBENTURE HOLDERS AT THE TIME OF ISSUE

Name of Debenture Holder	Number of Debentures
Nippon India Mutual Fund	500

SCHEDULE II: DEPOSITORY RELATED PROVISIONS

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

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

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

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

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

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

2. (i) A Meeting of the Debenture Holder(s) may be called by giving not less than 21 (twenty-one) days' notice in writing.
(ii) A meeting may be called after giving shorter notice than that specified in sub-clause (i), if consent is accorded thereto by Debenture Holders representing not less than 95% (ninety-five per cent) of the Debentures for the time being outstanding.
3. (i) Every notice of a meeting shall specify the place and day and hour of the meeting and shall contain a statement of the business to be transacted thereat.
(ii) Notice of every meeting shall be given in the manner as authorised by Section 20 of the Act as pertaining to the service of documents on the members of the Company to the following persons: -
 - (a) every Debenture Holder;
 - (b) the persons entitled to Debentures in consequence of death or insolvency of any of the Debenture Holder(s), by sending it through post in a prepaid letter addressed to them by name or by the title of the representatives of the deceased, or assignees of the insolvent or by any like description at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred.
4. The accidental omission to give notice to, or the non- receipt of notice by, any Debenture Holder(s) or other person to whom it should be given shall not invalidate the proceedings at the meeting.
5. (i) 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.

- (ii) Where any item of business relates to the approval of any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.
- 6.
 - (i) 5 (five) Debenture Holder(s), personally present shall be the quorum for the meeting of the Debenture Holder(s) (provided that in the event that the number of Debenture Holder(s) shall be less than 5, then the quorum shall comprise of all of such lesser number of Debenture Holder(s) being present).
 - (ii) If, within half an hour from the time appointed for holding a meeting of the Debenture Holder(s), a quorum is not present, the meeting, if called upon the requisition of the Debenture Holder(s) shall stand dissolved but in any other case the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Debenture Trustee may determine and if at the adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting, the Debenture Holder(s) present shall be the quorum.
- 7.
 - (i) The Debenture Trustee shall nominate 2 (two) persons to attend each meeting one of which shall be nominated by the Debenture Trustee to act as the chairman of the meeting and in his absence the Debenture Holder(s) personally present at the meeting shall elect one of themselves to be the chairman thereof on a show of hands.
 - (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.
 - (iii) If some other person is elected chairman as a result of the poll, he shall be chairman for the rest of the meeting.
- 8. The Debenture Trustee and the directors of the Company and their respective representatives may attend any meeting but shall not be entitled as such to vote thereat.
- 9. At any meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded in the manner hereinafter mentioned, and unless a poll is so demanded, a declaration by the chairman that on a show of hands the resolution has or has not been carried either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the proceedings of the meeting, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.
- 10. Before or on the declaration of the result of voting on any resolution on a show of hands, a poll may be ordered to be taken by the chairman of the meeting of his own motion, and shall be ordered to be taken by him on a demand made in that behalf by Debenture Holder(s) representing not less than 10% of those present and voting where the resolution is with respect to all the

Debentures; or

11. (i) 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 48 (forty-eight) hours from the time when the demand was made, as the chairman may direct.
12. At every such meeting, each Debenture Holder(s) shall, on a show of hands, be entitled to 1 (one) vote only, but on a poll he shall be entitled to 1 (one) vote in respect of every Debentures of which he is a holder in respect of which he is entitled to vote.
13. (i) Any Debenture Holder(s) entitled to attend and vote at the meeting shall be entitled to appoint another person (whether any of the Debenture Holder(s) or not) as his proxy to attend and vote instead of himself.
- (ii) In every notice calling the meeting there shall appear with reasonable prominence a statement that any of the Debenture Holder(s) entitled to attend and vote is entitled to appoint one or more proxies, to attend and vote instead of himself, and that a proxy need not be one such Debenture Holder(s).
- (iii) The instrument appointing a proxy and the power of attorney (if any) under which it is signed or a notarial certified copy of the power of attorney shall be deposited at the registered office of the Company not less than 48 (forty-eight) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in case of a poll, not less than 24 (twenty-four) hours before the time appointed for the taking of the poll and in default, the instrument of proxy shall not be treated as valid.
- (iv) The instrument appointing a proxy shall:-
 - (a) be in writing; and
 - (b) be signed by the appointer or his attorney duly authorised in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.
- (v) The instrument appointing a proxy shall be in any of the forms set out at the foot of Annexure "D" to the Companies (Central Government's) General Rules and Forms, 1956, or under the analogous rules provided for under the Act and shall not be questioned on the ground that it fails to comply with any special requirements specified for such instruments by the Articles of Association of the Company.
- (vi) All Debenture Holder(s) are entitled to vote at a meeting of the Debenture Holder(s) of the Company on any resolution to be moved thereat shall be entitled during the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 (three) days' notice in writing of the intention so to inspect is given to the Company.
14. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding

