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Certificate No. : IN-DL82036024261042T
Certificate Issued Date : 06-Jun-2021 09:51 PM
Account Reference : IMPACC (IV)/ dl878403/ DELHI/ DL-DLH
Unique Doc. Reference : SUBIN-DL87840362611301335716T
Purchased by : DHANVARSHA FINVEST LIMITED
Description of Document : Article 64 Trust
Property Description : DEBENTURE TRUST DEED
Consideration Price (Rs.) : 0
(Zero)
First Party : DHANVARSHA FINVEST LIMITED
Second Party : CATALYST TRUSTEESHIP LIMITED
Stamp Duty Paid By : DHANVARSHA FINVEST LIMITED
Stamp Duty Amount(Rs.) : 300
(Three Hundred only)



Certified to be true
For Dhanvarsha Finvest Limited

Rohanjeet Singh Juneja
Joint Managing Director
DIN: 08342094

.....Please write or type below this line.....

This stamp paper forms an integral part of the Debenture Trust Deed dated June 11, 2021 executed between Dhanvarsha Finvest Limited and Catalyst Trusteeship Limited (as the **Debenture Trustee**).

Statutory Alert:

1. The authenticity of this Stamp certificate should be verified at 'www.shcilestamp.com' or using e-Stamp Mobile App of Stock Holding. Any discrepancy in the details on this Certificate and as available on the website / Mobile App renders it invalid.
2. The onus of checking the legitimacy is on the users of the certificate.
3. In case of any discrepancy please inform the Competent Authority.

DEBENTURE TRUST DEED

This debenture trust deed ("**Deed**") is made at New Delhi, India on June 11, 2021 ("**Effective Date**") between:

1. **DHANVARSHA FINVEST LIMITED**, a company incorporated under Companies Act, 1956 with corporate identification number ("**CIN**") L24231MH1994PLC334457 and registered with the Reserve Bank of India as a non-banking financial company, having its registered office at 2nd Floor, Bldg. No. 4, DJ House, Old Nagardas Road, Andheri (East), Mumbai, Maharashtra - 400069, India and acting through its office located at 8th Floor, Best Sky Tower, Netaji Subhash Place, Plot No. F-5, Wazirpur Distt. Centre, Pitampura, New Delhi – 110034, India (hereinafter referred to as 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);

AND

2. **CATALYST TRUSTEESHIP LIMITED**, a company incorporated under the Companies Act, 1956 with CIN U74999PN1997PLC110262, having its registered office at GDA House, Plot No. 85, Bhusari Colony, Paud Road, Pune, Maharashtra - 411038 and acting through its office at 810, 8th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110001, India (hereinafter referred to as the "**Debenture Trustee**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns).

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

BACKGROUND:

- A. With a view to raising debt for the Purpose (as defined below), the Company proposes to issue 1,50,000 (one lakh fifty thousand) rated, secured, senior, transferable, listed, redeemable, principal protected market linked non-convertible debentures denominated in Indian Rupees ("**INR**") each having a face value of INR 1,000 (Indian Rupees One Thousand) aggregating to a face value of INR 15,00,00,000 (Indian Rupees Fifteen Crore) ("**Debentures**") at par, in dematerialised form on a private placement basis to certain identified investors ("**Issue**").

- B. The Company has issued a debt disclosure document dated June 11, 2021 ("**Information Memorandum**") and a private placement offer and application letter dated June 11, 2021 ("**PPOA**") prepared in accordance with Section 42 of the Act (as defined below) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, to investors who have subscribed to the Debentures, on a private placement basis, and which, *inter alia*, sets out the broad terms and conditions on which the Debentures are proposed to be issued.
- C. The Company is duly empowered by its memorandum of association and its articles of association, and proposes to allot and issue the Debentures pursuant to the authority granted to it pursuant to the special resolution dated August 4, 2020 of the shareholders of the Company under Section 42 of the Act, the special resolutions dated September 28, 2018 of the shareholders of the Company under Sections 180(1)(c) and 180(1)(a) of the Act, and the resolution dated June 10, 2021 of the board of directors of the Company, to the parties detailed in Schedule I Part A (*Name of the Debenture Holders*) who have agreed to subscribe to, in the aggregate, all of the Debentures.
- D. The Debentures have been/will be issued in dematerialised form and are subject to the provisions of the Depositories Act, 1996 and the rules notified by the National Securities Depository Limited ("**NSDL**") and/or Central Depository Services Limited ("**CDSL**") from time to time. The Company has entered into/will enter into an agreement with the Depository (as defined below) for issuing the Debentures in the dematerialised form.
- E. The Company has obtained a credit rating for the Debentures from the Rating Agency (as defined below), which has affirmed a rating of PP-MLD A (CE) to the Issue through its letter dated June 2, 2021 ("**Rating**").
- F. The Debentures are proposed to be listed on the wholesale debt market segment of the BSE (as defined below) within the timelines prescribed under the SEBI Listing Timelines Circular (as defined below).
- G. The Debenture Trustee is registered with the Securities and Exchange Board of India ("**SEBI**") as a debenture trustee under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 ("**Debenture Trustees Regulations**") and pursuant to the consent letter dated May 7, 2021 from the Debenture Trustee, the Debenture Trustee has agreed to act as the debenture trustee in trust for and on behalf of and for the benefit of the Debenture Holder(s) (as defined below) from time to time, and each of their successors and assigns.
- H. The Debenture Trustee and the Company have entered into a debenture trustee agreement dated June 10, 2021 ("**Debenture Trustee Agreement**") executed between the Debenture Trustee and the Company, whereby the Company has appointed the Debenture Trustee and the Debenture Trustee has agreed to be appointed as a debenture trustee on behalf of and for the benefit of the Debenture Holder(s) for purposes set out therein.
- I. One of the terms of the Issue is that the redemption of the Outstanding Amounts, will be, *inter alia* (a) secured by way of a first ranking exclusive charge over the Hypothecated Assets (as defined below), and (b) guaranteed by way of the Guarantees (as defined below) to be provided by the Guarantors (as defined below), each in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holder(s)).
- J. The Company is desirous of executing a debenture trust deed to record the terms and

conditions of the Issue, the appointment of the Debenture Trustee, and the Company's obligations in respect of the Debentures (including without limitation, the redemption of the Debentures and payment of all costs and expenses thereof).

- K. Accordingly, the Debenture Trustee has called upon the Company to execute a debenture trust deed on the terms contained herein wherein, in accordance with the requirements prescribed under the Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2020 and the Securities and Exchange Board of India (Debenture Trustees) (Amendment) Regulations, 2020, Part A contains the general and statutory obligations of the Parties, Part B contains the commercial terms and the transaction specific obligations of the Parties, and Part C contains the other miscellaneous provisions in relation to the Debentures.

NOW THEREFORE, FOR THE CONSIDERATION AFORESAID, THE COMPANY HEREBY AFFIRMS AND AGREES AS FOLLOWS:

OPERATIVE TERMS:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed, the following terms have the following meanings:

- (1) "**Act**" means the Companies Act, 2013, and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time.
- (2) "**Accounts**" has the meaning given to it in the Trust Deed.
- (3) "**Accounts Agreement**" means the agreement executed/to be executed by and among the Company, the Servicer and the Trustee setting out the terms and conditions for opening, operating and maintaining the Collection and Payment Account and the Cash Collateral.
- (4) "**Accelerated Redemption Event (Company)**" means, upon the occurrence of a Credit Event, the occurrence of the following:
 - (a) the failure of the Company to transfer amounts in respect of the Assigned Assets into the Collection and Payment Account in accordance with Clause 11.1(h) (*Transfer to the Collection and Payment Account*), unless the failure to transfer is caused by administrative or technical difficulties and the payment is made within 2 (two) Business Days of the relevant due date; and
 - (b) the failure of the SPV Trustee/Debenture Trustee to replace the Servicer/terminate the Servicer under the Servicing Agreement, and appoint an alternate servicer within a period of 60 (sixty) days from the date of occurrence (and continuation) of the events set out in sub-Clause (a) above.
- (5) "**Annualised Interest Rate**" or "**Annualised Coupon Rate**" means:

- (a) until a Credit Event Date or the Initial Call Option Payment Date (whichever is earlier):
 - (i) 0% (zero percent), if the Reference Index Performance is less than or equal to -80% (minus eighty percent); and/or
 - (ii) 11.61% (eleven decimal six one percent) (coupon) (12.25% (twelve decimal two five percent) XIRR), if the Reference Index Performance is greater than -80% (minus eighty percent); and
 - (b) following a Credit Event Date (including where a Call Option is not exercised by the Company), with effect from the Deemed Date of Allotment until the Final Settlement Date, 14.25% (fourteen decimal two five percent) (XIRR).
- (6) "**Applicable Law(s)**" means 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.
 - (7) "**Applicable Accounting Standards**" means the generally accepted accounting principles, standards and practices in India or any other prevailing accounting standard in India as may be applicable, and includes Indian Accounting Standards (IND-AS).
 - (8) "**Applicant**" means a person who has submitted a completed Application Form to the Company.
 - (9) "**Application Form**" means the application form in the relevant Debt Disclosure Documents.
 - (10) "**Application Money**" means the subscription amounts paid by the Debenture Holders at the time of submitting the Application Form.
 - (11) "**Assets**" means, for any date of determination, the assets of the Company on such date as the same would be determined in accordance with the Applicable Accounting Standards.
 - (12) "**Assignment Agreements**" means, collectively, the initial assignment agreement executed on or about the date of this Agreement between the Company (in its capacity as the assignor) and the SPV Trustee, setting out the terms and conditions of the assignment of, *inter alia*, the relevant Assigned Assets, and each supplemental assignment agreement executed between the Company (in its capacity as the assignor) and the SPV Trustee, setting out the terms and conditions of the assignment of, *inter alia*, the relevant Assigned Assets.
 - (13) "**Assigned Assets**" has the meaning given to it in the Deed of Hypothecation (SPV).
 - (14) "**Beneficial Owner(s)**" means the holder(s) of the Debentures in dematerialised form whose name is recorded as such with the Depository in the Register of Beneficial Owners.

- (15) "**BSE**" means BSE Limited.
- (16) "**Business Day**" means any day (other than a Sunday or a public holiday under Section 25 of the Negotiable Instruments Act, 1881) on which money markets are functioning in Mumbai, India.
- (17) "**Call Options**" has the meaning given to it in Clause 8.4 (*Call Options*).
- (18) "**Call Option Payment Dates**" has the meaning given to it in Clause 8.4 (*Call Options*).
- (19) "**Call Option Payment Notification**" has the meaning given to it in Clause 8.4 (*Call Options*).
- (20) "**Capital Adequacy Ratio**" means the capital adequacy ratio as defined under the NBFC Directions.
- (21) "**Cash Collateral**" means all or any fixed deposit account(s) established by the Company with such scheduled commercial bank, aggregating to INR 1,05,00,000 (Indian Rupees One Crore and Five Lakh) (being 7% (seven percent) of the aggregate face value of the Debentures), as stipulated by the Rating Agency (but excluding all interest accruing thereupon) which are subsequently assigned to the SPV Trust under the Assignment Agreements.
- (22) "**CDSL**" has the meaning given to it in Recital D above.
- (23) "**CERSAI**" means the Central Registry of Securitisation Asset Reconstruction and Security Interest of India.
- (24) "**Change of Control**" means the shareholders of the Company (as on the Effective Date) ceasing to:
- (a) have the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
 - (i) cast, or control the casting of, more than 51% (fifty one percent) of the shareholding (on a fully diluted basis) of the Company; or
 - (ii) appoint or remove all or majority of the directors or the "key managerial personnel" (as defined in the Act) of the Company,
 - OR
 - (b) hold at least 51% (fifty one percent) of the shareholding (on a fully diluted basis) of the Company.
- (25) "**Change of Control Event**" means any event, including without limitation, the issuance of any shares (whether equity or convertible into equity), or any transfer, sale, creation of security interest (including pledge) or encumbrance over any shares (whether equity or convertible into equity), which by itself, or together with other actions (including the conversion of any convertible instruments into equity shares) may result in a Change of Control.

- (26) "**Client Loan**" means each loan made by the Company as a lender.
- (27) "**Collection and Payment Account**" means an account to be opened and maintained in accordance with the Cover Pool Documents.
- (28) "**Contribution Agreements**" means, collectively, the initial contribution and subordination agreement executed/to be executed by the Company on or about the Effective Date in relation to the initial contribution, and each other supplemental contribution and subordination agreement executed/to be executed by the Company in relation to each replenishment contribution.
- (29) "**Control**" has the meaning given to it in the Companies Act, 2013.
- (30) "**Conditions Precedent**" means the conditions precedent set out in Schedule I Part B.
- (31) "**Conditions Subsequent**" means the conditions subsequent set out in Schedule I Part C.
- (32) "**Constitutional Documents**" means the certificate of incorporation of the Company, the memorandum of association and articles of association of the Company and the certificate of registration issued by the RBI to the Company.
- (33) "**Corporate Guarantee**" means the unconditional and irrevocable corporate guarantee dated on or about the Deemed Date of Allotment provided by the Corporate Guarantor in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders), guaranteeing the Secured Obligations.
- (34) "**Corporate Guarantor**" means Wilson Holdings Private Limited (previously known as Truvalue Agro Ventures Private Limited), a company incorporated under Companies Act, 1956 having its registered office at 1st Floor, Bldg. No. 4, DJ House, Old Nagardas Road, Andheri (East), Mumbai - 400069, Mumbai.
- (35) "**Cover Pool Documents**" means the Trust Deed, the Assignment Agreements, the Servicing Agreement, the Accounts Agreement, the Contribution Agreements, and any the power of attorney and all other instruments, deeds and documents executed or entered into by or between the SPV Trustee and the Company from time to time, for the purpose of assignment of the Assigned Assets.
- (36) "**Credit Event**" means any event or circumstance specified in Clause 11.2 (*Credit Events*).
- (37) "**Credit Event Date**" means the date of occurrence of any Credit Event.
- (38) "**Debentures**" has the meaning given to it in Recital A.
- (39) "**Debenture Documents**" means:
- (a) this Deed;
 - (b) the Debenture Trustee Agreement;

- (c) the Deeds of Hypothecation;
- (d) the Guarantees;
- (e) the Debt Disclosure Documents;
- (f) the letters issued by the, and each memorandum of understanding/agreement entered into with, the Rating Agency, the Debenture Trustee and/or the Registrar;
- (g) each tripartite agreement between the Company, the Registrar and any Depository; and
- (h) any other document or undertaking that may be designated as a Debenture Document by the Debenture Trustee or the Debenture Holders,

and "**Debenture Document**" means any of them.

(40) "**Debenture Holders**" has the meaning given to it in Clause 2.1 and for any subsequent Debenture Holders, each person who is:

- (a) registered as a Beneficial Owner; and
- (b) registered as a debenture holder in the Register of Debenture Holders.

Sub-Clauses (a) and (b) shall be deemed to include transferees of the Debentures registered with the Company and the Depository from time to time, and in the event of any inconsistency between sub-Clauses (a) and (b) above, sub-Clause (a) shall prevail.

(41) "**Debenture Trustee Agreement**" has the meaning given to it in Recital H above.

(42) "**Debenture Trustees Regulations**" has the meaning given to it in Recital G above.

(43) "**Debt Disclosure Documents**" means collectively the PPOA and the Information Memorandum, and "**Debt Disclosure Document**" means any one of them.

(44) "**Debt Listing Regulations**" means the Securities Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

(45) "**Deed of Hypothecation (Company)**" has the meaning given to it in Clause 6.1(a).

(46) "**Deed of Hypothecation (SPV)**" has the meaning given to it in Clause 6.1(a).

(47) "**Deeds of Hypothecation**" means, collectively, the Deed of Hypothecation (Company) and the Deed of Hypothecation (SPV), and the term "**Deed of Hypothecation**" shall mean any of them.

(48) "**Deemed Date of Allotment**" has the meaning given to it in Clause 2.3(a).

(49) "**Depository**" means the depository with whom the Company has made arrangements

for dematerialising the Debentures, being NSDL and/or CDSL.

- (50) "**Designated Account**" means such account(s) of the Debenture Trustee for the receipt, collection and distribution of amounts due and payable to the Debenture Holders in accordance with the Debenture Documents, as is intimated by the Debenture Trustee to the Company from time to time.
- (51) "**DRR**" has the meaning given to it in Clause 2.10(a).
- (52) "**Due Dates**" means, collectively, the Call Option Payment Date(s), the Final Redemption Date, and all other dates on which any principal amounts (including any Redemption Payment or premature redemption amounts are payable), any amounts in respect of interest, additional interest or liquidated damages, and/or any other amounts including pursuant to Clause 7.2 (*Default Interest and Additional Interest*), Clause 8.2 (*Accelerated Redemption (SPV Trustee)*), Clause 8.3 (*Accelerated Redemption (Company)*) and Clause 8.4 (*Call Options*), are due and payable.
- (53) "**Event of Default**" means the events set out in Clause 11.4 (*Events of Default*).
- (54) "**Final Fixing Date**" means the date occurring 30 (thirty) days prior to the Initial Call Option Payment Date. PROVIDED THAT where a Call Option is exercised prior to the Initial Call Option Date (due to the occurrence of a Credit Event prior to the Initial Call Option Payment Date), the date occurring 30 (thirty) days prior to such Call Option Payment Date shall be considered as the Final Fixing Date.
- (55) "**Final Fixing Level**" means the official closing level of the Reference Index on the Final Fixing Date.
- (56) "**Financial Indebtedness**" means any indebtedness for or in respect of:
- (a) moneys borrowed;
 - (b) any amount raised by acceptance under any acceptance credit, bill acceptance or bill endorsement facility or dematerialised equivalent;
 - (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, loan stock or any similar instrument;
 - (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Applicable Accounting Standards, be treated as a finance or capital lease;
 - (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
 - (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
 - (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the

- value of any derivative transaction, only the marked to market value shall be taken into account);
- (h) shares which are expressed to be redeemable or shares which are the subject of a put option or any form of guarantee;
 - (i) any obligation under any put option in respect of any securities;
 - (j) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;
 - (k) any corporate/personal guarantee, a letter of comfort or any other similar contractual comfort issued or incurred in respect of a liability incurred by any other third person; and
 - (l) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (k) above.
- (57) "**Financial Year**" means each period of 12 (twelve) months commencing on April 1 of any calendar year and ending on March 31 of the subsequent calendar year.
- (58) "**Final Settlement Date**" means the date on which all Secured Obligations have been irrevocably and unconditionally paid and discharged in full to the satisfaction of the Debenture Holders.
- (59) "**Final Redemption Date**" means June 11, 2023.
- (60) "**Governmental Authority**" means any government (central, state or otherwise) or any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department or authority, agency or authority including any stock exchange or any self-regulatory organisation, established under any Applicable Law.
- (61) "**Gross Loan Portfolio**" means and includes the outstanding principal amounts of the loans originated by the Company on its own books, securitized portfolio as well as loans originated on behalf of other entities by entering into partnership agreements but not included on the Company's own book.
- (62) "**Gross NPA**" mean, in respect of the Company's entire assets under management, the assets classified as "gross non-performing assets" in accordance with the NBFC Directions.
- (63) "**Guarantees**" means, collectively, the Corporate Guarantee and the SPV Guarantee, and "**Guarantee**" shall be construed accordingly.
- (64) "**Guarantors**" means, the Corporate Guarantor and the SPV Trust, and "**Guarantor**" shall be construed accordingly.
- (65) "**Hypothecated Assets**" means, collectively, the Hypothecated Assets (Company) and the Hypothecated Assets (SPV).

- (66) "**Hypothecated Assets (Company)**" has the meaning given to it in Clause 6.1(a).
- (67) "**Hypothecated Assets (SPV)**" has the meaning given to it in Clause 6.1(a).
- (68) "**Information Memorandum**" has the meaning given to it in Recital B.
- (69) "**Initial Call Option Payment Date**" has the meaning given to it in Clause 8.4 (*Call Options*).
- (70) "**Initial Fixing Date**" means June 11, 2021 (i.e., the Deemed Date of Allotment).
- (71) "**Initial Fixing Level**" means the official closing level of the Reference Index on the Initial Fixing Date.
- (72) "**INR**" has the meaning given to it in Recital A.
- (73) "**Interest Amounts**" or "**Coupon Amounts**" means:
- (a) until a Credit Event Date or the Initial Call Option Payment Date (whichever is earlier), in respect of any Debenture, the interest or the coupon payable on such Debenture, determined as follows:
- $$[IA = FV * [(1 + \text{Annualised Interest Rate})^{(\text{Tenor in Days}/365)} - 1]$$
- where:
- (i) "IA" is the Interest Amounts;
- (ii) "FV" is the face value of such Debenture; and
- (iii) "Tenor in Days" means the period between the Deemed Date of Allotment and the Credit Event Date or the Initial Call Option Payment Date (as may be applicable) determined in days; and
- (b) following a Credit Event Date (including where a Call Option is not exercised by the Company), the interest payable by the Company on the Debentures determined at the applicable Annualised Interest Rate (being 14.25% (fourteen decimal two five percent) (XIRR)), which shall be applied with effect from the Deemed Date of Allotment until the Final Settlement Date in accordance with the terms of this Deed.
- (74) "**Issue**" has the meaning given to it in Recital A above.
- (75) "**Listing Period**" has the meaning given to it in Clause 9(a).
- (76) "**LODR Regulations**" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (77) "**Majority Debenture Holders**" means such number of Debenture Holders collectively holding more than 50% (fifty percent) of the value of the Outstanding Principal Amounts of the Debentures.

- (78) "**Majority Resolution**" means a resolution approved by the Majority Debenture Holders who are present and voting or if a poll is demanded, by the Majority Debenture Holders who are present and voting in such poll.
- (79) "**MLD Guidelines**" means the Guidelines for Issue and Listing of Structured Products/Market Linked Debentures issued by SEBI on September 28, 2011, read with Guidelines for Issue and Listing of Structured Products/Market Linked Debentures - Amendments issued by SEBI on July 13, 2020, as may amended/modified and in force from time to time.
- (80) "**Material Adverse Effect**" means the effect or consequence of an event, circumstance, occurrence or condition which has caused, as on the date of determination, or could reasonably be expected to cause a material and adverse effect on:
- (a) the financial condition, business or operation of the Company which is prejudicial to the ability of the Company to perform its obligations under the Transaction Documents;
 - (b) the rights or remedies of the Debenture Holders hereunder or under any other Transaction Documents;
 - (c) the ability of the Company or any Guarantor(s) to perform its respective obligations under the Transaction Documents; or
 - (d) the legality, validity or enforceability of any of the Transaction Documents.
- (81) "**NBFC Directions**" means the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 and/or the Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 (each as amended, modified or restated from time to time) as may be applicable read with the RBI's circular no. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on "*Implementation of Indian Accounting Standards*".
- (82) "**Net NPA**" means, in respect of the Company's entire assets under management, the Gross NPA less the provisioning made in respect of the Non-Performing Assets.
- (83) "**Non-Performing Assets**" mean the assets classified as "non-performing assets" in accordance with the NBFC Directions.
- (84) "**Net Worth**" has the meaning given to it in the Act.
- (85) "**Nominee Director**" has the meaning given to the term in Clause 4.8.
- (86) "**NSDL**" has the meaning given to it in Recital D above.
- (87) "**Outstanding Amounts**" means, on any date, the Outstanding Principal Amounts together with any accrued interest (including any accrued but unpaid/uncrystallised

Interest), additional interests, costs, fees, charges, and other amounts payable by the Company in respect of the Debentures.

- (88) **"Outstanding Principal Amounts"** means, at any date, the principal amounts outstanding under the Debentures.
- (89) **"PAR>90"** means, any one or more of the following:
- (a) in respect of the Company's Gross Loan Portfolio (including restructured loans), at any time, the outstanding principal amounts of the Client Loans (including restructured loans) that have one or more instalments of principal, interest, penalty, fee or any other payments overdue for 90 (ninety) days or more; and/or.
 - (b) in any district where the Company is present or any branch of the Company, at any time, the outstanding principal amounts of the Client Loans (including restructured loans) that have one or more instalments of principal, interest, penalty, fee or any other payments overdue for 90 (ninety) days or more.
- (90) **"PDCs and UDCs"** means collectively:
- (a) the post-dated cheques (that are "CTS 2010 Standard" compliant instrument(s)) made payable to the Debenture Trustee for the aggregate interest payment(s) in respect of the Debentures, as required by the Debenture Trustee; and
 - (b) the undated blank cheques (that are "CTS 2010 Standard" compliant instrument(s)) made payable to the Debenture Trustee for an amount not exceeding the Outstanding Principal Amounts,

each, signed by Mr. Karan Desai and/or Mr. Rohanjeet Juneja (being the joint managing directors of the Company).
- (91) **"Payment Default"** means any non-payment by the Company that results in an Event of Default pursuant to Clause 11.4(a)(i) of the Deed.
- (92) **"Pool Cover"** means the aggregate value of principal amounts of the Client Loans comprising the Hypothecated Assets (SPV), subject to Clause 6.1(b)(vii), which must be at least 1.25 (one decimal two five) times the Outstanding Amounts. PROVIDED THAT:
- (a) Client Loans with overdues of more than 90 (ninety) days will not be considered for the purposes of calculation of the Pool Cover; and
 - (b) where amounts in excess of INR 10,00,000 (Indian Rupees Ten Lakh) have been disbursed under a Client Loan, amounts only up to INR 10,00,000 (Indian Rupees Ten Lakh) will be considered for the purposes of ascertaining the Pool Cover.
- (93) **"PPOA"** has the meaning given to it in Recital B above.

- (94) "**Purpose**" has the meaning given to it in Clause 5.
- (95) "**Quarterly Date**" means each of March 31, June 30, September 30 and December 31 of a calendar year, and "**Quarterly Dates**" shall be construed accordingly.
- (96) "**RBI**" means the Reserve Bank of India.
- (97) "**Rating**" has the meaning given to it in Recital E.
- (98) "**Rating Agency**" means CARE Ratings Limited having its registered office at Godrej Coliseum, 4th Floor, Somaiya Hosp Road, Off E Exp Highway, Sion (E), Mumbai – 400022, Maharashtra.
- (99) "**Recovery Expense Fund**" means the recovery expense fund established/to be established and maintained by the Company in accordance with the provisions of the SEBI Recovery Expense Fund Circular.
- (100) "**Redemption Date(s)**" means the Final Redemption Date, the Call Option Payment Date(s), any date on which a Redemption Payment is required to be made in accordance with Clause 8.2 (*Accelerated Redemption (SPV Trustee)*), Clause 8.3 (*Accelerated Redemption (Company)*) and Clause 8.4 (*Call Options*), or any other date on which a Redemption Payment is to be made.
- (101) "**Redemption Payment**" means, in respect of any Debenture, the aggregate of the face value/Outstanding Principal Amount of such Debenture, and the Interest Amounts in respect of such Debenture calculated in the manner set out in this Deed.
- (102) "**Reference Index**" means the price of BSE SENSEX 30.
- (103) "**Reference Index Performance**" means the performance of the Reference Index on the Final Fixing Date with reference to the Initial Fixing Date, and shall be determined (as a percentage) as the difference of (a) the ratio of (i) the Final Fixing Level, and (ii) the Initial Fixing Level, and (b) 1 (one), multiplied by 100, and followed by the "%" symbol.
- (104) "**Register of Beneficial Owners**" means the register of beneficial owners of the Debentures maintained in the records of the Depository.
- (105) "**Register of Debenture Holders**" means the register of debenture holders maintained by the Company in accordance with Section 88 of the Act.
- (106) "**Registrar**" means the registrar and transfer agent appointed for the issue of Debentures, being MCS Share Transfer Agent Limited.
- (107) "**Related Party**" has the meaning given to it in the Act.
- (108) "**ROC**" means the jurisdictional registrar of companies.
- (109) "**SEBI**" has the meaning given to it in Recital G above.
- (110) "**SEBI Defaults (Procedure) Circular**" means the SEBI circular bearing reference

number SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020 on "*Standardisation of procedure to be followed by Debenture Trustee(s) in case of 'Default' by Issuers of listed debt securities*".

- (111) "**SEBI Due Diligence Circular**" means the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020 on "*Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)*".
- (112) "**SEBI Listed Debentures Circulars**" means, collectively, the SEBI Defaults (Procedure) Circular, SEBI Due Diligence Circular, the SEBI Listing Timelines Circular, the SEBI Monitoring Circular, the SEBI Recovery Expense Fund Circular, and (to the extent applicable) the LODR Regulations.
- (113) "**SEBI Listing Timelines Circular**" means the SEBI circular bearing reference number SEBI/HO/DDHS/CIR/P/2020/19 dated October 05, 2020 on "*Standardization of timeline for listing of securities issued on a private placement basis under: i. SEBI (Issue and Listing of Debt Securities) Regulations, 2008 (SEBI ILDS), ii. SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 (SEBI NCRPS), iii. SEBI (Public Offer and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008 (SEBI SDI), and iv. SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015 (SEBI ILDM)*".
- (114) "**SEBI Monitoring Circular**" means the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/23 dated November 12, 2020 on "*Monitoring and Disclosures by Debenture Trustee(s)*".
- (115) "**SEBI Recovery Expense Fund Circular**" means the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 on "*Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund"*".
- (116) "**Secured Obligations**" means all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) of the Company to the Debenture Holders or the Debenture Trustee under the Debenture Documents, including without limitation, the making of payment of any Interest, redemption of principal amounts, the default interest, additional interest, liquidated damages and all costs, charges, expenses and other amounts payable by the Company in respect of the Debentures.
- (117) "**Security Cover**" has the meaning given to it in Clause 6.1(b).
- (118) "**Servicer**" means Dhanvarsha Finvest Limited, appointed as the servicer by the SPV Trustee pursuant to the Servicing Agreement.
- (119) "**Servicing Agreement**" means the servicing agreement executed on or about the date of this Agreement between the Servicer and the SPV Trustee, whereby, *inter alia*, the Servicer is appointed to manage the collection of the loan receivables comprising the Assigned Assets.

- (120) "**Special Majority Debenture Holders**" means such number of Debenture Holders collectively holding more than 75% (seventy five percent) of the value of the Outstanding Principal Amounts of the Debentures.
- (121) "**Special Resolution**" means resolution approved by the Special Majority Debenture Holders who are present and voting or if a poll is demanded, by the Special Majority Debenture Holders who are present and voting in such poll.
- (122) "**SPV Guarantee**" means the deed of guarantee, dated on or about the Effective Date, executed or to be executed by the SPV Trust in favour of the Debenture Trustee (for the benefit of the Debenture Holders).
- (123) "**SPV Trust**" means the "Wint Gold CB-03" trust, a private trust settled in India in accordance with the Indian Trusts Act, 1882 pursuant to the Trust Deed.
- (124) "**SPV Trustee**" means the trustee of the SPV Trust, being Catalyst Trusteeship Limited.
- (125) "**SPV Trust Property**" means, collectively, the property belonging to the SPV Trust, as may be determined in accordance with the Trust Deed and the other Transaction Documents.
- (126) "**Stressed Assets Framework**" means the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "Prudential Framework for Resolution of Stressed Assets", as may be amended, modified or restated from time to time.
- (127) "**Structurer**" means Fourdegreewater Private Limited, a company incorporated under the Companies Act, 2013 having its registered office at Plot No. 2, Krushna Colony, Near M.S.E.B Colony, Jail Road, Nashik Road, Nashik 422101, Maharashtra.
- (128) "**Tangible Net Worth**" means, with respect to any person, the amount paid up on such person's issued equity share capital, compulsorily convertible instruments and any amount standing to the credit of its reserves, less equity or equity-like investments, goodwill, deferred tax assets and other intangible assets.
- (129) "**Tax**" means any present or future tax, levy, duty, charge, fees, deductions, withholdings, surcharges, cess, turnover tax, transaction tax, stamp tax or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter, imposed pursuant to any Applicable Law or by any Governmental Authority and as maybe applicable in relation to the payment obligations of the Company under this Deed.
- (130) "**Tax Deduction**" means a deduction or withholding for or on account of Tax from a payment under a Debenture Document pursuant to Applicable Law.
- (131) "**Tier I Capital**" has the meaning given to it in the NBFC Directions.
- (132) "**Tier II Capital**" has the meaning given to it in the NBFC Directions.
- (133) "**Total Assets**" means, for any date of determination, the total Assets of the Company

on such date.

- (134) "**Transaction Documents**" means, collectively, the Cover Pool Documents, and the Debenture Documents, and "**Transaction Document**" shall be construed accordingly.
- (135) "**Transaction Security**" has the meaning given to it in Clause 6.1(a).
- (136) "**Trust**" has the meaning given to it in Clause 2.5(b).
- (137) "**Trust Deed**" means the declaration of trust dated on or about this Deed executed by Catalyst Trusteeship limited (in its capacity as the settlor of the SPV Trust) to settle the SPV Trust and to, *inter alia*, appoint the SPV Trustee as the trustee of the SPV Trust.
- (138) "**Valuation Agent**" has the meaning given to it in Clause 10.5(p).
- (139) "**XIRR**" means the internal rate of return calculated using the XIRR function in Microsoft Excel software.

1.2 Interpretation

- (a) The recitals and schedules constitute an integral and operative part of this Deed.
- (b) Unless the context otherwise requires, reference to a Clause and a Schedule is to a clause and schedule of this Deed.
- (c) Headings to Clauses, parts and paragraphs of Schedules are for convenience only and do not affect the interpretation of this Deed.
- (d) Reference to any statute, regulation, or such provision shall include:
 - (i) all statutory and regulatory instruments or orders including subordinate or delegated legislation (whether by way of rules, notifications, bye-laws and guidelines) made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated); and
 - (ii) such provision as from time to time amended, modified, re-enacted or consolidated to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to any transactions entered into under this Deed and (to the extent liability thereunder may exist or can arise) shall include any past statutory provision (as from time to time amended, modified, re-enacted or consolidated) which the provision referred to has directly or indirectly replaced.
- (e) Reference to any document includes an amendment or supplement to, or replacement or novation of, that document, but disregarding any amendment, supplement, replacement or novation made in breach of this Deed.
- (f) Reference to an "amendment" includes a supplement, modification, novation, replacement or re-enactment and "amended" is to be construed accordingly.

- (g) Words denoting the singular shall include the plural and *vice versa*.
- (h) Words denoting any gender include all genders.
- (i) References to the word "include" or "including" shall be construed without limitation.
- (j) References to the word "indebtedness" include any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent.
- (k) References to a "person" (or to a word importing a person) shall be construed so as to include:
 - (i) individual, sole proprietorship, firm, partnership, limited liability partnership, trust, joint venture, company, corporation, body corporate, unincorporated body, association, organisation, any governmental agency or other entity or organisation (whether or not in each case having separate legal personality);
 - (ii) that person's successors in title, executors, and permitted transferees and permitted assignees; and
 - (iii) references to a person's representatives shall be to its officers, employees, legal or other professional advisers, sub-contractors, agents, attorneys and other duly authorised representatives.
- (l) Words "hereof", "herein", "hereto", "hereunder" and words of similar import when used with reference to a specific Clause in this Deed shall refer to such Clause in this Deed and when used otherwise than in connection with specific Clauses shall refer to this Deed as a whole.
- (m) Words "thereof", "therein", "thereto", "thereunder" and words of similar import when used with reference to a specific provision in an agreement, document, instrument or writing shall refer to such provision in such agreement, document, instrument or writing and when used otherwise than in connection with specific provisions shall refer to such agreement, document, instrument or writing as a whole.
- (n) In the computation of periods of time from a specified date to a later specified date, the words "from" and "commencing on" mean "from and including" and "commencing on and including", respectively, and the words "to", "until" and "ending on" each mean "to but not including", "until but not including" and "ending on but not including" respectively.
- (o) Words or phrases used herein and not defined shall have the same meaning as given to such words or phrases in the Debt Disclosure Documents.
- (p) Where a wider construction is possible, the words "other" and "otherwise" shall not be construed *ejusdem generis* with any foregoing words.
- (q) All references in this Deed and other Debenture Documents to the Debenture Trustee taking any actions, exercising any powers or rights, executing any documents or

instrument or providing any confirmations shall be interpreted at all times as acting on the prior written instructions of the Debenture Holder.

- (r) All references in this Deed and other Debenture Documents to the determination or discretion or opinion to be exercised, in relation to the happening or non-happening of any event or exercise of any rights, would mean, at the determination or discretion or opinion of the Debenture Holders (in accordance with a Majority Resolution) or of the Debenture Trustee (in accordance the instructions of the Majority Debenture Holders or a Majority Resolution passed by Debenture Holders) and such determination shall be final and binding upon the Company.
- (s) Any reference to a document in "agreed form" is to a document in a form previously agreed between the Parties, or, if not so agreed, is in the form specified by the Debenture Trustee (acting on the instructions of the Debenture Holders).
- (t) All references to the "SPV Trust" shall, wherever the context permits, mean the SPV Trust acting through the SPV Trustee.
- (u) The terms and conditions contained in Part A of this Deed, Part B of this Deed and Part C of this Deed contain the complete understanding of the Parties with respect to the matters contained herein, and shall be read in conjunction with, and harmoniously with, each other.

1.3 Conflicts

- (a) The provisions contained in this Deed shall be read together with the provisions contained in the Debt Disclosure Documents, the other Debenture Documents and any other agreement entered into among the Company/the Corporate Guarantor, the Debenture Holders, and/or the Debenture Trustee.
- (b) The terms and conditions of the issue of Debentures pursuant to the Debt Disclosure Documents and any other agreement, entered into between the Company/the Guarantors and the Debenture Holders/Debenture Trustee, shall be binding on the Company/the Guarantors and the Debenture Holders/Debenture Trustee, as the case may be, and all persons claiming by, through or under any of them until execution of this Deed. The Debenture Trustee shall be entitled to enforce the obligations of the Company contained in the Debt Disclosure Documents.
- (c) In case of any inconsistency between the terms in the provisions contained in this Deed or those of any Debt Disclosure Documents or any other Debenture Document, the provisions contained in this Deed shall prevail.

PART A - GENERAL AND STATUTORY TERMS

2. AMOUNT; TERMS OF DEBENTURES

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

2.1 Amount of Debentures

(a) Debentures

- (i) For the Purpose and at the request of the Company, the entity(ies) whose names are set out in Schedule I Part A ("**Debenture Holders**") have agreed to subscribe to the Company's 1,50,000 (one lakh fifty thousand) rated, secured, senior, transferable, listed, redeemable, principal protected market linked non-convertible debentures, each having a face value of INR 1,000 (Indian Rupees One Thousand) aggregating to a face value of INR 15,00,00,000 (Indian Rupees Fifteen Crore).
- (ii) The entity(ies) mentioned in Schedule I Part A have agreed to subscribe to the Debentures, by way of private placement, to the maximum extent set out against their respective names in Schedule I Part A on the terms and conditions contained in the Debt Disclosure Documents for private placement issued by the Company.
- (iii) Each Debenture is a senior secured and fully paid up debt instrument.
- (iv) Each of the Debentures constitute direct, unconditional, senior, secured obligations of the Company (without any preference *inter se* whatsoever on account of date of issue or allotment or otherwise).

(b) Security and Guarantees

- (i) The Debentures are secured pursuant to the security created by (A) the Company under the Deed of Hypothecation (Company), and (B) the SPV Trustee under the Deed of Hypothecation (SPV), each of which is an exclusive and first ranking security created solely for the benefit of the Debenture Holders.
- (ii) The Debentures shall be supported by the Guarantor(s) pursuant to their respective Guarantee(s).

(c) Conditions Precedent and Conditions Subsequent

- (i) The subscription to the Debentures by the Debenture Holders on the Deemed Date of Allotment is subject to and conditional upon the fulfilment of the Conditions Precedent to the satisfaction of the Debenture Holders unless specifically waived or modified in writing by the Majority Debenture Holders.
- (ii) The Company further undertakes to fulfil the Conditions Subsequent to the satisfaction of the Debenture Holders within the timelines prescribed therein.

(d) Covenant to Pay

The Company covenants with the Debenture Trustee that it shall pay to the Debenture Holders the interest at the Annualised Interest Rate in respect of the Debentures or earlier in case of any default, and shall also pay all other amounts due in respect of

the Debentures as stipulated and in accordance with Clause 7.1 (*Interest*) and Clause 8 (*Redemption*) below. The Company shall make/release all payments due by the Company in terms of the Debenture Documents to the respective Debenture Holders in proportion to their dues.

2.2 Face Value and Title

- (a) The face value of each Debenture is INR 1,000 (Indian Rupees One Thousand).
- (b) The issue price of each Debenture is INR 1,000 (Indian Rupees One Thousand).