the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the Debentures in respect of which the proxy is given. Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.

15. On a poll taken at any meeting of the Debenture Holder(s), any of the Debenture Holder(s) entitled to more than 1 (one) vote or his proxy or other person entitled to vote for him, as the case may be, need not if he votes, use all his votes or cast in the same way all the votes he uses.
16.
 - (i) When a poll is to be taken, the chairman of the meeting shall appoint 2 (two) scrutineers to scrutinise the votes given on the poll and to report thereon to him.
 - (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.
 - (iii) Of the two scrutineers appointed under this Clause, one shall always be a Debenture Holder (not being an officer or employee of the Company) present at the meeting, provided such a Debenture Holder is available and willing to be appointed.
17.
 - (i) Subject to the provisions of the said 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.
18. In the case of joint Debenture Holder(s), the vote of the person whose name appears first in the Register of Debenture Holder(s) shall be accepted to the exclusion of the other joint-holder or holders.
19. The chairman of a meeting of the Debenture Holder(s) may, with the consent of the meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
20. In the case of equality of votes, whether on a show of hands, or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled to as a Debenture Holder(s).
21. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.
22. The chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.
23. A meeting of the Debenture Holder(s) shall, *inter alia*, have the following powers exercisable in

the manner hereinafter specified in Clause 24 hereof:

- (i) Power to sanction any compromise or arrangement proposed to be made between the Company and the Debenture Holder(s).
- (ii) Power to sanction any modification, alteration or abrogation of any of the rights of the Debenture Holder(s) against the Company.
- (iii) Power to assent to any modification of the provisions contained in the Trust Deed and to authorise the Debenture Trustee to concur in and execute any supplemental deed embodying any such modification.
- (iv) Power to remove the existing Debenture Trustee and to appoint new Debenture Trustee.
- (v) Power to give any direction, sanction, request or approval which under any provision of the Deed is required to be given by a Special Resolution.

24. The powers set out in Clause 23 hereof shall be exercisable by a special resolution passed at a meeting of the Debenture Holder(s) duly convened and held in accordance with provisions herein contained and carried by the Debenture Holder(s) by a majority representing not less than 75% (seventy-five per cent) in value of the votes cast on such poll, where the Meeting has been called with respect to all the Debenture Holder(s). Such a resolution is hereinafter referred to as a **"Special Resolution"**.
25. A resolution, passed at a general meeting of the Debenture Holder(s) duly convened and held in accordance with these presents shall be binding upon all of the Debenture Holder(s), whether present or not at such meeting, and each of the Debenture Holder(s) shall be bound to give effect thereto accordingly, and the passing of any such resolutions shall be conclusive evidence that the circumstances justify the passing thereof, the intention being that it shall rest with the meeting to determine without appeal whether or not the circumstances justify the passing of such resolution.
26. Minutes of all resolutions and proceedings at every such meeting as aforesaid shall be made and duly entered into books from time to time provided for the purpose by the Debenture Trustee at the expenses of the Company and any such minutes as aforesaid, if purported to be signed by the chairman of the meeting at which such resolutions were passed or proceeding held or by the chairman of the adjourned meeting shall be conclusive evidence of the matters therein contained and until the contrary is proved every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed thereat or proceedings taken, to have been duly passed and taken. In the event that the chairman shall expire or otherwise be unable to sign the minutes in accordance with the above, the second nominee of the Debenture Trustee shall sign the minutes on behalf of the chairman and such signed minutes shall be conclusive evidence of the matters therein contained and until the contrary is proved every such meeting in respect of the proceedings of which minutes have been made.
27. Notwithstanding anything herein contained, it shall be competent to all the Debenture Holder(s) to exercise the rights, powers and authorities of the Debenture Holder(s) under the Deed by a letter or letters signed by or on behalf of the Debenture Holder(s) without convening a meeting of the Debenture Holder(s) as if such letter or letters constituted a resolution or a Special Resolution, as the case may be, passed at a meeting duly convened and held as aforesaid and shall have effect accordingly.