2.3 Allotment of Debentures

- (a) The Debentures have been deemed to be allotted to the Debenture Holders on June 11, 2021 ("**Deemed Date of Allotment**"). All benefits relating to the Debentures are available to the Debenture Holders from the Deemed Date of Allotment.
- (b) If the Company fails to allot the Debentures to the Applicants within 60 (sixty) calendar days from the date of receipt of the Application Money ("**Allotment Period**"), it shall repay the Application Money to the Applicants within 15 (fifteen) calendar days from the expiry of the Allotment Period ("**Repayment Period**").
- (c) If the Company fails to repay the Application Money within the Repayment Period, then Company shall be liable to repay the Application Money along with interest at 12% (twelve percent) per annum, gross of withholding taxes, from the expiry of the Allotment Period.

2.4 Application Money

The Application Money received by the Company shall be kept in a separate bank account maintained by the Company with a scheduled bank and shall not be utilised for any purpose other than for:

- (a) adjustment against allotment of Debentures; or
- (b) repayment of Application Money in case the Company is unable to allot the Debentures.

2.5 Debenture Trustee for the Debenture Holders

- (a) Pursuant to the Debenture Trustee Agreement, the Debenture Trustee has agreed to act as the trustee for the benefit of the Debenture Holders in respect of the Debentures. The Debenture Trustee is authorised to:
 - (i) to execute and deliver this Deed, all other Debenture Documents and all other documents, agreements, instruments and certificates contemplated by this Deed or the other Debenture Documents, which are to be executed and delivered by the Debenture Trustee;
 - (ii) to take whatever action as may be required to be taken by the Debenture Trustee in accordance with the terms and provisions of the Debenture

Documents, to exercise its rights and perform its duties and obligations under each of the documents, agreements, instruments and certificates referred to in sub-Clause (i) above in such documents, agreements, instruments and certificates; and

- (iii) subject to the terms and provisions of this Deed and the other Debenture Documents, and to take such other action in connection with the foregoing as the Debenture Holders may from time to time direct.
- (b) The Company hereby settles in trust with the Debenture Trustee the amount of INR 1,000 (Indian Rupees One Thousand). The Debenture Trustee has accepted the above amount of INR 1,000 (Indian Rupees One Thousand) in trust declared and, subject to the terms and conditions in this Deed, agreed to act as trustee for the benefit of the Debenture Holders in relation to all amounts received by it in respect of the Debenture Holders (the "**Trust**").
- (c) The Debenture Trustee shall act as the trustee for the benefit and interest of the Debenture Holders and their successors, transferees and subject to the terms and provisions of this Deed and the other Debenture Documents. The Debenture Trustee shall, at all times, exercise the authority, power and discretion granted to it under this Deed for the benefit and in the best interest of the Debenture Holders and their successors and transferees.
- (d) The Debenture Trustee declares that it shall not revoke the trust(s) hereby declared until all the Secured Obligations are irrevocably discharged and paid in full by the Company to the Debenture Holders and the Debenture Trustee under the Debenture Documents.
- (e) The Debenture Trustee shall hold the Transaction Security and the guarantees provided by the Guarantors in trust on behalf of and for the benefit of the Debenture Holders, for the due discharge of the Secured Obligations, without any preference to or priority of any one over the other(s).
- (f) The Debenture Trustee shall hold upon trust the amounts which shall arise or may be obtained by the enforcement of the repayment obligations and/or the Transaction Security and/or the invocation of the Guarantees and shall apply such proceeds in accordance with Clause 2.6 (*Application of Payments*) below.
- (g) By signing the Application Form, each Debenture Holder that signs the Application Form shall be deemed to have given their consent to the Debenture Trustee or any of their agents or authorised officials to, *inter alia*, do all acts, deeds and things necessary to complete the issuance and allotment of the Debentures offered to the Debenture Holders in terms of the Debt Disclosure Documents, and to do any act or deed on their behalf in accordance with the provisions of the Debenture Documents.
- (h) The terms and conditions set out in the Debt Disclosure Documents and this Deed shall be binding on the Company and any permitted assignees or successors under Applicable Law.

2.6 Application of Payments

Unless otherwise agreed to by the Debenture Holders or unless otherwise provided by Applicable Law or by a decree of a competent court or tribunal, any payments due and payable to the Debenture Holders and made by the Company in the Designated Account, or realised from the enforcement of the Transaction Security and any of the Guarantees shall be applied in the following order:

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

2.6A Designated Account and Payment Mechanism

2.6A.1 Until the occurrence of any Credit Event:

- (a) subject to the provisions of Clause 7.1(b) (*Interest on Debentures*) and Clause 8.1 (*Redemption*) below, the Company shall make all payments in respect of the Debentures under the Debenture Documents, to the Designated Account by no later than 4:00 p.m. IST on the relevant Due Date; and
- (b) the Debenture Trustee shall utilize the amounts deposited in the Designated Account towards the payments to the Debenture Holders in accordance with the terms of this Deed on the relevant Due Date.

2.6A.2 On the occurrence of any Credit Event, commencing from the Credit Event Date:

- (a) the SPV Guarantee will stand invoked in accordance with the terms thereof (and as set out in Clause 11.1(a) (*Confirmation*) and Clause 11.1(b) (*Invocation of the SPV Guarantee*));
- (b) the SPV Trustee shall, by no later than 4:00 p.m. IST on the relevant Due Date, transfer the amounts collected in the Collection and Payment Account attributable to the loan receivables/book debts assigned to the Trust in accordance with the Cover Pool Documents and the SPV Guarantee to the Designated Account in the manner more particularly set out in the Trust Deed, from the amounts available in respect of the Cash Collateral (if any) in accordance with the Trust Deed, and from amounts collected in the Collection and Payment Account attributable to the loan receivables/book debts assigned to the Trust in accordance with the Cover Pool Documents.

Subject to adequacy of funds to discharge the obligations of the Company, any payment/transfer to the Designated Account in accordance with this sub-Clause (b) shall be considered as discharge of the obligations of the Company as on the date such payment/transfer is made to the Designated Account; and

- (c) the Debenture Trustee shall utilize the amounts deposited in the Designated Account towards the accelerated redemption of the Debentures in accordance with the terms of this Deed and the other Transaction Documents.

2.6A.4 It is clarified that:

- (a) following the occurrence of a Credit Event until the Final Settlement Date, all amounts available in the Collection and Payment Account will be utilized for making accelerated payments towards the Debentures in accordance with the terms of the SPV Guarantee and the other Transaction Documents;
- (b) if the Company is unable to meet its payment obligations, the SPV Trustee shall (on its own and without the requirement of any instructions from the Debenture Trustee) utilize all amounts standing to the credit of the Cash Collateral for the payment of the Outstanding Amounts;
- (c) all amounts in or to the credit of the Designated Account will be utilized in accordance with the priority set out under Clause 2.6 (*Application of Payments*) above; and
- (d) following the Final Settlement Date, any amounts available in the Collection and Payment Account may be utilized in accordance with the terms of the Trust Deed (including for payments to the Contributor and/or the Residual Beneficiary (as defined in the Trust Deed)).

2.7 Place and Mode of Payment by the Company

- (a) All interest, principal repayments, penal interest and other amounts, if any, payable by the Company to the Debenture Holders shall be paid to the Debenture Holders by electronic mode of transfer like RTGS/NEFT/direct credit to such bank account within India as the Debenture Holders' inform the Company in writing and which details are available with the Registrar. Credit for all payments will be given only on realisation.
- (b) All payments by the Company in accordance with sub-Clause (a) above will be made by the Company, in accordance with the provisions of this Deed, from the account specified in Schedule IV (*Account Details*) below. In relation to foregoing, the Company:
 - (i) authorises the Debenture Trustee to seek details/information from the bank specified in Schedule IV (*Account Details*) in relation to the payment of the Outstanding Principal Amounts, and undertakes to do all such acts as may be necessary to enable the Debenture Trustee to procure such information; and
 - (ii) shall, in case of any change in the details of such account, promptly, and in no case later than 1 (one) Business Day from occurrence of such change, inform the Debenture Trustee of the updated details of the account.

2.8 Transfer of Debentures

- (a) Transfer and transmission of the Debentures shall be subject to the Depositories Act, 1996, the rules made thereunder, the bye-laws, rules and regulations of the

Depository (each as amended, modified or restated from time to time).

- (b) 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.
- (c) The Debenture Holder(s) shall also have the right to novate, transfer or assign its rights and/or the benefits under the Debenture Documents upon such transfer/transmission of the Debentures. 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)).

2.9 Issuance of Debentures

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

2.10 Debenture Redemption Reserve

- (a) The Company hereby agrees and undertakes that, if required under Applicable Law, it will create a debenture redemption reserve ("**DRR**") in accordance with the provisions of the Act (and the rules and regulations made thereunder) and the guidelines issued by the relevant Governmental Authorities.
- (b) During the tenor of the Debentures, if any guidelines are formulated (or modified or revised) by any Governmental Authority in respect of creation of the DRR, the Company shall abide by such guidelines and shall do all deeds, acts and things as may be required by the Debenture Trustee.
- (c) Where applicable, the Company shall submit to the Debenture Trustee a certificate duly certified by a chartered accountant certifying that the Company has transferred the required amount to the DRR at the end of each Financial Year.
- (d) In addition to the foregoing, to the extent required by Applicable Law, the Company shall invest or deposit amounts up to such thresholds, and in such form and manner and within the time periods, as may be prescribed by Applicable Law, in respect of any amounts of the Debentures maturing in any Financial Year.

2.11 Recovery Expense Fund

The Company hereby undertakes and confirms that it shall, within the time period prescribed under the SEBI Recovery Expense Fund Circular, establish and maintain the Recovery Expense Fund in such manner/mode as is prescribed under the SEBI Recovery Expense Fund Circular.

3. GENERAL UNDERTAKINGS OF THE COMPANY

3.1. Filings

Pursuant to the provisions of the Act and the relevant rules thereunder, the Company undertakes to make the necessary filings of the documents mandated therein including (if required under Applicable Law) the PPOA (Form PAS 4), the return of allotment (Form PAS 3), Form CHG-9, and (if so required under Applicable Law) record of PPOA (Form PAS 5) with the ROC and/or SEBI, within the timelines stipulated under the Act and the relevant rules thereunder and any other Applicable Law.

3.2. Register of Debenture Holders

A Register of Debenture Holders shall be maintained in accordance with Section 88 of the Act and the Register of Debenture Holders/the Register of Beneficial Owners, shall be closed 7 (seven) days prior to each Due Date or any other payment date by acceleration. In case of dissolution/bankruptcy/insolvency/winding up of Debenture Holders, the debenture certificates shall be transmittable to the legal representative(s)/successor(s) or the liquidator as the case may be in accordance with Applicable Law and on such terms as may be deemed appropriate by the Company.

3.3. Future Borrowings

The Company shall be entitled to borrow or raise loans or create encumbrances or avail financial assistance in whatever form, and also issue promissory notes or debentures or other securities, without the consent of, or intimation to the Debenture Holders or the Debenture Trustee.

3.4. Ranking and restriction of Preferential Payments

- (a) Each Debenture constitutes direct and senior secured obligations of the Company.
- (b) The claims of the Debenture Holders shall rank (i) senior to the claims of other Tier I Capital and Tier II Capital investors/lenders of the Company, and any unsecured or subordinated debt of the Company; and (ii) at least *pari passu* to senior secured creditors of the Company, except for obligations mandatorily preferred by Applicable Law applying to companies generally.
- (c) The Debentures shall rank *pari passu inter se* and the Company shall pay and discharge all its liabilities to the Debenture Holders under this Deed without preference or priority of one over the other.

4. DEBENTURE TRUSTEE'S RIGHTS, POWERS, DISCRETIONS, REPRESENTATIONS AND RESPONSIBILITIES

4.1 Representations and Warranties of the Debenture Trustee

The Debenture Trustee hereby represents and warrants in favour of the Company and the Debenture Holders, that as on the Effective Date and on each day until the Final Settlement Date:

- (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 Debenture Documents;
- (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 under or result in a breach of or default under:
 - (i) any Applicable Law; 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 SEBI under the Debenture Trustees Regulations;
- (f) the Debenture Trustee does not have any, claim or exercise any right of deduction, lien or set-off on, over or in respect of any of the amounts, writings or things held by it or continued to be held by it or coming within its power or possession pursuant to or in connection with this Deed or any other Debenture Documents; and
- (g) all information set forth in this Deed, and all information furnished and/or to be furnished by the Debenture Trustee to the Debenture Holders is true and correct and was/is not misleading whether by reason of omission to state a material fact or otherwise.

4.2 **General Rights, Powers and Discretions**

In addition to the powers conferred on the Debenture Trustee in this Deed and Applicable Law, and without limiting the liability of the Debenture Trustee, it is agreed as follows:

- (a) the Debenture Trustee may, in relation to this Deed and the other Debenture Documents (i) 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 (ii) execute, sign and do any deeds, documents, assurances, acts and things in the name and on behalf of the Company, which in the opinion of the Debenture Trustee, are necessary for the purpose of carrying out any of the trusts declared or obligations made applicable to the Debenture Trustee under this Deed or other Debenture Documents or under Applicable Law (including the SEBI Listed

Debentures Circulars);

- (b) subject to the approval of the Debenture Holders by way of a Special Resolution passed at a meeting of the 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, willful 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 Debenture Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing such amounts 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;
- (c) with a view to facilitating any dealing under any provisions of this Deed or the other Debenture Documents, subject to the Debenture Trustee obtaining the consent of the Majority Debenture Holders, the Debenture Trustee shall have (i) the power to consent (where such consent is required) to a specified transaction or class of transactions (with or without specifying additional conditions); and (ii) to determine all questions and doubts arising in relation to the interpretation or construction any of the provisions of this Deed;
- (d) the Debenture Trustee shall not be responsible for the amounts paid by the Applicants for the Debentures;
- (e) the Debenture Trustee shall not be responsible for acting upon any resolution purporting to have been passed at any meeting of the Debenture Holders in respect whereof minutes have been made and signed even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not valid or binding upon the Debenture Holders;
- (f) the Debenture Trustee and each receiver, attorney, manager, agent or other person appointed by it 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;
- (g) subject to the approval of the Debenture Holder(s) by way of a Special Resolution passed at a meeting of Debenture Holder(s) held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee shall not be liable for any of its actions or deeds in relation to the Debenture Documents;
- (h) subject to the approval of the Debenture Holder(s) by way of Special Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee, shall not be liable for any default, omission

or delay in performing or exercising any of the powers or trusts herein expressed or contained herein or in enforcing the covenants contained herein or in giving notice to any person of the execution hereof or in taking any other steps which may be necessary, expedient or desirable or for any loss or injury which may be occasioned by reason thereof unless the Debenture Trustee shall have been previously requested by notice in writing to perform, exercise or do any of such steps as aforesaid given in writing by the Majority Debenture Holder(s) or by a Majority Resolution duly passed at a meeting of the Debenture Holders. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Debenture Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing such amounts 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;

- (i) notwithstanding anything contained to the contrary in this Deed, the Debenture Trustee shall before taking any action on behalf of the Debenture Holders or providing any consent on behalf of the Debenture Holders, obtain the written consent of the Majority Debenture Holders;
- (j) the Debenture Trustee shall forward to the Debenture Holders copies of any information or documents from the Company pursuant to this Deed within 2 (two) Business Days of receiving such information or document from the Company; and
- (k) the Debenture Trustee shall, until the Final Settlement Date, adhere to and comply with its obligations and responsibilities under the SEBI Defaults (Procedure) Circular and the SEBI Recovery Expense Fund Circular.

PROVIDED THAT nothing contained in this Clause 4.2 shall exempt the Debenture Trustee or any receiver, attorney, manager, agent or other person appointed by the Debenture Trustee from or indemnify them against any liability for breach of trust nor any liability which by virtue of any rule or Applicable Law would otherwise attach to them in respect of any negligence, default or breach of trust which they may be guilty of in relation to their duties hereunder.

4.3 Power of Debenture Trustee to Delegate

- (a) The Debenture Trustee may, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in it act through officer(s) of the Debenture Trustee.
- (b) The Debenture Trustee may also, whenever it thinks expedient, delegate by way of power(s) of attorney or otherwise to any such officer all or any of the trusts, powers, authorities and discretions vested in it 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.
- (c) The Debenture Trustee shall be liable for any negligence, illegality, fraud, breach of trust, bad faith and wilful misconduct of the officer to whom the Debenture Trustee has delegated its powers and shall not be absolved of its obligations under this Deed.

- (d) The Debenture Trustee shall ensure that any powers under this Clause shall be exercised with reasonable care to ensure the competency of the officer or person to whom the Debenture Trustee has delegated its powers.

4.4 Powers of Debenture Trustee to Employ Agents

The Debenture Trustee may, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in it under the Debenture Documents act through one or more agents.

4.5 Powers of Debenture Trustee to Inspect

- (a) The Debenture Trustee or its authorised representatives may carry out inspections of the Company's offices records, registers and books of accounts upon giving 15 (fifteen) calendar days' notice in writing to the Company in accordance with the terms of this Deed and the other Debenture Documents.
- (b) The cost of inspection, including travelling and other related expenses shall be borne and paid by the Company. No costs shall be incurred without the prior written approval of the Debenture Holders.

4.6 Debenture Trustee may Contract with the Company

- (a) Subject to there being no conflict of interest, 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 in the ordinary course of business of the Debenture Trustee.
- (b) In the event the Debenture Trustee or any agent of the Debenture Trustee perceives that any activity mentioned above that the Debenture Trustee or the agent of the Debenture Trustee proposes to undertake could lead to a conflict of interest, then the Debenture Trustee or the agent of the Debenture Trustee shall take prior written consent of the Debenture Holders prior to undertaking such activity.

4.7 When Debenture Trustee May Interfere

- (a) Until the occurrence of one or more Events of Default, the Debenture Trustee shall not be required, bound or concerned to interfere with the management or the affairs of the Company or its business or any part thereof.
- (b) The Company shall be entitled to the rights and benefits to the Hypothecated Assets until the occurrence of an Event of Default provided that (i) it does so for a purpose consistent with the Debenture Documents, and (ii) the exercise of, or failure to exercise, those rights would not cause an Event of Default to occur.

4.8 Nominee Director

- (a) The Debenture Trustee shall have a right to appoint a nominee director, in accordance with the Debenture Trustees Regulations, on the board of directors of the Company (hereinafter referred to as the "**Nominee Director**") upon the occurrence of any of

the following:

- (i) (two) consecutive defaults in the payment of interest to the Debenture Holders; or
 - (ii) any default in creation of security for the Debentures; or
 - (iii) any default on the part of the Company in redemption of the Debentures.
- (b) The Nominee Director shall not be liable to retire by rotation nor required to hold any qualification shares.
- (c) The Company shall appoint the Nominee Director forthwith on receiving a nomination notice from the Debenture Trustee. To the extent required by Applicable Law, the Nominee Director shall be appointed on all key committees of the board of directors of the Company.
- (d) The appointment of any Nominee Director that is appointed pursuant to this provision shall, upon the event pursuant to which such Nominee Director is appointed being rectified and/or cured to the satisfaction of the Debenture Trustee and the Debenture Holders, be vacated subject to the provisions of Applicable Law (including the Debenture Trustees Regulations).

4.9 **Receipt of Debenture Holders**

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

4.10 **Purchasers and Persons Dealing with the Debenture Trustee not put on enquiry**

Any person(s) dealing with the Debenture Trustee and/or the receiver appointed by them or their attorneys or agents shall not be bound or concerned to see or to inquire (a) whether the power exercised or purported to be exercised has become exercisable; or (b) as to the necessity or expediency of the stipulations and conditions subject to which any sale and/or assignment shall have been made; or (c) as to the propriety or regularity of any sale and/or assignment, calling in, collection or to see to the application of any money paid to the Debenture Trustee or receiver.

4.11 **Retirement and Removal of Debenture Trustee**

(a) ***Resignation***

The Debenture Trustee may resign as the Debenture Trustee with the prior written approval of the Majority Debenture Holders. PROVIDED THAT, it shall continue to act as Debenture Trustee until a New Debenture Trustee (as defined below) is appointed by the Company with consent of the Majority Debenture Holders and such New Debenture Trustee accepts its appointment pursuant to this Clause 4.11.

(b) **Removal**

- (i) The Debenture Holders may, after giving not less than 1 (one) months' notice in writing, remove the Debenture Trustee by passing a Special Resolution to that effect, and by the same resolution nominate an entity competent to act as their trustee and require the Company to appoint such entity as the debenture trustee (the "**New Debenture Trustee**").
- (ii) The Special Majority Debenture Holders will be entitled to remove the Debenture Trustee without any notice period in case of fraud, gross negligence, willful misconduct or breach of trust on the part of the Debenture Trustee.
- (iii) The Company shall, within 15 (fifteen) Business Days of receipt of such resolution passed by the Special Majority Debenture Holders, take all necessary steps to appoint the entity named in the resolution as the New Debenture Trustee and complete all necessary formalities to give effect to such appointment.

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

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

4.12 **Debenture Trustee's Remuneration**

- (a) The remuneration of the Debenture Trustee shall be as per the terms of the fee letter executed between the Debenture Trustee and the Company dated May 7, 2021.
- (b) Subject to Clause 14, the Company shall pay to the Debenture Trustee all legal, traveling and other costs, charges and expenses incurred by them, their officers, employees, agents in connection with execution of these presents including costs, charges and expenses of and incidental to the approval and execution of this Deed and the other Debenture Documents and all other documents affecting the Debentures and the obligations to be created herein and will indemnify them against all actions, proceedings, costs, charges, expenses, claims and demands whatsoever which may be brought or made against or incurred by them in respect of any matter or thing done or omitted to be done without their wilful default in respect of the Debentures.

PART B - COMMERCIAL AND TRANSACTION SPECIFIC TERMS

5. **PURPOSE**

- 5.1 The funds raised by the Issue shall be utilized by the Company ("**Purpose**") for:

- (a) the general corporate purposes of the Company; and
- (b) the ordinary course of business of the Company (including repayment/re-financing of its existing debt).

5.2 The funds raised by the Issue shall be utilised by the Company solely for the Purpose and the Company shall not use the proceeds of the Issue towards:

- (a) any capital market instrument such as equity, debt, debt linked, and equity linked instruments or any other capital market related activities (whether directly or indirectly);
- (b) any speculative purposes;
- (c) investment in the real estate sector/real estate business (including the acquisition/purchase of land);
- (d) in contravention of Applicable Law (including without limitation, any guidelines, rules or regulations of the RBI and SEBI); and
- (e) any purpose, that is not eligible for the providing of financing by banks to non-banking financial companies for bank finance to non-banking financial companies, or, which results in a breach of the RBI's master circular no. DBR.BP.BC.No.5/21.04.172/2015-16 dated July 1, 2015 on "*Bank Finance to Non-Banking Financial Companies (NBFCs)*".

PROVIDED HOWEVER THAT the Company shall be entitled to temporarily invest the funds raised by the Issue in liquid mutual funds and deposits held with scheduled commercial banks for a period not exceeding 60 (sixty) calendar days from the Deemed Date of Allotment.

6. SECURITY AND GUARANTEES

6.1 Security

- (a) The Debentures shall be secured by way of:
 - (i) a first ranking exclusive and continuing charge to be created pursuant to an unattested deed of hypothecation, dated on or about the Effective Date, executed or to be executed and delivered by the Company in a form acceptable to the Debenture Trustee ("**Deed of Hypothecation (Company)**") over:
 - (A) all rights, interest and title of the Company in respect of the contributions provided/to be provided by the Company to the SPV Trust pursuant to the Contribution Agreements and the Transaction Documents (or otherwise) (both present and future);
 - (B) all right, interest and title of the Company in the SPV Trust Property in its capacity as the residual beneficiary; and
 - (C) in the event the assignment of the Assigned Assets (assigned

pursuant to the Assignment Agreements) from the Company to the SPV Trust is reversed, due to any reason whatsoever, then all rights, interest and title of the Company under the Assigned Assets, as described therein.

((a)(i)(A), (a)(i)(B) and (a)(i)(C) above are collectively referred to as the "**Hypothecated Assets (Company)**");

(ii) a first ranking exclusive and continuing charge to be created pursuant to an unattested deed of hypothecation, dated on or about the Effective Date, executed or to be executed and delivered by the SPV Trust in a form acceptable to the Debenture Trustee ("**Deed of Hypothecation (SPV)**") over:

(A) all rights, interest and title of the SPV Trust in the Assigned Assets, including the Cash Collateral (assigned to the SPV Trust pursuant to the Assignment Agreements) (both present and future); and

(B) the Accounts and all amounts standing to the credit of, or accrued or accruing on, the relevant Accounts (both present and future).

((a)(ii)(A) and (a)(ii)(B) above are collectively referred to as the "**Hypothecated Assets (SPV)**"); and

(iii) such other security interest/contractual comfort as may be agreed between the Company and the Debenture Holders.

(6.1(a)(i), 6.1(a)(ii) and 6.1(a)(iii) above are collectively referred to as the "**Transaction Security**").

(b) **Security Cover and Pool Cover**

(i) The charge over the Hypothecated Assets (Company) shall be at least 1.25 (one decimal two five) times the value of the Outstanding Amounts (the "**Security Cover**"). The Security Cover shall be maintained at all times until the Final Settlement Date.

(ii) Without prejudice to (i) above and subject to (vii) below, the cover provided by the principal amounts outstanding under the Client Loans comprising the Hypothecated Assets (SPV) shall be at least equivalent to the Pool Cover. The Pool Cover shall be maintained at all times until the Final Settlement Date. It is hereby clarified that Client Loans with overdues in excess of 90 (ninety) days will not be considered for the purposes of determining the Pool Cover.

(iii) For the avoidance of doubt, it is further clarified that, for the purposes of determining the Pool Cover and Security Cover, the Parties and the SPV Trust shall assume that the Reference Index Performance is greater than -80% (minus eighty percent), and that the Annualised Interest Rate (for the purposes of calculating the accrued Interest Amounts) is 12.25% (twelve decimal two five percent) (XIRR).

- (iv) The Company shall within the timelines prescribed under Clause 6.1(d) (*Maintenance of Pool Cover*) and the Deed of Hypothecation (SPV), simultaneously:
- (A) assign fresh receivables to the SPV Trust that satisfy the eligibility criteria prescribed in the Cover Pool Documents; and
 - (B) provide replenishment contribution to the SPV Trust to enable the aforementioned assignment, each to ensure that the prescribed Pool Cover is maintained. It is hereby clarified that Client Loans with overdues in excess of 90 (ninety) days will not be considered for the purposes of determining the Pool Cover.
- (v) The value of the Hypothecated Assets for the purposes of this sub-Clause (b) (for both initial and subsequent valuations) shall be the amounts reflected as the value thereof in the books of accounts of the Company/SPV Trust (as the case may be).
- (vi) Without prejudice to (iv) above, the Company shall (in the manner specified in the Transaction Documents) provide such amounts as may be required by way of replenishment contributions under the Contribution Agreements to enable the SPV Trust to purchase additional Client Loans from the Company to ensure and procure that the Pool Cover is duly maintained.
- (vii) Without prejudice to any right and/or remedy that the Debenture Holders and the Debenture Trustee have under the Transaction Documents, in case the Company is not able to assign any further/fresh loan receivables to the SPV Trust (for the purposes of complying with its obligations in respect of the Pool Cover) that fulfil the eligibility criteria prescribed in the Transaction Documents, the repayments (including in the form of cash) from the Client Loans comprising the Assigned Assets collected and deposited by the Servicer with the SPV Trust shall, so long as no Credit Event (including pursuant to Clause 11.2(d) (*Pool Cover*)) occurs, until the Company is able to assign further/fresh loan receivables to the SPV Trust (for the purposes of complying with its obligations in respect of the Pool Cover) that fulfil the eligibility criteria prescribed in the Transaction Documents:
- (A) not be utilised for the purposes of making payments to the Company (in its capacity as the Contributor and the residual beneficiary) pursuant to the Trust Deed; and
 - (B) shall be retained with the SPV Trust in the Collection and Payment Account. The cash proceeds so collected and retained with the SPV Trust in the Collection and Payment Account shall, in the manner determined by the Debenture Trustee, be considered for the purposes of ascertaining the Pool Cover.

It is hereby clarified that, so long as no Credit Event (including pursuant to Clause 11.2(d) (*Pool Cover*)) occurs, once the Company assigns further/fresh loan receivables to the SPV Trust that fulfil the

eligibility criteria prescribed in the Transaction Documents, and the Pool Cover is maintained, the proceeds collected in the Collection and Payment Account may be utilised for making payments to the Company (in its capacity as the Contributor and the residual beneficiary) in accordance with the terms of the Trust Deed.

- (c) The Company/SPV Trustee (as applicable) shall create the charge by way of hypothecation over the Hypothecated Assets on or prior to the Deemed Date of Allotment, and perfect such security by filing Form CHG-9 with the ROC and ensuring and procuring that the Debenture Trustee files the prescribed Form I with CERSAI reporting the charge created to the CERSAI, in respect thereof, each within 30 (thirty) calendar days from the date of execution of the Deeds of Hypothecation (if so applicable).
- (d) **Maintenance of Pool Cover**
 - (i) The Parties hereby agree that the Company shall take all necessary steps and actions to ensure and procure that the Pool Cover provided by the Hypothecated Assets (SPV) is maintained at all times until the Final Settlement Date.
 - (ii) For the purposes of complying with and ensuring (i) above, the Company shall, upon any reduction in the Pool Cover, immediately and promptly take the following simultaneous steps:
 - (A) (in its capacity as the contributor) provide additional contributions to the SPV Trust (pursuant to the Contribution Agreements) to enable the SPV Trustee to purchase additional/supplemental Client Loans in accordance with (B) below; and
 - (B) assign additional/supplemental Client Loans to the SPV Trust pursuant to Supplemental Assignment Agreements such that the assigned Client Loans stand hypothecated to the Debenture Trustee under the Deed of Hypothecation (SPV), and the prescribed Pool Cover is maintained.
 - (iii) All Client Loans assigned by the Company to the SPV Trust shall comply with the eligibility criteria prescribed under Schedule V (*Eligibility Criteria*) below. It is hereby clarified that Client Loans with overdues in excess of 90 (ninety) days will not be considered for the purposes of determining the Pool Cover.
 - (iv) The Company agrees and undertakes to execute such documents and instruments (including supplemental assignment agreements and supplemental contribution agreements) as may be necessary to ensure compliance with this Clause, within the time period prescribed in the Transaction Documents. For the avoidance of doubt, it is hereby clarified that the assignment by the Company pursuant to this Clause shall take place on each Top-up Date (as defined under the Deed of Hypothecation (SPV)).

6.2 Guarantees and Other Contractual Comfort

Guarantees

- (a) The Debentures shall be guaranteed by way of unconditional and irrevocable guarantees to be provided by (i) the Corporate Guarantor pursuant to the Corporate Guarantee, and (ii) the SPV Trust pursuant to the SPV Guarantee, each in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) to be executed in a form and manner satisfactory to the Debenture Trustee.
- (b) The Debenture Trustee may invoke or claim under any of the Corporate Guarantee or the SPV Guarantee, without being obligated or having to take recourse to the other Corporate Guarantor or the SPV Trust (as the case may be).
- (c) The Company further undertakes and covenants that, until the Final Settlement Date, if the Company and/or the Corporate Guarantor avails any Financial Indebtedness from any person that is guaranteed/supported by a personal guarantee from Mr. Nimir Mehta, then the Company shall ensure and procure that a personal guarantee by Mr. Nimir Mehta is provided in favour of the Debenture Trustee as well for the purposes of guaranteeing the Secured Obligations, in a form and manner satisfactory to the Debenture Trustee/Debenture Holders.
- (d) It is hereby clarified that each of the Corporate Guarantor and the SPV Trust are jointly and severally liable in respect of the obligations of the Company under this Deed, and any action or proceedings initiated by the Debenture Trustee against any one of the Corporate Guarantor or the SPV Trust will not in any way impact, diminish, discharge or waive off the liabilities of the Corporate Guarantor or the SPV Trust, as the case may be.

PDCs and UDCs

- (e) In addition to the security interest and contractual comfort provided pursuant to Clauses 6.1 and 6.2, the Debentures shall be supported by way of the PDCs and UDCs.

6.3 Enforcement

- (a) The Debenture Trustee shall be entitled to enforce the Secured Obligations of the Company under this Deed and/or pursuant to any other Debenture Document (including the Deeds of Hypothecation) as if the same were set out and contained in this Deed. The Hypothecated Assets shall be and remain as security to the Debenture Trustee and shall be held in trust on behalf of and for the benefit of the Debenture Holders for the due repayment of the Secured Obligations.
- (b) The Transaction Security or any part thereof may be enforced, and the Corporate Guarantee and the SPV Trust may be invoked without the Debenture Trustee being obligated or having to take recourse to any other security or contractual comfort or right or taking any other steps or proceedings against the Company or any other person, and may be enforced for any balance due after resorting to any one or more means of obtaining payment or discharge of the obligations owed under the Debenture Documents.

6.4 Further Charge

No charge or encumbrance other than the security interest created pursuant to the Debenture Documents can be created in respect of the Hypothecated Assets.

6.5 **Continuing Nature of Transaction Security and Guarantee**

The Transaction Security is a continuing security, and the Guarantees are continuing guarantees and shall remain in full force and effect until the Final Settlement Date.

6.6 **First Recourse Enforcement**

The Transaction Security or any part thereof may be enforced without the Debenture Trustee being obligated or having to take recourse to any other security or right or taking any other steps or proceedings against the Company or any other person, and may be enforced for any balance due after resorting to any one or more means of obtaining payment or discharge of the obligations owed under the Debenture Documents.

6.7 **Covenant for Release of Transaction Security**

On the Final Settlement Date, the Debenture Trustee shall at the request and cost of the Company, release, the Transaction Security created in favour of the Debenture Trustee, free and discharged from the trusts and charge created in terms of the Debenture Documents.

6.8 **Other Security**

The Transaction Security or any part thereof shall not be merged in, or in any way excluded or prejudiced, or be affected by, any other security interest, right of recourse or other right (or the invalidity thereof) which the Debenture Trustee may hold.

7. **INTEREST; ADDITIONAL INTEREST**

7.1 **Interest**

(a) ***Interest on Application Money***

- (i) Interest at 12% (twelve percent) per annum, subject to deduction of tax at source in accordance with Applicable Law, will be paid by the Company on the Application Money to the Applicants from the date of receipt of such Application Money up to 1 (one) day prior to the Deemed Date of Allotment for all valid applications, within 5 (five) Business Days from the Deemed Date of Allotment. Where pay-in date of the Application Money and the Deemed Date of Allotment are the same, no interest on Application Money will be payable.
- (ii) Where the entire subscription amount has been refunded, the interest on Application Money will be paid along with the refunded amount to the bank account of the Applicant as described in the Application Form by electronic mode of transfer such as (but not limited to) RTGS/NEFT/direct credit.
- (iii) Where an Applicant is allotted a lesser number of Debentures than applied for, the excess amount paid on application will be refunded to the Applicant in the bank account of the Applicant as described in the Application Form

towards interest on the refunded money by electronic mode of transfer like RTGS/NEFT/direct credit. Details of allotment will be sent to every successful Applicant.

(b) **Interest on Debentures**

(i) Subject to sub-Clause (ii), (iii) and Clause 7.1(d) below:

(A) where a Call Option is exercised by the Company on the Initial Call Option Payment Date, and so long as no Credit Event has occurred, the Interest Amounts shall accrue and be payable by the Company to the Debenture Holders on the Initial Call Option Payment Date in accordance with Schedule III Part A (*Redemption Schedule (Where Call Option Is Exercised by the Company on the Initial Call Option Payment Date)*)); and

(B) where a Call Option is not exercised by the Company on the Initial Call Option Payment Date or any other Credit Event occurs, with effect from the Deemed Date of Allotment until the Final Settlement Date, the Interest Amounts shall accrue and be payable by the Company to the Debenture Holders at the Annualised Interest Rate of 14.25% (fourteen decimal two five percent) (XIRR).

PROVIDED HOWEVER, without prejudice to the foregoing, the Company shall make all payments in respect of the Interest Amounts comprising the Redemption Payment to the Debenture Trustee by 4:00 pm IST, 1 (one) Business Day prior the relevant Due Date.

(ii) For the avoidance of doubt, it is hereby clarified that in case of the occurrence of a Credit Event, the interest on the Outstanding Principal Amounts will be determined, with effect from the Deemed Date of Allotment until the Final Settlement Date, at the Annualised Interest Rate of 14.25% (fourteen decimal two five percent) (XIRR).

(iii) The Parties hereby agree that in case, due to any reason whatsoever, prior to a Credit Event Date, the official closing level of the Reference Index on the Final Fixing Date is not available for the purposes of determining the Final Fixing Level, then, the last determined/known official closing level of the Reference Index immediately preceding the Final Fixing Date will be considered for the purposes of determining the Final Fixing Level.

(c) [INTENTIONALLY LEFT BLANK]

(d) **Payments**

(i) All payments to be made by the Company to the Debenture Holders under the Debenture Documents shall be made free and clear of and without any Tax Deduction unless the Company is required to make a Tax Deduction pursuant to Applicable Law.

- (ii) The Company shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Debenture Trustee accordingly.
- (iii) If the Company is required to make a Tax Deduction, it shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by Applicable Law.
- (iv) Within the earlier of (A) 60 (sixty) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction or (B) 60 (sixty) days of each Due Date, the Company shall deliver to the Debenture Trustee evidence reasonably satisfactory to the Debenture Trustee that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

7.2 Default Interest and Additional Interest

- (a) The Company hereby agrees to pay default interest at 2% (two percent) per annum over the applicable Annualised Interest Rate on the Outstanding Principal Amounts in case of the occurrence of any Payment Default, from the date of the occurrence of such Payment Default until the Payment Default is cured or the Secured Obligations are repaid (whichever is earlier).
- (b) Notwithstanding any other provision of this Deed and the other Transaction Documents, it is hereby clarified that where an Event of Default (other than a Payment Default) occurs, the Company shall pay an interest on the Debentures at the aggregate rate of 15% (fifteen percent) per annum on the Outstanding Principal Amounts, from the date of the occurrence of such Event of Default until such Event of Default is cured or the Secured Obligations are repaid.

8. REDEMPTION

8.1 Redemption

Subject to exercise of the Call Options by the Company in accordance with Clause 8.4 (*Call Options*) below, the Debentures shall be fully redeemed on a *pari passu* basis by the Company by making the payment of the Redemption Payment on the Final Redemption Date in accordance with Schedule III Part B (*Redemption Schedule (Where Call Option Is Not Exercised by the Company on the Initial Call Option Payment Date)*). PROVIDED HOWEVER, without prejudice to the foregoing, the Company shall make all payments in respect of the Outstanding Principal Amounts comprising the Redemption Payment to the Debenture Trustee by 4:00 pm IST, 1 (one) Business Day prior the relevant Due Date.

8.2 Accelerated Redemption (SPV Trustee)

- (a) Without prejudice to any rights and remedies available to the Debenture Trustee and the Debenture Holders under the Transaction Documents, upon the occurrence of a Credit Event, commencing from the Credit Event Date, the SPV Trustee shall be required to:

- (i) cease making any payments to the Company (in its capacity as the residual beneficiary under the Cover Pool Document and the contributor under the Contribution Agreements) pursuant to the Cover Pool Documents; and
 - (ii) as and when the SPV Trust collects/receives any amounts in respect of the Assigned Assets (including in the Collection and Payment Account), to transfer such amounts to the Debenture Trustee within 1 (one) Business Day from the date of collection/receipt in the Collection and Payment Account. The aforesaid amounts will be transferred by the SPV Trustee to the Designated Account and will be utilized for accelerated redemption of the Debentures/repayment of the Outstanding Amounts.
- (b) The amounts received by the Debenture Trustee will be utilized for the purposes of accelerated redemption of the Debentures in accordance with, *inter alia*, the provisions of Clause 2.6 (*Application of Payments*).
 - (c) For the avoidance of doubt, it is hereby clarified that no intimation/notification is required to be provided to the SPV Trustee for the purposes of undertaking the process set out under (a) and (b) above.
 - (d) The Parties agree that, each time a payment pursuant to this Clause 8.2 (*Accelerated Redemption (SPV Trustee)*) is made by the SPV Trustee to the Debenture Trustee (for the accelerated redemption of the Debentures), the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) shall provide to the Company, a revised redemption schedule (being Schedule III (*Interest Payment and Redemption Schedule*)) in respect of the Debentures. The Parties agree that any revised Schedule III (*Interest Payment and Redemption Schedule*) provided by the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) to the Company pursuant to this Clause shall be binding on the Company, and shall be effective as on the date determined by the Debenture Trustee (acting on the instructions of the Majority Debenture Holders).