SCHEDULE IV: CONDITIONS PRECEDENT AND CONDITIONS SUBSEQUENT

CHAPTER A: CONDITIONS PRECEDENT

The Company shall fulfil the following Conditions Precedent the satisfaction of the Debenture Trustee and submit Conditions Precedent documentation where applicable to the Debenture Trustee, prior to the Pay in Date:

- (a) The Company shall submit to the Debenture Trustee and the Debenture Holders, a copy of the rating letter and the rating rationale issued by the Rating Agency with a credit rating of 'CRISIL AA-' (pronounced as "CRISIL Double A Minus") in relation to the Debentures;
- (b) The Company shall submit a certified true copy of the constitutional documents of the Company (being its Memorandum and Articles of Association and certificate of incorporation) to the Debenture Trustee;
- (c) All corporate approvals from the Board of Directors and shareholders of the Company, if applicable, shall have been received for the issue of 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;
- (d) The Company shall execute the Trustee Agreement and this Deed in relation to the Debentures, in a form and manner satisfactory to the Debenture Trustee;
- (e) Execution of such other Transaction Documents in a form and manner acceptable to the Debenture Holder(s) and the Company;
- (f) The Company shall have duly executed the tripartite agreement between the Company, the Registrar and any Depository and the depository agreement by inter alia, the Depository and the Company;
- (g) The Company shall submit to the Debenture Trustee, a specimen of the signature of each person authorised under the resolutions mentioned under paragraph (c) above, along with the certified copies of passports/government issued identity cards of such authorised persons.
- (h) The Company shall submit to the Debenture Trustee, a certificate signed by the chief financial officer of the Company or any officer authorised by the Company confirming that:
 - (i) the Company and its Directors have the necessary powers under the constitutional documents of the Company to borrow monies and create Security pursuant to the Issue;
 - (ii) the borrowing in respect of the Debentures under the Transaction Documents, would not cause any limits binding on it to be exceeded;
 - (iii) each copy of the documents submitted in relation to the Issue is correct, complete and in full force and effect as on the date of this Deed;
 - (iv) no Event of Default is continuing or would result from the allotment of Debentures under the proposed Issue;
 - (v) no Material Adverse Effect has occurred;
 - (vi) the Company is solvent;

- (vii) there is no event or circumstance existing or anticipated to occur which might have a Material Adverse Effect;
- (viii) the Debentures will be issued in a form and substance satisfactory to the Debenture Holders;
- (ix) no event of force majeure under Clause 2.6 of Part B of this Deed has occurred;
- (x) the representations and warranties set out in this Deed and in each other Transaction Document are true and correct; and
- (xi) The Company has amended and modified its constitutional for enhancement of authorized share capital and borrowing limits, if required, to the satisfaction of the Debenture Trustee.

CHAPTER B: CONDITIONS SUBSEQUENT

The Company shall comply with the following Conditions Subsequent within the timelines stipulated herein below:

- (a) the Company shall immediately on receipt of funds, take on all necessary steps to, including making all applicable filings in the Registrar of Companies and obtaining all necessary approvals including filing Form PAS 5 along with the Information Memorandum and Form PAS 3 along with requisite fee within prescribed timelines;
- (b) the Company shall ensure that the Debentures are credited into the dematerialized accounts of the respective Debenture Holders within 2 (Two) Business Days from the Deemed Date of Allotment for Debentures;
- (c) the Company shall have received final listing approval from the BSE within 4 (Four) Business Days from the date of closing of the Issue;
- (d) The Company shall ensure compliance with SEBI / Companies Act, 2013 (as applicable) for issuance of Debentures; and
- (e) The Company shall submit any other document as required by the Debenture Trustee from time to time.