8.3 Accelerated Redemption (Company)

- (a) The Parties hereby agree and acknowledge that the obligations of the Company (as the Servicer) to make payments in respect of the Assigned Assets into the Collection and Payment Account (including, upon the occurrence of a Credit Event, pursuant to Clause 11.1(h) (*Transfer to the Collection and Payment Account*)) are independent and distinct from the obligations of the Company to make repayments in respect of the Outstanding Amounts herein.
- (b) Upon the occurrence of an Accelerated Redemption Event (Company), all the Outstanding Amounts shall become due and payable by the Company within 30 (thirty) calendar days from the date of occurrence of the Accelerated Redemption Event (Company), and the Company shall be required to deposit all Outstanding Amounts into the Designated Account (or such other account as may be communicated by the Debenture Holders) within the aforementioned timeline for the purposes of accelerated redemption of the Debentures.
- (c) A failure of the Company to comply with its obligations under sub-Clause (b) above

shall be an Event of Default under the Debenture Documents.

- (d) The Parties hereby agree that no additional action/notice/intimation shall be required to be provided by the Debenture Trustee or the SPV Trustee to the Company in respect of the occurrence of an Accelerated Redemption Event (Company) or any other event set out under this Clause 8.3 (*Accelerated Redemption (Company)*).

8.4 Call Options

- (a) Without prejudice to any other provisions of the Transaction Documents, the Company may redeem the Debentures (the "**Call Options**") on:
 - (i) the date occurring on the expiry of a period of 15 (fifteen) months from the Deemed Date of Allotment ("**Initial Call Option Payment Date**"). PROVIDED THAT where the Initial Call Option Payment Date occurs on a day that is not a Business Day, the immediately preceding Business Day shall be considered as the Initial Call Option Payment Date for the purposes of this sub-Clause; or
 - (ii) upon the occurrence of a Credit Event, on the Credit Event Date or on any date following the Credit Event Date until the Final Settlement Date ((i) and (ii) are collectively referred to as the "**Call Option Payment Dates**").
- (b) For the purposes of exercising any of the Call Options, the Company shall provide a notice to the Debenture Trustee in writing at least 10 (ten) days prior to the relevant Call Option Payment Date informing the Debenture Trustee of its intention to exercise any of the Call Options on the relevant Call Option Payment Date ("**Call Option Payment Notification**").
- (c) Following the providing of the notice referred in sub-Clause (b) above, the Company shall repay the Redemption Payment in respect of the Debentures to the Debenture Trustee on the Call Option Payment Date.
- (d) Where a Call Option is exercised on the Initial Call Option Payment Date, the Redemption Amount will be determined and the Outstanding Amounts will be repaid in accordance with Schedule III Part A (*Redemption Schedule (Where Call Option Is Exercised by the Company on the Initial Call Option Payment Date)*). Where a Call Option is exercised on any date other than the Initial Call Option Payment Date, the Redemption Amount will be determined by the Debenture Trustee in accordance with the terms of this Deed.
- (e) The Call Option Payment Notification shall be irrevocable.

9. LISTING OF DEBENTURES

- (a) The Company shall submit all duly completed documents to the BSE, SEBI, ROC or any other Governmental Authority, as are required under Applicable Law and obtain the listing of the Debentures within the timelines prescribed under the SEBI Listing Timelines Circular ("**Listing Period**").
- (b) The Company shall ensure that the Debentures continue to be listed on the wholesale

debt market segment of the BSE.

- (c) The Company shall ensure that the Debentures at all times are rated in accordance with the provisions of the Debenture Documents and that the rating of the Debentures is not downgraded or withdrawn throughout the tenor of the Debentures.
- (d) The Company agrees and undertakes that as and when required by the Debenture Holders, it shall obtain an additional credit rating for the Issue from any credit rating agency registered with/accredited by SEBI. The Company shall ensure and procure that such rating is at least equivalent to the Rating.
- (e) In the event there is any delay in listing of the Debentures beyond the Listing Period, the Company will:
 - (i) pay to the Debenture Holders, penal interest of 2% (two percent) per annum over the Annualised Interest Rate, from the closure of the issue of the Debentures until the listing of the Debentures is completed. Such amounts shall be determined separately with reference to the abovementioned incremental rate and paid in addition to the Interest Amounts together with the Redemption Payment on the relevant Due Date; and
 - (ii) be permitted to utilise the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s).
- (f) In the event the Debentures are delisted and remain delisted for a continuous period of 1 (one) month, the Company will pay to the Debenture Holders, penal interest of 2% (two percent) per annum over the Annualised Interest Rate calculated on the Outstanding Principal Amounts, which interest will be calculated from the Deemed Date of Allotment and until the Debentures are listed on the wholesale debt market segment of the BSE. Such amounts shall be determined separately with reference to the abovementioned incremental rate and paid in addition to the Interest Amounts together with the Redemption Payment on the relevant Due Date.

10. REPRESENTATIONS, WARRANTIES, AND COVENANTS

10.1. Utilisation of Proceeds of the Debentures

- (a) The Company shall utilise the amounts received towards subscription of the Debentures for the Purpose and procure and furnish to the Debenture Trustee a certificate from the Company's auditors in respect of the utilisation of funds raised by the issue of the Debentures.
- (b) The Debenture Trustee shall provide a copy of the aforementioned certificate to the Debenture Holders within the time period prescribed by the Debenture Trustee.
- (c) The proceeds of the Debentures will be utilised solely for the Purpose and will not be utilised for any purpose set out in Clause 5 (*Purpose*).

10.2. Representations and Warranties of the Company

The Company makes the representations and warranties set out in this Clause 10.2 to the Debenture Trustee for the benefit of the Debenture Holders as on the Effective Date, which representations shall be true and valid on each day until the Final Settlement Date.

(a) **Status**

- (i) It is a company, duly incorporated, registered and validly existing under Applicable Law.
- (ii) It is a non-banking financial company registered with the RBI.
- (iii) It has the power to own its Assets and carry on its business as it is being conducted.

(b) **Binding obligations**

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

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

The entry into and performance by it of, and the transactions contemplated by the Debenture Documents do not and will not conflict with, or constitute a default under:

- (i) any Applicable Law;
- (ii) its Constitutional Documents;
- (iii) any judgement, decree, order or award; or
- (iv) any agreement or instrument binding upon it or any of its Assets.

(d) **Power and authority; Illegality**

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 Debenture Documents to which it is a party and the transactions contemplated by such Debenture Documents. It is not unlawful or illegal for the Company to perform any of its obligations under the Debenture Documents.

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

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

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

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

(f) **No default**

(i) No Event of Default has occurred and is continuing or would reasonably be expected to result from the execution or performance of any Debenture Documents or the issuance of the Debentures.

(ii) No other event or circumstance is outstanding which constitutes (or which would, with the lapse of time, the giving of notice, the making of any determination under the relevant document or any combination of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument which is binding on the Company or any of its Assets or which might have a Material Adverse Effect.

(g) **Pari passu ranking**

Its payment obligations under the Debenture Documents rank at least *pari passu* with the claims of all of its other senior secured creditors, except for obligations mandatorily preferred by Applicable Law applying to companies generally.

(h) **No proceedings pending**

Except as disclosed by the Company in the Debt Disclosure Documents, annual reports and financial statements, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency have been threatened or commenced against the Company, which if determined adversely, may have or which purport to have a Material Adverse Effect, or impairs the Company's Net Worth.

(i) **No misleading information**

All information provided by the Company to the Debenture Trustee/Debenture Holders 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.

(j) **Compliance**

(i) The Company has complied with Applicable Law.

(ii) There has not been and there is no investigation or enquiry by, or order, decree, decision or judgment of any Governmental Authority issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated against the Company which would have a Material Adverse Effect.

(iii) No notice or other communication (official or otherwise) from any Governmental Authority has been issued or is outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated

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

- (iv) The Company shall complete all necessary formalities including all filings with the relevant regulatory authorities, including but not limited to the SEBI, the BSE, CERSAI and the ROC and obtain all consents and approvals required for the completion of the Issue.

(k) **Assets**

- (i) 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 material Assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.
- (ii) Without prejudice to (i) above, the Company is the sole owner of all Assets shown on its financial statements provided to the Debenture Holders, other than specifically set out in the aforementioned financial statements.
- (iii) The Assigned Assets do not form a substantial part of the undertakings/assets of the Company.

(l) **Financial statements**

- (i) Its financial statements most recently supplied to the Debenture Trustee as of March 31, 2020 (audited) and December 31, 2020 (unaudited) were prepared in accordance the Applicable Accounting Standards consistently applied save to the extent expressly disclosed in such financial statements.
- (ii) Its financial statements as of March 31, 2020 (audited) and December 31, 2020 (unaudited) provided to the Debenture Trustee, give an accurate, 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.

(m) **Solvency**

- (i) The Company is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts and it has not been deemed by a court to be unable to pay its debts for the purposes of Applicable Law, nor will it become unable to pay its debts for the purposes of Applicable Law as a consequence of entering into this Deed or any other Debenture Document.
- (ii) The Company is solvent and is capable of paying/meeting its obligations as and when they become due.

- (iii) 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.
- (iv) 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.
- (v) 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.
- (vi) No insolvency or bankruptcy process has commenced under Applicable Law in respect of the Company (including pursuant to the (Indian) Insolvency and Bankruptcy Code, 2016, the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations made thereunder from time to time).
- (vii) No reference has been made, or enquiry or proceedings commenced, in respect of the Company, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the Stressed Assets Framework).

(n) ***Hypothecated Assets***

- (i) The Hypothecated Assets are the sole and absolute property of the Company and are free from any other mortgage, charge or encumbrance and are not subject to any *lis pendens*, attachment, or other order or process issued by any Governmental Authority.
- (ii) None of the Client Loans comprising the Hypothecated Assets have been previously hypothecated, sold, transferred or assigned to any other bank or financial institution.
- (iii) The Debenture Documents executed or to be executed constitute legal, valid and enforceable security interest in favour of the Debenture Trustee and for the benefit of the Debenture Holders on all the assets thereby secured and all necessary and appropriate consents for the creation, effectiveness, priority and enforcement of such security have been obtained.

(o) ***No filings or stamp taxes***

There are no stamp duties, registration, filings, recordings or notarizations before or with any Governmental Authority required to be carried out in India in relation to the 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 New Delhi, India) in accordance the applicable provisions of the Indian Stamp Act

- 1899 (as applicable to New Delhi, India));
- (ii) payment of the stamp duty in respect of the Debentures;
 - (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) filing of the Debt Disclosure Documents with the ROC and SEBI;
 - (v) filing of Form CHG 9 with the ROC by no later than 30 (thirty) calendar days from the date of execution of the Deed of Hypothecation (Company); and
 - (vi) filing of Form I with CERSAI by no later than 30 (thirty) days of the date of execution of each of the Deeds of Hypothecation.
- (p) **Material Adverse Effect**
- (i) No fact or circumstance, condition, proceeding or occurrence exists that has a Material Adverse Effect.
 - (ii) No Material Adverse Effect has occurred or would reasonably be expected to result from the execution or performance of any Debenture Documents or the issuance of the Debentures.
- (q) **Market Linked Debentures**
- (i) The Debentures issued are principal protected and promise the return of the principal amount of the Debentures in full on the Final Redemption Date.
 - (ii) The Company has a Net Worth of more than INR 100,00,00,000 (Indian Rupees One Hundred Crore).
 - (iii) Each of the issuance of the Debentures and the Company comply with all requirements prescribed by the MLD Guidelines.
- (r) **Confirmations**
- (i) No investor or shareholder consent/approval, pursuant to the articles of association of the Company or any shareholders' agreements or other documents/instruments entered into by the Company and its shareholders and investors, is required for the Company to enter into or perform its obligations under the Transaction Documents.
 - (ii) The raising of indebtedness pursuant to the Debentures, the creation of security over the Hypothecated Assets (Company) and the assignment of the Assigned Assets from time to time will not cause any limit, including any borrowing or security providing limit (whether statutory or internal) binding on the Company to be exceeded.

10.3. Financial Covenants

Until the Final Settlement Date, the Company shall:

- (a) maintain a Capital Adequacy Ratio of 20% (twenty percent) or such other higher threshold as may be prescribed by the RBI from time to time;
- (b) ensure that its Gross NPA does not exceed 7% (seven percent) of its Gross Loan Portfolio;
- (c) ensure that its Net NPA does not exceed 5% (five percent) of its Gross Loan Portfolio;
- (d) maintain a ratio of A:B of not more than 10% (ten percent), where A is the aggregate of PAR>90 and write-offs (on the Company's entire portfolio including receivables sold or discounted on non-recourse basis) for the trailing 12 (twelve) months, and B is the Gross Loan Portfolio, multiplied by 100, and followed by the "%" symbol;
- (e) maintain a ratio of A:B of not less than 20% (twenty percent), where A is the Tangible Net Worth of the Company, and B is the Gross Loan Portfolio, multiplied by 100, and followed by the "%" symbol;
- (f) maintain a ratio of A:B of not more than 20% (twenty percent), where A is PAR>90, and B is the Tangible Net Worth of the Company, multiplied by 100, and followed by the "%" symbol; and
- (g) comply with such other financial covenants as may be agreed between the Company and the Debenture Holders from time to time.

The financial covenants set out in this Clause 10.3 (*Financial Covenants*) shall be tested, until the Final Settlement Date, on a quarterly basis, on the basis of consolidated and standalone financial statements of the Company. The first date of testing in respect of the covenants set out herein shall be June 30, 2021.

10.4. Reporting Covenants

The Company shall provide or cause to be provided to the Debenture Trustee and to the Debenture Holders (including on any online reporting platform notified by the Debenture Trustee or any Debenture Holder), in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items:

- (a) as soon as available, and in any event within 180 (one hundred and eighty) calendar days after the end of each Financial Year of the Company:
 - (i) certified copies of its audited consolidated and non-consolidated (if any) financial statements for its most recently completed fiscal year, prepared in accordance with the Applicable Accounting Standards including its balance sheet, income statement and statement of cash flow.

All such information shall be complete and correct in all material respects and shall fairly represent the financial condition, results of operation and changes in cash flow and a list comprising all material financial liabilities of the Company whether absolute or contingent as of the date thereof;

- (ii) a certificate from a Director or a Chief Financial Officer of the Company confirming that there is no existing potential Default or Event of Default; and
 - (iii) a copy of all annual information/reports submitted to the RBI;
- (b) within 60 (sixty) calendar days after each Quarterly Date:
- (i) certified copies of its un-audited consolidated and non-consolidated (if any) quarterly financial statements for the preceding fiscal quarter, prepared in accordance with the Applicable Accounting Standards including its balance sheet, income statement and statement of cash flow;
 - (ii) a certificate signed by a director or the chief financial officer of the Company stating that the Company is in compliance with all the financial covenants prescribed in Clause 10.3. PROVIDED HOWEVER, this certificate would not be required in respect of the financial quarter ending March 31 of each Financial Year;
 - (iii) details and information regarding the financials, operations, portfolio growth and asset quality (including static portfolio cuts, collection efficiency and portfolio at risk data), funding data, and asset liability management (ALM) data/statement, in such form and manner as may be acceptable to the Debenture Holders;
 - (iv) details of the shareholding pattern, together with the details of the changes in shareholding in the Company (if any) in excess of 3% (three percent) from that prevailing as on the Effective Date and the date the last report was made pursuant to this sub-Clause;
 - (v) list of the board of directors, together with the details of changes in the board of directors of the Company (if any) from that subsisting as of the Effective Date and the date the last report was made pursuant to this sub-Clause;
 - (vi) details of changes in the accounting policy of the Company (if any) from that subsisting as of the Effective Date and the date the last report was made pursuant to this sub-Clause; and
 - (vii) copies of returns filed with the RBI and SEBI (if any);
- (c) within 60 (sixty) days after each of September 30 and March 31 of each Financial Year, the certified copies of its un-audited consolidated and non-consolidated (if any) half-yearly financial statements for the preceding half-year/6 (six) month period, prepared in accordance with the Applicable Accounting Standards, together with a certificate from the Company's statutory auditor confirming the value of receivables/book debts that are assigned to the SPV Trust under the Assignment Agreements and the compliance of the Company with the financial covenants prescribed under the Debenture Documents;
- (d) as soon as practicable, and in any event within 10 (ten) Business Days after the Company obtains or reasonably should have obtained actual knowledge thereof,

notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect;

- (e) as soon as practicable, and in any event within 10 (ten) Business Days after the Company obtains or reasonably should have obtained actual knowledge thereof, notice of any dispute, litigation, investigation or other proceeding affecting the Company or its property or operations, which, if adversely determined, could result in a Material Adverse Effect;
- (f) as soon as practicable, and in any event within 10 (ten) Business Days after the Company obtains or reasonably should have obtained actual knowledge thereof obtains or reasonably, notice of the occurrence of any Event of Default or potential event of default including any steps taken to cure such event;
- (g) as soon as practicable, and in any event within 10 (ten) Business Days, any prepayment, or the receipt of notice of any Financial Indebtedness of the Company 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;
- (h) as soon as practicable, and in any event within 10 (ten) Business Days after such default, notice of any default in the observance or performance of any agreement or condition relating to any Financial Indebtedness by the Company or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity in respect of the Company;
- (i) as soon as practicable, and in any event within 10 (ten) Business Days, inform the Debenture Trustee if it has received, (A) any notice of any application for winding up or insolvency process or any statutory notice of winding up or insolvency process under the provisions of the Act or any other Applicable Law (including the (Indian) Insolvency and Bankruptcy Code, 2016, the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations made thereunder from time to time), or (B) any other notice under any other statute relating to the commencement/initiation of winding up or insolvency process or otherwise of any suit or other legal process against the Company;
- (j) as soon as practicable and in any event within 10 (ten) Business Days of:
 - (i) any change in the composition of the board of directors;
 - (ii) any change in the Constitutional Documents of the Company;
 - (iii) any revisions in business plans of the Company;
 - (iv) any change in the Company's shareholding structure in excess of 3% (three percent) from that prevailing as on the Effective Date;

- (v) change in any of the key managerial persons (CXO or equivalent) of the Company;
 - (vi) resignation of the statutory auditor, along with its resignation letter; and
 - (vii) any prepayment or any notice of prepayment of any Financial Indebtedness of the Company;
- (k) without prejudice to Clause 10.4(c), within 120 (one hundred and twenty) calendar days after each Financial Year, a certification from a director or the Chief Finance Officer confirming compliance with the financial covenants set out in Clause 10.3;
 - (l) within 15 (fifteen) days of the end of each calendar month, a certificate from an authorized officer of the Company certifying/confirming that no Credit Event (other than any Credit Event prescribed under Clause 11.2(i) (*Financial Covenants*)) has occurred;
 - (m) within such timelines as may be prescribed by the Debenture Trustee, provide all relevant information required by the Debenture Trustee for the effective discharge of its duties and obligations under the Debenture Document, including but not limited to the copies of all reports, balance sheets and the profit and loss account of the Company;
 - (n) (if so required by the Debenture Trustee to comply with its obligations under Applicable Law) on an annual basis, provide to the Debenture Trustee a certificate from the statutory auditor of the Company or such other person required by Applicable Law providing/confirming the value of the book debts/receivables;
 - (o) within such timelines as may be prescribed by the Debenture Trustee, provide a certificate from the Company's statutory auditor in respect of the utilisation of funds, containing such details and information as may be required by the Debenture Trustee;
 - (p) the Company shall provide the such documents and certificates to the Debenture Trustee in respect of the Security Cover being maintained by the Hypothecated Assets (Company) as may be required by the Debenture Trustee from time to time;
 - (q) without prejudice to sub-Clause (r) below, as soon as practicable and in any event within 30 (thirty) calendar days of receipt of a request, such additional documents or information as the Debenture Trustee or the Debenture Holders, may reasonably request from time to time; and
 - (r) as soon as practicable and in any event within the timelines prescribed by the Debenture Trustee (and Applicable Law), such other information, notifications, details, documents, reports, statements and certificates (including from chartered accountants, auditors and/or directors of the Company) as may be required by the Debenture Trustee from time to time, to ensure compliance with the provisions of the Applicable Law, including but not limited to the Debenture Trustees Regulations and the Companies (Share Capital and Debentures) Rules, 2014.

10.5. Affirmative Covenants

The Company shall:

(a) ***Use of Proceeds***

use the proceeds of the Issue only for the Purpose and in accordance with Clause 5 (*Purpose*);

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

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

(c) ***Costs and expenses***

pay all reasonable costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of the Debenture Holders' interests, including traveling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures subject to such expenses, costs or charges being approved in writing by the Company before they are incurred and shall not include any foreign travel costs;

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

punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Company as and when such amounts are payable;

(e) ***Preserve corporate status***

(i) diligently preserve and maintain its corporate existence and status and all rights, privileges, and concessions now held or hereafter acquired by it in the conduct of its business;

(ii) comply with all acts, authorisations, consents, permissions, rules, regulations, orders and directions of any Governmental Authority;

(iii) promptly obtain, comply with all necessary authorisations, licenses, consents and approvals required under Applicable Law to enable it to perform its obligations under the Debenture Documents, to ensure the legality, validity, enforceability or admissibility of the Debenture Documents; and

(iv) not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the Outstanding Amounts might or would be hindered or delayed;

(f) ***Pay stamp duty***

pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Company may be required to pay according to

the applicable state laws. In the event the Company fails to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee shall be at liberty (but shall not be bound) to pay such amounts and the Company shall reimburse the aforementioned amounts to the Debenture Trustee on demand;

(g) ***Furnish information to trustee***

- (i) provide to the Debenture Trustee or its nominee(s)/agent(s) such information/copies of relevant extracts as they may require on any matters relating to the business of the Company or to investigate the affairs of the Company;
- (ii) allow the Debenture Trustee to make such examination and investigation as and when deemed necessary and shall furnish the Debenture Trustee with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation;
- (iii) furnish quarterly report to the Debenture Trustee (as may be required in accordance with Applicable Law) containing the following particulars:
 - (A) updated list of the names and addresses of the Debenture Holders;
 - (B) details of the interest due, but unpaid and reasons thereof;
 - (C) the number and nature of grievances received from the Debenture Holders and resolved and unresolved by the Company along with the reasons for the same; and
 - (D) a statement that the Hypothecated Assets are sufficient to discharge the claims of the Debenture Holders as and when they become due;
- (iv) provide a periodical status/performance report within 7 (seven) days of the relevant board meeting of the Company, or within 45 (forty five) days of a Quarterly Date, whichever is earlier; and
- (v) inform and provide the Debenture Trustee with applicable documents in respect of the following:
 - (A) notice of any Event of Default or potential Event of Default;
 - (B) any and all information required to be provided to the Debenture Holders under Applicable Law and the listing agreement to be entered into between the Company and the BSE; and
 - (C) any and all orders, directions, notices, of any court or tribunal affecting or likely to affect the Hypothecated Assets;
- (vi) ***Redressal of Grievances***

promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. The Company further undertakes that it shall

promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance;

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

comply with the provisions of the Act relating to transfer of unclaimed/unpaid amounts of interest on Debentures and redemption of Debentures to Investor Education and Protection Fund ("IEPF"), if applicable to it. The Company hereby further agrees and undertakes that until the Final Settlement Date it shall abide by the regulations, rules or guidelines/listing requirements if any, issued from time to time by the Ministry of Corporate Affairs, RBI, SEBI or any other competent Governmental Authority;

(viii) ***Corporate Governance; Fair Practices Code***

comply with any corporate governance requirements applicable to the Company (as may be prescribed by the RBI, SEBI, any stock exchange, or any Governmental Authority) and the fair practices code prescribed by the RBI;

(ix) ***Further assurances***

- (A) provide details of any litigation, arbitration, legal action or administrative proceedings that if determined adversely could have a Material Adverse Effect on the Company (including any proceedings which are required to be disclosed by the Company to the relevant stock exchanges under Applicable Law), other than those proceedings which are initiated by the Company in its capacity as a lender in respect of the Client Loans in its ordinary course of business;
- (B) comply with any monitoring and/or servicing requests from Debenture Holders;
- (C) execute and/or do, at its 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 Applicable Law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;
- (D) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it to lawfully enter into and perform its obligations under this Deed or to ensure the legality, validity, enforceability or admissibility in evidence in India of this Deed;
- (E) comply with:
 - (1) all Applicable Law (including but not limited to the MLD Guidelines, the SEBI Listed Debentures Circulars all environmental, social and taxation related laws), as

applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time;

- (2) the Debenture Trustees Regulations as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures;
- (3) the provisions of the Act in relation to the Issue;
- (4) procure that the Debentures are rated and continue to be rated until the Final Settlement Date;
- (5) ensure that, at time of making any payment of interest or repayment of the principal amount of the Debentures in full or in part, the Company shall do so in the manner that is most tax efficient for the Debenture Holders but without, in any way requiring the Company to incur any additional costs, expenses or taxes and the Company shall avail of all the benefits available under any treaty applicable to the Company and/or the Debenture Holders; and
- (6) if so required, the terms of the circular issued by SEBI dated June 23, 2020 on "*Operational framework for transactions in defaulted debt securities post maturity date/ redemption date under provisions of SEBI (Issue and Listing of Debt Securities) Regulations, 2008*", and provide all details/intimations to the Debenture Trustee, the Depository, and BSE (as the case may be) in accordance with the aforementioned circular;

(h) **Security and the Guarantees**

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

- (i) the Debentures shall be secured by a first ranking exclusive continuing security by way of a first ranking exclusive charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders;
- (ii) the Debentures shall be guaranteed/credit enhanced by (A) the Corporate Guarantee provided/to be provided by the Corporate Guarantor, and (B) the SPV Guarantee provided/to be provided by the SPV Trust, each in favour of the Debenture Trustee for the benefit of the Debenture Holders;
- (iii) all the Hypothecated Asset (Company) that will be charged to the Debenture

Trustee under the Deed of Hypothecation (Company) shall always be kept distinguishable and held as the exclusive property of the Company specifically appropriated to the Transaction Security and be dealt with only under the directions of the Debenture Trustee;

- (iv) it shall ensure and procure that the Hypothecated Asset (SPV) that will be charged to the Debenture Trustee under the Deed of Hypothecation (SPV) shall always be kept distinguishable and held as the exclusive property of the SPV Trust;
- (v) the Company shall not create any charge, lien or other encumbrance upon or over the Hypothecated Assets (Company) or any part thereof except in favour of the Debenture Trustee nor will it do or allow anything that may prejudice the Transaction Security;
- (vi) the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve the Transaction Security and to maintain the Transaction Security undiminished and claim reimbursement thereof;
- (vii) to create (and procure the creation of) the security over the Hypothecated Assets as contemplated in the Debenture Documents within the timelines prescribed by the Debenture Holders by executing the duly stamped Deeds of Hypothecation;
- (viii) to register and perfect the security interest created thereunder by filing Form CHG-9 with the concerned ROC and ensuring and procuring that the Debenture Trustee files the prescribed Form I with CERSAI reporting the charge created to the CERSAI in relation thereto, as soon as practicable and in any case no later than 30 (thirty) calendar days after the date of execution of the Deeds of Hypothecation (as may be applicable);
- (ix) until the Final Settlement Date, the Company shall (and shall procure that the SPV Trust shall), on a monthly basis, at the time periods set out in the Deeds of Hypothecation, provide a list of specific loan receivables/identified book debts to the Debenture Trustee which comprise the Hypothecated Assets and over charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the Security Cover/Pool Cover (as the case may be);
- (x) to keep the Application Money in a separate bank account in the event this Deed and the other Debenture Documents are not executed on or before the Deemed Date of Allotment;
- (xi) the Company shall, on a half yearly basis, as and when required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time;
- (xii) furnish and verify all statements, reports, returns, certificates and information from time to time and as required by the Debenture Trustee in respect of the Hypothecated Assets;

- (xiii) furnish and execute all necessary documents to give effect to the Hypothecated Assets;
- (xiv) the security interest created on the Hypothecated Assets shall be a continuing security;
- (xv) the Hypothecated Assets (SPV) shall fulfil the eligibility criteria set out in Schedule V (*Eligibility Criteria*) below;
- (xvi) nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any indebtedness or liability of the Company to the Debenture Trustee and/ or the Debenture Holders;
- (xvii) the Debenture Holders shall have a beneficial interest in the Hypothecated Assets of the Company which have been charged to the Debenture Trustee to the extent of the Outstanding Amounts of the Debentures under this Deed; and
- (xviii) to forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee to reasonably protect the Hypothecated Assets and such amounts shall be deemed to be secured by the Hypothecated Assets;

(i) ***Listing and Monitoring Requirements***

comply with all covenants, undertakings and requirements set out in Schedule VII (*Listing and Monitoring Requirements*) below;

(j) ***Execution of Debenture Documents***

in the event of any delay in the execution of any Debenture Documents (including this Deed or the Deeds of Hypothecation or any Guarantee), the Company will, at the option of the Debenture Holders, either:

- (i) refund the Application Money together with interest at the Annualised Interest Rate/dischARGE the Secured Obligations to the Debenture Holders; or
- (ii) pay to the Debenture Holders penal interest at the rate of 2% (two percent) per annum charged on the Outstanding Principal Amounts in addition to the Annualised Interest Rate till the relevant Debenture Documents (as the case may be) are duly executed to the satisfaction of the Debenture Holders;

(k) ***Internal Control***

the Company shall maintain internal control for the purpose of:

- (i) preventing fraud on amounts lent by the Company; and
- (ii) preventing money being used for money laundering or illegal purposes;

(l) **Audit and Inspection**

the Company shall permit visits and inspection of books of records, documents and accounts to the Debenture Trustee, the Structurer, and any representatives of the Debenture Holders as and when required by them;

(m) **Books and Records**

the Company shall maintain its accounts and records in accordance with Applicable Law;

(n) **Access; Periodic Portfolio Monitoring**

the Company shall provide the Debenture Trustee and the Debenture Holders and any of their representatives, professional advisers and contractors with relevant data/information and access to and/or permit them to, at the cost of the Company:

- (i) examine and inspect the books and records, office premises, and the premises of the Company;
- (ii) portfolio data in the format prescribed by the Debenture Holders from time to time; and
- (iii) discuss the affairs, finances and accounts of the Company with, and be advised as to the same, by the relevant officers;

(o) **Shareholding; Key Managerial Personnel**

the Company shall ensure and procure that:

- (i) the Corporate Guarantor shall continue to be interested and involved in the management, functioning and operations of the Company, and to this extent, shall hold at all times until the Final Settlement Date, at least 50% (fifty percent) of the equity share capital of the Company ascertained on a fully diluted basis (including if required, by purchasing additional equity shares of the Company and subscribing to any rights or preferential issue of equity shares of the Company). PROVIDED THAT the Debenture Trustee may approve any application for waiver of, or deviation from, the abovementioned requirement, if Debenture Holders' representing more than 50% (fifty percent) of the Outstanding Principal Amounts of the Debentures do not vote against granting consent in respect of any such application for waiver or deviation, within a period of 10 (ten) Business Days from the date of receipt of such request/notification from the Debenture Trustee; and
- (ii) the Company shall ensure and procure that, until the Final Settlement Date, each of Mr. Karan Desai and Mr. Rohanjeet Juneja remain as "key managerial personnel" (as defined in the Act) of the Company; and

(p) **Valuation**

- (i) the Company has appointed ICRA Analytics Limited, a third party valuation

agency (being a valuation agency appointed by Association of Mutual Funds in India) ("**Valuation Agent**") as the third party valuation agency in accordance with the MLD Guidelines;

- (ii) the Company shall provide to the Debenture Holders, as and when requested by them, the valuation report of the Valuation Agent prepared in accordance with the MLD Guidelines;
- (iii) the Company shall solely bear all costs incurred for valuation; and
- (iv) the Company shall make available the valuation reports of the Valuation Agent on its website. Without prejudice to the foregoing, the valuation reports will also be available on the website of the Valuation Agent at <https://icraanalytics.com/home/MLdValuation> in accordance with the timelines prescribed in the MLD Guidelines.

10.6. **Negative Covenants**

The Company shall not take any action in relation to the items set out in this Clause 10.6 without the prior written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders). PROVIDED THAT the Debenture Trustee may approve any application for consent in respect of any matter under this Clause 10.6 (*Negative Covenants*), if Debenture Holders' representing more than 50% (fifty percent) of the Outstanding Principal Amounts of the Debentures do not vote against granting consent in respect of any such application for consent, within a period of 10 (ten) Business Days from the date of receipt of such request/notification from the Debenture Trustee.

(a) ***Change of business***

- (i) change the general nature of its business from that which is permitted as a non-banking financial company registered with the RBI; and/or
- (ii) any changes, amendments, or modifications to its Constitutional Documents other than:
 - (A) any change, amendment, or modification to effect an increase in the authorised share capital of the Company or any change, amendment, or modification which reflects the terms of any equity infusion or strategic sale; or
 - (B) such change, amendment, or modification of an administrative nature (I) which does not change the main objects of the Company, and/or (II) which do not have a Material Adverse Effect;

(b) ***Dividend***

declare or pay any dividend or make any distributions on its equity or preference shares or other shares compulsorily convertible into equity shares, unless the proposed payment or distribution is out of the net income of the current Financial Year (excluding any amount resulting from the revaluation of any of the Company's

assets).

PROVIDED THAT no dividend or any distributions can be made by the Company if a Credit Event or an Event of Default has occurred and is continuing, or could occur or is reasonably likely to occur, as a result of such payment or declaration of any dividend or distribution and after giving effect to any such action;

(c) ***Merger, consolidation, etc.***

in any Financial Year undertake or permit any scheme of expansion, enter into any merger, demerger, acquisition, de-merger, re-structuring, consolidation, re-organisation, scheme of arrangement, amalgamation, reconstitution or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction, in excess of 10% (ten percent) of the Company's Net Worth.

PROVIDED HOWEVER, a consent from the Debenture Trustee would not be required in the event the compliance with this sub-Clause (c) would result in non-compliance of the Company with any of its payment obligations in respect of the Debentures under the Debenture Documents;

(d) ***Shareholding; Change of Control***

(i) issue any additional shares or equity interests other than any issue of equity shares pursuant to the Company's employee stock option scheme(s), or permit any of its existing shares or equity interests to be transferred, sold, pledged or otherwise encumbered, or effect any change in the shareholding of the Company from that as on the Effective Date, directly or indirectly; or

(ii) permit the occurrence of any Change of Control, or any Change of Control Event;

(e) ***Loans and Guarantees***

the Company shall not:

(i) give or issue any guarantee, indemnity, bond or letter of credit to or for the benefit of any person;

(ii) permit to subsist any guarantee in respect of any Financial Indebtedness of any other person; or

(iii) invest in the share capital of any other person;

(f) ***Related Party Transactions***

enter into any transactions with any Related Party or any transactions that are classified as "related party transactions" for the purposes of the Applicable Accounting Standards except in accordance with Applicable Law, or enter into any transaction:

(i) whereby the overall outstanding amounts owed to the Company under all

such transactions exceed 10% (ten percent) of its Net Worth;

- (ii) whereby the overall expenses incurred in respect of such transactions in any Financial Year exceed 10% (ten percent) of its Net Worth; or
- (iii) in respect of providing any guarantee for any Financial Indebtedness of a Related Party;

(g) ***Disposal of Assets***

- (i) sell, assign, transfer, or otherwise dispose of in any manner whatsoever any material Assets, business or division of the Company (whether in a single transaction or in a series of transactions (whether related or not) or any other transactions which cumulatively have the same effect) other than any securitisation/portfolio sale of assets undertaken by the Company in its ordinary course of business;
- (ii) without prejudice to (i) above, any sale of assets or business or division of the Company that has the effect of exiting or re-structuring of the existing business of the Company; and
- (iii) without prejudice to (i) and (ii) above, sell, assign, mortgage or otherwise dispose off any of the Hypothecated Assets (Company);

(h) ***Change in Capital Structure***

- (i) permit or undertake any change in capital structure that would lead to a reduction in the paid-up capital or authorised capital of the Company; and
- (ii) purchase, redeem, buyback, defease, retire, return or pay any of its issued shares or reduce its share capital or resolve to do any of the foregoing, other than any purchase or buyback of any equity shares that are allotted pursuant to the Company's employee stock option scheme(s);

(i) ***Anti-money Laundering***

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

(j) ***Change in Financial Year***

change its Financial Year end from March 31 of each year to any other date, unless such change is required pursuant to Applicable Law; and

(k) ***Business***

- (i) undertake any major new business except in relation to financial services; or
- (ii) diversify its business outside the financial services sector.

11. CREDIT EVENTS; EVENTS OF DEFAULT

11.1 Consequences and Remedies of a Credit Event

On the occurrence of a Credit Event, on and from the Credit Event Date, following rights and remedies may be exercised. PROVIDED THAT the steps/actions set out under Clause 11.1(a) (*Confirmation*) and Clause 11.1(b) (*Invocation of the SPV Guarantee*) will be taken by the Debenture Trustee immediately upon the occurrence of a Credit Event and without any reference or consent from or the requirement of any instructions from any of the Debenture Holders and/or the Company:

(a) **Confirmation**

The Debenture Trustee will promptly:

- (i) confirm to the Company, the Debenture Holders and the SPV Trustee of occurrence of such Credit Event; and
- (ii) confirm to the Company and the SPV Trustee that the SPV Guarantee stands invoked.

The confirmation under this sub-Clause (a) will be provided by the Debenture Trustee substantially in the form set out under Schedule VI (*Form of Confirmation*) below, and immediately upon the occurrence of a Credit Event without any reference to, or consent from, or the requirement of any instructions from, any of the Debenture Holders and/or the Company.

(b) **Invocation of the SPV Guarantee**

The SPV Guarantee shall stand invoked in accordance with the terms of the SPV Guarantee, and the SPV Trustee will make all payments in accordance with Clause 2.6A (*Designated Account and Payment Mechanism*) of this Deed and the SPV Guarantee, without the requirement of any further notice, intimation or action by the Debenture Trustee or the Debenture Holders.

(c) **Annualised Interest Rate**

In case of the occurrence of a Credit Event, the interest at the Annualised Interest Rate of 14.25% (fourteen decimal two five percent) (XIRR) shall be payable on the Debentures, with effect from the Deemed Date of Allotment until the Final Settlement Date, in accordance with the terms of this Deed.

(d) **Invocation of the Corporate Guarantee**

Invoke/enforce the Corporate Guarantee in accordance with the terms thereof.

(e) **Accelerated Redemption (SPV Trustee); Cash Collateral**

- (i) The SPV Trustee shall be required to, in accordance with Clause 8.2 (*Accelerated Redemption (SPV Trustee)*):

(A) cease making any payments to the Company (in its capacity as the residual beneficiary under the Cover Pool Documents and the contributor under the Contribution Agreements) pursuant to the Cover Pool Documents; and

(B) as and when the SPV Trust collects/receives any amounts in respect of the Assigned Assets (including in the Collection and Payment Account), transfer such amounts to the Debenture Trustee within 1 (one) Business Day from the date of collection/receipt in the Collection and Payment Account. The aforementioned amounts will be transferred to the Designated Account and will be utilized for accelerated redemption of the Debentures/repayment of the Outstanding Amounts.

(ii) Require the SPV Trustee to liquidate the Cash Collateral and utilise the proceeds for the accelerated redemption of the Debentures in accordance with the terms of the Trust Deed and the SPV Guarantee.

(f) ***Dividends***

No dividend or any other distributions can be declared or made by the Company without the prior written consent of the Debenture Trustee.

(g) ***Nominee Director***

Without prejudice to Clause 4.8 (*Nominee Director*), to appoint a nominee director on the Board of Directors of the Company. A nominee director appointed under this sub-Clause (g) shall not be required to hold qualification shares nor be liable to retire by rotation and shall be entitled to receive such reasonable remuneration, fees and commission as may be approved by the Debenture Holders. The Company shall have no power to remove such nominee director as long as the Credit Event continues. The appointment of any Nominee Director that is appointed pursuant to this provision shall be vacated subject to:

(i) the provisions of Applicable Law (including the Debenture Trustees Regulations); and

(ii) upon the Credit Event pursuant to which such Nominee Director is appointed being rectified and/or cured to the satisfaction of the Debenture Trustee and the Debenture Holders.

(h) ***Transfer to the Collection and Payment Account***

All amounts and receivables in respect of the Client Loans comprising the Assigned Assets that are collected by the Company shall be held by it in trust for the benefit of the SPV Trust and the beneficiaries under the Cover Pool Documents, and the Company shall transfer such amounts into the Collection and Payment Account on a fortnightly basis.