SCHEDULE V: ILLUSTRATION OF CASHFLOWS FOR DEBENTURES

Cash Flows	Coupon / Principal Accrual Date	Coupon / Principal Payment Date	No. of days in Coupon Period	Coupon Amount (in Rupees)		Principal Amount (in Rupees)
Issue amount						50,00,00,000
1 st Coupon	June 25, 2021	June 25, 2021	31	44,58,904		-
2 nd Coupon	July 25, 2021	July 26, 2021	31	44,58,904		-
3 rd Coupon	August 25, 2021	August 25, 2021	30	43,15,068	August 25, 2021	6,25,00,000
4 th Coupon	September 25,2021	September 27,2021	33	41,53,253		-
5 th Coupon	October 25, 2021	October 25, 2021	28	35,23,973		-
6 th Coupon	November 25, 2021	November 25, 2021	31	39,01,541	November 25, 2021	6,25,00,000
7 th Coupon	December 25, 2021	December 27, 2021	32	34,52,055		-
8 th Coupon	January 25, 2022	January 25, 2022	29	31,28,425		-
9 th Coupon	February 25, 2022	February 25, 2022	31	33,44,178	February 25, 2022	6,25,00,000
10 th Coupon	March 25, 2022	March 25, 2022	28	25,17,123		-
11 th Coupon	April 25, 2022	April 25, 2022	31	27,86,815		-
12 th Coupon	May 25, 2022	May 25, 2022	30	26,96,918	May 25, 2022	6,25,00,000
13 th Coupon	June 25, 2022	June 27, 2022	33	23,73,288		-
14 th Coupon	July 25, 2022	July 25, 2022	28	20,13,699		-
15 th Coupon	August 25, 2022	August 25, 2022	31	22,29,452	August 25, 2022	6,25,00,000
16 th Coupon	September 25, 2022	September 26, 2022	32	17,26,027		-
17 th Coupon	October 25, 2022	October 25, 2022	29	15,64,212		-
18 th Coupon	November 25, 2022	November 25, 2022	31	16,72,089	November 25, 2022	6,25,00,000
19 th Coupon	December 25, 2022	December 26, 2022	31	11,14,726		-
20 th Coupon	January 25, 2023	January 25, 2023	30	10,78,767		-

21 st Coupon	February 25, 2023	February 27, 2023	33	11,86,644	February 24, 2023	6,25,00,000
22 nd Coupon	March 25, 2023	March 27, 2023	28	5,03,425		-
23 rd Coupon	April 25, 2023	April 25, 2023	29	5,21,404		-
24 th Coupon	May 25, 2023	May 25, 2023	30	5,39,384	May 25, 2023	6,25,00,000
Principal	May 25, 2023					
Total						50,00,00,000
* After adjusting for Non-Business Days.						

IN WITNESS WHEREOF the Debenture Trustee have caused these presents to be executed the day and year first hereinabove written in the manner hereinafter appearing.

ASIRVAD MICRO FINANCE LIMITED has been pursuant to the resolution passed at the meeting of the Borrowing and Securities Allotment Committee of the Board of Directors held on May 20, 2021 in the presence of Mr. Yogesh Ratnakar Udhoji, Authorised Signatory of the Company who has subscribed his signature hereto in token thereof in the presence of:-

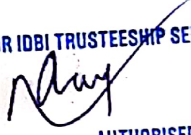
- 1.
- 2.

FOR ASIRVAD MICRO FINANCE LIMITED


Authorised Signatory

SIGNED AND DELIVERED by IDBI TRUSTEESHIP SERVICES LIMITED, the within-named Debenture Trustee by the hand of R. RAMESH, its Authorised Signatory who has subscribed his signature hereto in token thereof in the presence of:

- 1.
- 2.

FOR IDBI TRUSTEESHIP SERVICES LTD.

AUTHORISED SIGNATORY