For the avoidance of doubt, it is hereby clarified that:

- (i) the collections from 1st (first) to 15th (fifteenth) of a calendar month will be deposited by the Company in the Collection and Payment Account by the 20th (twentieth) of the same calendar month; and
- (ii) the collections from 16th (sixteenth) of a calendar month to the last day of such calendar month will be deposited on the 5th (fifth) day of the subsequent calendar month.

(i) **Revised Repayment Schedule**

The Debenture Trustee (acting on the instructions of the Majority Debenture Holders) shall provide to the Company, a revised redemption schedule in respect of the Debentures on the Credit Event Date and following each instance of payment to the Debenture Holders pursuant to the Cover Pool Documents.

(j) **Hypothecated Assets (SPV)**

(i) The Debenture Trustee (acting upon the instructions of the Debenture Holders) may, upon providing a notice to the SPV Trustee, require the SPV Trustee to sell and/or dispose off the Hypothecated Assets (SPV) (including the Assigned Assets), and liquidate the fixed deposits comprising the Cash Collateral, on such terms as may be acceptable to the Debenture Trustee, and utilise the proceeds of such sale and/or disposal towards accelerated redemption of the Debentures and repayment of the Outstanding Amounts.

(ii) Without prejudice to (i) above, the Debenture Trustee may enforce/invoke the security created in its favour over the Hypothecated Assets (SPV).

(k) **Call Option**

Upon the occurrence of a Credit Event, the Company shall have the right to exercise a Call Option, on the Credit Event Date or on any date following the Credit Event Date until the Final Settlement Date in accordance with Clause 8.4 (*Call Options*).

(l) **Alternate Servicer**

The Debenture Trustee shall have the right to require the SPV Trust to terminate the Servicer under the Servicing Agreement, and appoint an alternate servicer.

11.2 Credit Events

Each of the events or circumstances set out in this Clause 11.2 (*Credit Events*) below is a Credit Event.

(a) **Call Options**

(i) Any failure to provide, or delay in providing, the Call Option Payment Notification in accordance with Clause 8.4 (*Call Options*) to exercise a Call Option on the Initial Call Option Payment Date.

- (ii) Without prejudice to (i) above, any failure or delay by the Company in exercising and completing its obligations in respect of a Call Option by making payment of the Redemption Amounts as on the Initial Call Option Payment Date in accordance with this Deed, unless the failure or delay is caused by administrative or technical difficulties and the payment is made within 2 (two) Business Days of the relevant due date.

(b) ***Non-payment of Amounts***

The Company does not make payment of any of the amounts due and payable by it in accordance with the Debenture Documents unless the failure to transfer is caused by administrative or technical difficulties and the payment is made within 2 (two) Business Days of the relevant due date.

(c) ***Hypothecated Assets (SPV)***

PAR₉₀ is greater than 5% (five percent) of the aggregate outstanding principal amounts in respect of the Client Loans comprising the Hypothecated Assets (SPV).

(d) ***Pool Cover***

The Pool Cover is not maintained in accordance with the terms of the Transaction Documents.

(e) ***Company Rating***

The credit rating of the Company is downgraded below "BBB-" by the Rating Agency.

(f) ***Rating***

The Rating of the Debentures is downgraded below "A(CE)" by the Rating Agency.

(g) ***Amounts under the Cover Pool Documents***

Any delay on part of the Company (including in its capacity as the Servicer under the Servicing Agreement, and contributor under the Contribution Agreements (as the case maybe)) in:

- (i) crediting the amounts received, collected and/or recovered by it (in any manner whatsoever) in relation to the Assigned Assets into the Collection and Payment Account within the timelines stipulated in the relevant Cover Pool Documents; or
- (ii) providing amounts as replenishment contributions under the Contribution Agreements to enable the SPV Trust to purchase additional Client Loans from the Company to ensure and procure that the Pool Cover is duly maintained.

(h) ***Negative Covenants***

Any breach by the Company in compliance with any of the negative covenants set out under Clause 10.6 (*Negative Covenants*).

(i) **Financial Covenants**

Any breach by the Company in compliance with any of the financial covenants set out under Clause 10.3 (*Financial Covenants*).

(j) **Cross Default**

The Company:

- (i) defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created;
- (ii) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (with the giving of notice or the passage of time or both would permit or cause) any such Financial Indebtedness to become due prior to its stated maturity; or
- (iii) any Financial Indebtedness of the Company is declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment (whether or not such right shall have been waived), prior to the stated maturity thereof.

(k) **Inability to Pay Debts**

The Company is unable or admits in writing its inability to pay its debts as they fall due, or suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.

(l) **Material Adverse Effect**

The occurrence of a Material Adverse Effect, in the sole determination of the Debenture Trustee (acting on the instructions on the Debenture Holders).

(m) **Delisting**

The Debentures are, delisted or cease to be listed on the wholesale debt market segment of the BSE for any reason whatsoever (whether or not attributable to any action of the Company) at any time prior to the Final Settlement Date.

(n) **Misrepresentation**

Any representation or warranty made by the Company in any Debenture 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.

(o) **Corporate governance; Data integrity**

Failure by the Company to meet standards with respect to management, governance, and data integrity, as may be required by the Debenture Trustee and the Debenture Holders.

(p) **Servicing Obligations**

The Company (including in its capacity as the Servicer) defaults in respect of the servicing obligations undertaken by it with respect to the transactions contemplated under the Servicing Agreement or any other Transaction Documents.

(q) **Expropriation/Distress**

Any expropriation, attachment, garnishee, sequestration, distress or execution affects any assets of the Company (including the Hypothecated Assets (Company)) and which has a Material Adverse Effect on the ability of the Company to comply with its payment obligations under the Debenture Documents.

(r) **Legal Proceedings**

If one or more legal or governmental proceedings are initiated against the Company or any claims are made against the Company, which in the opinion of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders), may impair the Company's ability to perform its obligations undertaken in terms of the Debenture Documents or which has a Material Adverse Effect.

(s) **Further Assignments**

The occurrence of any event or circumstance, or any change in the Applicable Law (including regulations/guidelines issued by the RBI and/or the SEBI) due to which, in the opinion of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders), any subsequent/further assignment of the Client Loans by the Company to the SPV Trust pursuant to the Assignment Agreements is (or is likely to be) invalidated, illegal, or not in compliance with Applicable Law.

PROVIDED THAT the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) shall be entitled to require the Company to promptly obtain at the cost and expense of the Company a legal opinion confirming such change in Applicable Law and the consequences thereof from any of legal counsel acceptable to the Debenture Trustee, which legal opinion shall be promptly shared with the Debenture Trustee and the Debenture Holders upon receipt thereof.

(t) **Failure to Certify**

The Company fails to provide the certificate from an authorized officer of the Company certifying/confirming that no Credit Event (other than any Credit Event prescribed under Clause 11.2(i) (*Financial Covenants*)) has occurred, within the timelines and the manner prescribed under this Deed.

(u) ***Breach of Other Covenants***

Any breach of any covenant or undertaking of the Company set out in the Debenture Documents, including but not limited to any breach of the covenants set out under Clause 10.4 (*Reporting Covenants*) (other than as set out under sub-Clauses (a) to (t) above).

11.3 Consequences and Remedies of an Event of Default

Without prejudice to any rights of the Debenture Holders and the Debenture Trustee (including those set out under the Transaction Documents), if one or more events specified in Clause 11.4 (*Events of Default*) occur(s), the Debenture Trustee may, in its discretion, and, upon request, in writing, of the Special Majority Debenture Holders or by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in Schedule II, by a notice in writing to the Company/SPV Trust (as applicable) initiate the following course of action:

- (a) subject to Applicable Law, require the Company to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest and other costs, charges and expenses incurred under or in connection with this Deed and the other Debenture Documents;
- (b) subject to Applicable Law, accelerate the redemption of the Debentures and declare all or any of the Debentures to be immediately due and payable, whereupon it shall become immediately due and payable;
- (c) enforce the security interest created under the Debenture Documents (including in respect of the Transaction Security) in accordance with the terms of the Debenture Documents;
- (d) invoke/enforce the Corporate Guarantee and the SPV Guarantee in accordance with the terms thereof;
- (e) appoint any independent agency to inspect and examine the working of the Company and give a report to the Debenture Holders/the Debenture Trustee. The Company shall provide its full co-operation and necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other expenses;
- (f) take any actions in respect of the SEBI Defaults (Procedure) Circular in accordance with the provisions of this Deed (including paragraph 21A of Schedule II);
- (g) take any action/step set out under Clause 11.1 (*Consequences and Remedies of a Credit Event*) of this Deed; and
- (h) take all such other action and exercise any other right as is expressly permitted under this Deed or in the other Debenture Documents, or provided under Applicable Law.

11.4 Events of Default

Each of the events or circumstances set out in this Clause 11.4 (*Events of Default*) below is an Event of Default.

(a) ***Non-Payment***

- (i) The Company does not pay/make the Redemption Payment, and/or any other amounts due and payable by it under the Debenture Documents on the Final Redemption Date unless the failure to transfer is caused by administrative or technical difficulties and the payment is made within 2 (two) Business days of the relevant due date.
- (ii) The SPV Trustee fails to comply with its obligations under Clause 11.1(j) (*Hypothecated Assets (SPV)*), including in respect of any failure in selling/disposing off the Assigned Assets as set out therein.
- (iii) The SPV Guarantor does not pay any amount payable pursuant to this Deed (including Clause 11.1(b) (*Invocation of the SPV Guarantee*)) and the SPV Guarantee in accordance with the terms of this Deed and the other Transaction Documents at the place and in the currency in which it is expressed to be payable.

(b) ***Unlawfulness***

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

(c) ***Repudiation***

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

(d) ***Debenture Documents***

This Deed or any other Debenture Document (in whole or in part), is terminated or ceases to be effective or ceases to be in full force or no longer constitutes valid, binding and enforceable obligations of the Company.

(e) ***Material Adverse Effect***

The occurrence of a Material Adverse Effect, in the sole determination of the Debenture Trustee (acting on the instructions on the Debenture Holders), if such Material Adverse Effect, to the extent capable of remedy (as determined by the Debenture Trustee (acting on the instructions of the Debenture Holders)), is not remedied within 30 (thirty) calendar days of occurrence.

(f) ***Insolvency***

- (A) Any resolution is passed resolving or to consider resolving that the Company be wound up voluntarily, or any order for winding up of the Company is made by any competent court or tribunal, other than for the purposes of any

amalgamation or reconstruction of the Company entered into with the prior approval of the Debenture Trustee in accordance with the provisions of this Deed.

- (B) The Company commits any act or undertakes any action which may result in the insolvency/liquidation of the Company.
- (C) The Company being determined as insolvent under the Insolvency and Bankruptcy Code, 2016 (read with the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations framed thereunder from time to time).

(g) ***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 Financial Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company;
- (ii) a composition, compromise, assignment or arrangement with any creditor of the Company or its creditors generally;
- (iii) the appointment of a liquidator, receiver, provisional liquidator, administrative receiver, administrator, compulsory manager, resolution professional, trustee, supervisor or other similar officer in respect of the Company or any of its assets or any part of the undertaking of the Company;
- (iv) a petition for reorganization, arrangement, adjustment, winding up or composition of debts of the Company is filed by the Company (voluntary or otherwise) or any other person, or such a petition has been admitted, and such proceedings are not dismissed within 15 (fifteen) days of filing;
- (v) the Company, in respect of any reference or enquiry or proceedings commenced, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the Stressed Assets Framework);
- (vi) the commencement of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 read together with the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations made thereunder from time to time, or under any other Applicable Law, in respect of the Company;
- (vii) enforcement of any security over any Assets of the Company or any analogous

procedure or step is taken in any jurisdiction; or

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

(h) ***Revocation of Licenses and Authorisations***

Any authorisations, licenses (including operating licenses), consents and approvals required by the Company under Applicable Law to enable it to perform its obligations under the Debenture Documents, to ensure the legality, validity, enforceability or admissibility of the Debenture Documents, and to enable it to carry on its business are revoked or suspended or cancelled in any manner.

(i) ***Accelerated Redemption Event (Company)***

A failure of the Company to repay all Outstanding Amounts within 30 (thirty) calendar days from the date of occurrence of an Accelerated Redemption Event (Company).

(j) ***Credit Event***

Upon the occurrence of a Credit Event, the occurrence of any of the following:

- (i) any of the receivables comprising the Assigned Assets are not deposited by the Company (acting in its capacity as the Servicer) in the Collection and Payment Account (for any reason whatsoever) within the timelines prescribed in the Transaction Documents (including pursuant to Clause 11.1(h) (*Transfer to the Collection and Payment Account*)) unless the failure to transfer is caused by administrative or technical difficulties and the payment is made within 2 (two) Business Days of the relevant due date;
- (ii) the SPV Trustee fails to terminate the appointment of the Servicer under the Servicing Agreement and appoint an alternate servicer within a period of 60 (sixty) days from the date of occurrence (and continuation) of the default/delay set out under sub-Clause (i) above; or
- (iii) the Company has made a payment default in relation to any of its Financial Indebtedness.

(k) ***Business***

- (i) The Company without obtaining the prior consent of the Majority Debenture Holders ceases or threatens to cease to carry on its business or gives notice of its intention to do so.
- (ii) The passing of any order of a competent court or tribunal ordering, restraining or otherwise preventing the Company from conducting all or any material part of its business.
- (iii) The Company's organizational status or any licenses or franchise is revoked or suspended by any Governmental Authority, and the Company has exhausted

all remedies and appeals relating thereof.

(l) ***Creditors' Process***

All or a material part of the undertaking, assets, rights or revenues of the Company are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of all or substantial part of the business or operations of the Company (including operations, properties and other assets), or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their members, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Governmental Authority.

(m) ***Judgment Defaults***

One or more judgments or decrees entered against the Company involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 10% (ten percent) of the Total Assets of the Company provided such judgments or decrees are either final and non-appealable or have not been vacated, discharged or stayed pending appeal for any period of 30 (thirty) calendar days.

(n) ***Authorisations***

The withdrawal, failure of renewal, or failure by the Company to obtain any Authorisation or any other statutory or regulatory approval in any relevant jurisdiction for the issuance of the Debentures or the providing of the Transaction Security.

(o) ***Security in Jeopardy***

In the opinion of the Debenture Trustee any of the Hypothecated Asset(s) are in jeopardy.

(p) ***Security***

(i) The value of the Hypothecated Assets (Company) is insufficient to maintain the Security Cover or the Company fails to maintain the Security Cover (including by way of providing additional/alternate security to the satisfaction of the Debenture Trustee) within the time period prescribed by the Debenture Documents.

(ii) The value of the Client Loans comprising the Hypothecated Assets (SPV) is insufficient to maintain the Pool Cover or the Company is unable to assign further Client Loans to the SPV Trust in accordance with the terms of the Cover Pool Documents.

(iii) Any of the Transaction Documents fails to provide the security interests, rights, title, remedies, powers or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests fail to have the priority contemplated under the Transaction

Documents, or the security interests become unlawful, invalid or unenforceable.

- (iv) The Guarantees are not issued in favour of the Debenture Holders and/or the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders).
- (v) The Company creates or attempts to create any mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having similar effect, over the Hypothecated Assets (Company), without the prior consent of the Debenture Trustee.
- (vi) The Company and the SPV Trust fail to create and perfect the security over the Hypothecated Assets within the timelines prescribed by under the Debenture Documents (including in respect of the filing of Form CHG-9 with the ROC (if applicable)).

(q) ***Change of Control***

Any Change of Control or a Change of Control Event occurs.

(r) ***Breach of Other Covenants***

Any breach of any covenant or undertaking of the Company in the Debenture Documents (other than Clauses (a) to (q) above) if such breach is, to the extent capable of remedy (as determined by the Debenture Trustee (acting on the instructions of the Debenture Holders)), not remedied within 7 (seven) days of occurrence, or such other time period as may be prescribed by the Debenture Trustee (acting on the instructions of the Debenture Holders) in its sole discretion.

11.5 **Notice on the Occurrence of an Event of Default or Credit Event**

- (a) If any Event of Default or a Credit Event or any event which, after the notice, or lapse of time, or both, would constitute an Event of Default or a Credit Event, has occurred, the Company shall, forthwith give notice thereof to the Debenture Holders and the Debenture Trustee in writing specifying the nature of such event or Event of Default or Credit Event (as applicable).
- (b) In addition to the foregoing, in accordance with the SEBI Defaults (Procedure) Circular, the Debenture Trustee shall send a notice to the Debenture Holders within 3 (three) days of the occurrence of an Event of Default, in accordance with the mode of delivery of notice mentioned therein, convening a meeting within 30 (thirty) days of the occurrence of an Event of Default.

PROVIDED THAT if the Event of Default is cured or rectified within the intervening period between the date of the aforementioned notice from the Debenture Trustee to the date the aforementioned meeting is convened, no such meeting of the Debenture Holders shall be required. The Debenture Trustee shall maintain the details of the providing and receipt of such notice in accordance with the SEBI Defaults

(Procedure) Circular.

11.6 **Additional obligations of the Debenture Trustee**

In respect of the SEBI Defaults (Procedure) Circular, the entering into, and the performance of any obligations under any inter-creditor agreement (pursuant to the Stressed Assets Framework) or any resolution plan shall be subject to the terms of the SEBI Defaults (Procedure) Circular (including without limitation, the resolution plan being finalised within the time period prescribed in the SEBI Defaults (Procedure) Circular, and exiting of the inter-creditor agreement on the occurrence of the matters prescribed under the SEBI Defaults (Procedure) Circular).

PART C - OTHER TERMS AND CONDITIONS

12. **COMPUTATION OF INTEREST; BUSINESS DAY CONVENTION**

- (a) Interest and all other charges shall accrue based on an actual/actual basis.
- (b) If any Due Date on which any interest or additional interest is payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the succeeding Business Day.
- (c) If any Due Date on which any Outstanding Principal Amounts are payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the preceding Business Day.
- (d) If the Final Redemption Date falls on a day which is not a Business Day, the payment of any amounts in respect of the Outstanding Principal Amounts to be made shall be made on the preceding Business Day.

13. **OTHER TERMS OF THE DEBENTURES**

13.1. **Debentures Free from Equity**

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

13.2. **Debenture Holders not Entitled to Shareholders' Rights**

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

13.3. **Variation in Debenture Holders' Rights**

The rights, privileges, terms and conditions attached to the Debentures may be varied, modified or abrogated with 100% (one hundred percent) of the Debenture Holders approving such modification by way of a unanimous resolution. PROVIDED THAT nothing in such consent

or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and conditions governing the Debentures and the same are not acceptable to the Company.

14. FEES AND COSTS

- (a) The Company shall bear the costs and expenses incurred in connection with the transactions contemplated hereby including stamp duty on this Deed, all transfer fees and applicable charges, legal advisors' fees and expenses, fees of the Debenture Trustee, fees of the Rating Agency, and any other fees or expenses incurred in the preparation of the Debenture Documents or in relation to any transactions or matters contemplated under this Deed and any other Debenture Documents (including any action to preserve any rights in respect thereof).
- (b) Notwithstanding anything else provided in the Debenture Documents, all reasonable costs and expenses incurred by the Debenture Trustee prior to or following the occurrence of an Event of Default, including in connection with:
 - (i) preservation of the security interest created under the Debenture Documents (whether then or thereafter existing);
 - (ii) collection of amounts due under the Debenture Documents;
 - (iii) engaging all intermediaries (including any accountants, auditors, custodial services);
 - (iv) all expenses in relation to the Issue;
 - (v) legal costs; or
 - (vi) stamp duty on any Debenture Documents,shall be payable by the Company and shall stand secured under the Debenture Documents.
- (c) The Company will pay the fees and disbursements regarding bank costs incurred in connection with the disbursement(s), payment of interest and repayment of the Application Money. Any cost or expense to be incurred by the Debenture Trustee pursuant to the Debenture Documents shall be approved by the Majority Debenture Holders.

15. INDEMNITY

- (a) The Company shall, within 7 (seven) calendar days of demand, indemnify the Debenture Holders and the Debenture Trustee from time to time, against any and all losses, liabilities, obligations, damages, judgments, costs, expenses (including, without limitation, advisors' fees), claims, fines, penalties, proceedings, actions or demands, of any kind or nature incurred by the Debenture Trustee/Debenture Holders as a result of:
 - (i) the occurrence of any Credit Event or Event of Default; or

- (ii) any demand for any stamp duty, registration fee or any other duty, fee, costs, or imports received from any Governmental Authority in relation to the transactions contemplated under the Debenture Documents (including without limitation, any demand from stamp duty arising because any Debenture Document has been taken or has been received (whether by way of facsimile, photocopy or electronic record) in any state other than the state in which it has been executed; and
 - (iii) a failure by the Company to pay any amount due under any Debenture Document on its due date.
- (b) Any indemnification payment made by the Company shall be grossed up to take into account any taxes, payable by the Debenture Trustee/Debenture Holders or deductible by the Company on such payment.
- (c) The indemnification rights of the Debenture Trustee/Debenture Holders under this Deed are independent of, and in addition to, such other rights and remedies as the Debenture Trustee/Debenture Holders may have under Applicable Law or in equity or otherwise, including the right to seek specific performance or other injunctive relief, none of which rights or remedies shall be affected or diminished thereby.
- (d) The Company acknowledges and agrees that any payments to be made pursuant to this Clause 15 (*Indemnity*) are not in the nature of a penalty but merely reasonable compensation for the loss that would be suffered, and therefore, the Company waives all rights to raise any claim or defence that such payments are in the nature of a penalty and undertakes that it shall not raise any such claim or defence.

16. PROVISIONS FOR MEETING OF DEBENTURE HOLDERS

The provisions set out in Schedule II (*Provisions for the Meetings of the Debenture Holders*) shall apply to the meetings of the Debenture Holders.

17. GOVERNING LAW AND JURISDICTION

(a) Governing Law

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

(b) Jurisdiction

- (i) The Parties agree that the courts and tribunals at New Delhi, India shall have exclusive jurisdiction to settle all disputes which may arise out of or in connection with this Deed ("**Dispute**"). Accordingly, any suit, action or proceedings relating to any Dispute (together referred to as "**Proceedings**") arising out of or in connection with this Deed may be brought in the courts and tribunals of New Delhi, India and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts and tribunals.
- (ii) The Parties irrevocably waive any objection now or in future, to the laying of

the venue of any Proceedings in the courts and tribunals at New Delhi, India and any claim that any such Proceedings have been brought in an inconvenient forum. The Company further irrevocably agrees that a judgment in any Proceedings brought in the courts and tribunals at New Delhi, India shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction, (subject to the laws of such jurisdiction) by a suit upon such judgment, a certified copy of which shall be conclusive evidence of such judgment, or in any other manner provided by Applicable Law.

- (iii) Nothing contained in this Clause 17(b) (*Jurisdiction*), shall limit any right of the Debenture Trustee to take the Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal, and the Company irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.
- (iv) To the extent that the Company may in any jurisdiction claim for itself or its Assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its Assets such immunity (whether or not claimed), the Company hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity.

18. NOTICES

18.1 Communications in writing

Any communication to be made under or in connection with this Deed and/or any other Debenture Documents shall be made in writing and, unless otherwise stated, may be made by fax, letter or e-mail.

18.2 Addresses

The address, e-mail and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection this Deed and/or any other Debenture Documents is that identified with its name below, or any substitute address, e-mail, fax number or department or officer as the Party may notify to the other Parties by not less than 2 (two) Business Days' notice:

If to the Company:

Address: 2nd Floor, Bldg. No. 4, DJ House, Old Nagardas Road, Andheri (East)
Mumbai – 400069, Maharashtra
Telephone: +91 9820238327
Attention: Rohanjeet Singh Juneja

E-mail: rohan.juneja@df ltd.in

If to the Debenture Trustee:

Address: Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina
Santacruz (East), Mumbai, Maharashtra - 400098, India
Telephone: 022-49220503
Attention: Mr. Umesh Salvi
E-mail: umesh.salvi@ctltrustee.com

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

18.3 Delivery

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

- (a) if by way of fax, when received in legible form on a Business Day during business hours;
- (b) if received by e-mail, when received on a Business Day during business hours; and
- (c) if by way of letter, when it has been left at the relevant address or 2 (Two) Business Days after being deposited in the speed post or registered post, in an envelope addressed to it at that address,

if a particular department or officer is specified as part of its address details provided under Clause 18.2 (*Addresses*), if addressed to that department or officer.

18.4 Notification of Address, Fax Number and E-mail Address

Promptly upon receipt of notification of an address, fax number and e-mail address or change of address, fax number or e-mail address pursuant to Clause 18.2 (*Addresses*) or changing its own address, fax number or e-mail address, either Party shall notify the other Parties.

18.5 Electronic Communication

Any electronic communication made between the Company and the Debenture Trustee will be effective only when actually received in readable form and in the case of any electronic communication made by the Company to the Debenture Trustee only if it is addressed in such a manner as the Debenture Trustee shall specify for this purpose.

18.6 Reliance

- (a) Any notice sent under this Clause 18 (*Notices*) can be relied on by the recipient if the recipient reasonably believes the notice to be genuine and if it bears what appears to be the signature (original or facsimile) of an authorised signatory of the sender (in each case without the need for further enquiry or confirmation).
- (b) Each Party must take reasonable care to ensure that no forged, false or unauthorised

notices are sent to another Party.

18.7 English Language

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

19. MISCELLANEOUS

19.1 Effectiveness

This Deed shall be effective on and from the Effective Date and shall be in force until the Final Settlement Date.

19.2 Severability

Each provision contained in this Deed shall be severable and distinct from each 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 Applicable Law, the validity, legality and enforceability of the remaining provisions hereof shall not be in any way affected or impaired thereby.

19.3 Waiver

- (a) The Debenture Trustee may, from time to time, or at any time waive, on such terms and conditions as it deems fit, any of the covenants and provisions contained in this Deed (including any breach by the Company of the covenants and provisions contained in this Deed) without prejudice to the rights of the Debenture Trustee in respect of any subsequent breach thereof.
- (b) No delay or omission of the Debenture Trustee or any receiver in exercising any right, power or remedy accruing to 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 or any receiver in respect of any default or any acquiescence by it in any default affect or impair any right power or remedy of the Debenture Trustee in respect of any other defaults nor shall any single or partial exercise of any such right, power or remedy preclude any further exercise thereof or the exercise of any other right, power or remedy. The rights and remedies of the Debenture Trustee herein provided are cumulative and not exclusive of any rights or remedies provided by Applicable Law or equity.

19.4 Lien or pledge of Debentures

The Company shall note a lien or pledge in respect of the Debentures, if such lien or pledge in respect of the Debentures is required by any bank or institution for any loan provided to any Debenture Holder against the lien or pledge of such Debentures.

19.5 **Joint Holders**

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

19.6 **Sharing of information**

The Company may to the extent required by Applicable Law, use its own, as well as exchange, share or part with any financial or other information about the Debenture Holders available with the Company, its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Company nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

19.7 **Custody Arrangement**

The Debenture Trustee may keep the Debenture Trustee Agreement, this Deed and the other Debenture Documents obtained by it pursuant to this Deed, at 810, 8th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110001, India, India or any of its other offices or if the Debenture Trustee so decides with any banker or company whose business includes undertaking the safe custody of documents or with any advocates or firm of solicitors and the Debenture Trustee shall not be responsible for any loss incurred on account of such custody, subject to such custody not resulting in any additional stamp duty on any Debenture Document.

19.8 **Registrar and Transfer Agents**

The Company has appointed MCS Share Transfer Agent Limited as the registrar and transfer agent for the Debentures.

19.9 **Inspection of Deed**

- (a) Any Debenture Holder is entitled to inspect this Deed or copy hereof during business hours, at such reasonable time on every working day as the board of directors of the Company may decide without payment of any fee.
- (b) Any Debenture Holder is entitled to obtain a copy of this Deed on payment of such fee as may be specified by the Company.

19.10 **Amendments**

Except as otherwise provided in Clause 8.2 (*Accelerated Redemption (SPV Trustee)*) and Clause 11.1(j) (*Revised Repayment Schedule*) to the limited extent of amending/modifying Schedule III (*Interest Payment and Redemption Schedule*) in accordance with the provisions of this Deed, this Deed may only be modified or amended with the written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) by way of an

instrument in writing executed by the Company and the Debenture Trustee.

19.11 Counterparts

- (a) Each Debenture Document may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Debenture Document.
- (b) In the case of any Debenture Document, if the parties thereof elect to execute such Debenture Document in counterparts:
 - (i) the executed signature pages of each party to the Debenture Document may be collated into a single copy of the Debenture Document;
 - (ii) each party to such Debenture Document will transmit the signed signature page(s) to the Debenture Trustee, and the Debenture Trustee is hereby authorised by each such party to collate and attach them into a single copy of such Debenture Document; and
 - (iii) any Debenture Document executed in accordance with this sub-Clause (b) will have the same effect as if such Debenture Document had been executed by all relevant parties in a single copy of such Debenture Document.

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SCHEDULE I

**PART A
DETAILS OF THE DEBENTURE HOLDERS**

NAME OF THE DEBENTURE HOLDERS	NO. OF DEBENTURES	AMOUNT (IN INR)
Fourdegreewater Private Limited	1,50,000	15,00,00,000
TOTAL	1,50,000	15,00,00,000

SCHEDULE I
PART B
CONDITIONS PRECEDENT

The Company shall fulfil the following conditions precedent, to the satisfaction of the Debenture Trustee/the Applicants, prior to the Deemed Date of Allotment, and shall submit and provide to the Debenture Trustee/the Applicants:

AUTHORISATIONS

- (a) a copy of the Company's Constitutional Documents certified as correct, complete and in full force and effect by the appropriate officer;
- (b) a copy of resolution of the Company's board of directors/committee of the Company's board of directors authorising the execution, delivery and performance of the Debenture Documents certified as correct, complete and in full force and effect by an appropriate officer of the Company;
- (c) copies of the resolution of the shareholders of the Company under Sections 180(1)(c) and 180(1)(a) of the Act, certified as correct, complete and in full force and effect by an appropriate officer of the Company;
- (d) copies of the resolution of the shareholders of the Company under Section 42 of the Act, certified as correct, complete and in full force and effect by an appropriate officer of the Company;
- (e) a copy of the Corporate Guarantor's constitutional documents certified as correct, complete and in full force and effect by the appropriate officer;
- (f) a copy of resolution of the Corporate Guarantor's board of directors/committee of the board of directors authorising the execution, delivery and performance of the Corporate Guarantee certified as correct, complete and in full force and effect by an appropriate officer of the Corporate Guarantor;
- (g) a copy of the resolution of the shareholders of the Corporate Guarantor under Section 185 of the Act, certified as correct, complete and in full force and effect by an appropriate officer of the Corporate Guarantor OR a certificate of an authorised signatory of the Corporate Guarantor confirming the non-applicability of Section 185 of the Act;
- (h) a copy of the resolution of the shareholders of the Corporate Guarantor under Section 186 of the Act, certified as correct, complete and in full force and effect by an appropriate officer of the Corporate Guarantor OR a certificate of an authorised signatory of the Corporate Guarantor confirming the non-applicability of Section 186 of the Act;
- (i) a copy of the Trust Deed, *inter alia*, enabling the providing of the SPV Guarantee and the Deed of Hypothecation (SPV);

TRANSACTION DOCUMENTS

- (j) execution, delivery and stamping of the Debenture Documents (including the Debt Disclosure

Documents and the undertaking from Mr. Nimir Mehta) in a form and manner satisfactory to the Debenture Trustee;

CERTIFICATES

- (k) a certificate from the authorised signatories of the Company addressed to the Debenture Trustee confirming as on the Deemed Date of Allotment/the date of the certificate:
- (i) the persons authorised to sign the Debenture Documents and any document to be delivered under or in connection therewith, on behalf of the Company, together with the names, titles and specimen signatures of such authorised signatories;
 - (ii) the Company has the necessary power under the Constitutional Documents to borrow monies by way of the issuance of the Debentures and create the Transaction Security to secure such Debentures;
 - (iii) the issuance of the Debentures and the creation of security over the Hypothecated Assets will not cause any limit, including any borrowing or security providing limit binding on the Company to be exceeded;
 - (iv) no consents and approvals are required by the Company from its creditors or any Governmental Authority or any other person for the issuance of the Debentures and creation of security under the Deeds of Hypothecation;
 - (v) the representations and warranties contained in this Deed are true and correct in all respects;
 - (vi) no Event of Default or Credit Event has occurred or is subsisting;
 - (vii) no Material Adverse Effect has occurred;
 - (viii) no investor or shareholder consent/approval, pursuant to the articles of association of the Company or any shareholders' agreements or other documents/instruments entered into by the Company and its shareholders and investors, is required for the Company to enter into or perform its obligations under the Transaction Documents;
 - (ix) the issuance of the Debentures and the transactions contemplated herein will not have an adverse impact on the rights of any of the shareholders/investors of the Company; and
 - (x) the Assigned Assets do not form a substantial part of the undertakings/assets of the Company;
- (l) a certificate from the authorised officer of the Corporate Guarantor addressed to the Debenture Trustee confirming as on the Deemed Date of Allotment/the date of the certificate:
- (i) the persons authorised to sign the Debenture Documents and any document to be delivered under or in connection therewith, on behalf of the Company, together with the names, titles and specimen signatures of such authorised signatories;
 - (ii) each copy document relating to it provided by the Corporate Guarantor or on behalf

of the Corporate Guarantor is correct, complete and in full force and effect as at a date no earlier than the date of this Deed/the Deemed Date of Allotment;

- (iii) the Corporate Guarantor has the necessary power under its constitutional documents to provide the Corporate Guarantee;
 - (iv) the representations and warranties contained in the Corporate Guarantee are true and correct in all material respects as on the date of the certificate;
 - (v) the providing of the Corporate Guarantee will not cause any limit binding on the Corporate Guarantor to be exceeded (whether regulatory or internal);
 - (vi) the provisions of Section 185 of the Companies Act, 2013 are not applicable to the providing of the Corporate Guarantee by the Corporate Guarantor OR the providing of the Corporate Guarantee by the Corporate Guarantor is in compliance with the provisions of Section 185 of the Companies Act, 2013;
 - (vii) the Corporate Guarantee is in compliance with the provisions of Section 186 of the Companies Act, 2013;
 - (viii) no Material Adverse Effect has occurred in respect of the Corporate Guarantor and/or in the business of the Corporate Guarantor; and
 - (ix) no consents or approvals are required by the Corporate Guarantor from its creditors or any Governmental Authority or any other person for the providing of the Corporate Guarantee;
- (m) a certificate from the company secretary of the Corporate Guarantor addressed to the Debenture Trustee confirming, inter alia, the matters set out under (I)(vi) and (I)(vii) above;

OTHER DOCUMENTS AND EVIDENCES

- (n) a copy of the rating letter and/or the rating rationale issued by the Rating Agency in relation to the Debentures;
- (o) a copy of the consent from the Debenture Trustee to act as the debenture trustee for the Issue;
- (p) a copy of the consent from the Registrar to act as the registrar and transfer agent for the Issue;
- (q) a copy of the tripartite agreement(s) executed between the Company, the Registrar and the Depository;
- (r) evidence that all 'know your customer' requirements to the satisfaction of the Debenture Trustee/the Applicants has been provided;
- (s) the audited financial statements of the Company for the Financial Year ended March 31, 2020, and/or limited review/unaudited financial results for the half year ended December 31, 2020 (if so available);
- (t) evidence that the PDCs and UDCs have been delivered by the Company to the Debenture

Trustee;

- (u) (if so required) a copy of the in-principle approval provided by the BSE in respect of the listing of the Debentures; and
- (v) such other information, documents, certificates, opinions and instruments as the Debenture Holders may reasonably request.

SCHEDULE I
PART C
CONDITIONS SUBSEQUENT

The Company shall fulfil the following conditions subsequent, to the satisfaction of the Debenture Trustee:

- (a) the Company shall ensure that the Debentures are credited into the demat accounts of the Debenture Holders of the Debentures within 1 (one) Business Day from the Deemed Date of Allotment;
- (b) the Company shall, on or prior to the utilisation of the Application Money received by the Company, or within 15 (fifteen) days of the allotment of Debentures, whichever is earlier, file a return of allotment of securities under Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC along with a list of the Debenture Holders and with the prescribed fee;
- (c) the Company shall:
 - (i) in respect of the Deed of Hypothecation (Company), file a copy of Form CHG-9 with ROC and shall ensure and procure that the Debenture Trustee files the prescribed Form I with CERSAI, each within 30 (thirty) days from the date of execution of the Deed of Hypothecation (Company); and
 - (ii) in respect of the Deed of Hypothecation (SPV), ensure and procure that the Debenture Trustee files the prescribed Form I with CERSAI, within 30 (thirty) days from the date of execution of the Deed of Hypothecation (SPV);
- (d) the Company shall make the application for listing of the Debentures and obtain listing of the Debentures within the time period prescribed under the SEBI Listing Timelines Circular; and
- (e) comply with such other condition and provide such other information and documents as the Debenture Holders may request or as may be required under Applicable Law.

SCHEDULE II
PROVISIONS FOR THE MEETINGS OF THE DEBENTURE HOLDERS

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

1. Calling of Meeting

- (a) The Debenture Trustee or the Company may, at any time, and the Debenture Trustee shall at the occurrence of an event, which constitutes (i) a breach of the Deed, (ii) an Event of Default, or (iii) in its opinion affects the interest of the Debenture Holders, or at the request in writing of the Debenture Holders representing not less than one-tenth in value of the Outstanding Principal Amounts of the Debentures, convene a meeting of the Debenture Holders.
- (b) Any such meeting shall be held at such place in the city where the registered office of the Company is situated or at such other place as the Debenture Trustee shall determine.

2. Meeting of the Debenture Holders

- (a) A meeting of the Debenture Holders may be called by giving not less than 21 (twenty one) days' notice in writing.
- (b) Any meeting in respect of any matter contemplated under the SEBI Defaults (Procedure) Circular shall be in accordance with paragraph 21A below.
- (c) A meeting of the Debenture Holders may be called after giving shorter notice than that specified in sub-paragraph (a) above, if consent is accorded thereto by Majority Debenture Holders.

3. Notice of Meeting of the Debenture Holders

- (a) Each notice of a meeting of the Debenture Holders shall specify the place and day and hour of the meeting and shall contain a statement of the business to be transacted thereat.
- (b) Any notice in respect of any matter contemplated under the SEBI Defaults (Procedure) Circular shall be in accordance with paragraph 21A below.
- (c) Notice of every meeting of the Debenture Holders shall be given to:
 - (i) each Debenture Holder in the manner provided in this Deed;
 - (ii) the persons entitled to a Debenture in consequence of death or insolvency of a Debenture Holder, by sending it through e-mail and post in a prepaid letter addressed to them by name or by the title of the representatives of the deceased, or assignees of the insolvent or by any like description at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and

- (iii) the Debenture Trustee when the meeting is convened by the Company and to the Company when the meeting is convened by the Debenture Trustee.

4. Meeting by Alternate Means

Subject to Applicable Law, the Debenture Holders' meetings may be held by tele-conference or video-conference.

5. Adoption of Resolutions

Subject to Applicable Law, the Debenture Holders' shall be entitled to adopt resolutions without holding a Debenture Holders' meeting provided such resolutions are approved by Majority Debenture Holders.

6. Contents of Notice of Meeting

- (a) There shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein of every director and the manager, if any, of the Company.
- (b) Where any item of business as aforesaid to be transacted at a meeting of the Debenture Holders relates to, or affects, any other company, the extent of shareholding interest in that company of every director, and the manager, if any, of the first mentioned company shall also be set out in the statement if the extent of such shareholding interest is not less than 20% (twenty percent) of the paid up share capital of that other company.
- (c) Where any item of business relates to the approval of any document by the meeting, said document should be attached to the notice of the meeting.

7. Quorum

- (a) Majority Debenture Holders, personally present shall be the quorum for the meeting of the Debenture Holders and the provisions of following sub-paragraph (b) shall apply with respect thereto.
- (b) If, within half an hour from the time appointed for holding a meeting of the Debenture Holders, a quorum is not present, the meeting, if called upon the requisition of the Debenture Holders shall stand dissolved but in any other case the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Debenture Trustee may determine and if at the adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting, the Debenture Holders present shall be the quorum.

8. Chairman of the Meeting of the Debenture Holders

- (a) The nominee of the Debenture Trustee shall be the chairman of the meeting and in his absence the Debenture Holders personally present at the meeting shall elect one

of themselves to be the chairman thereof on a show of hands.

- (b) If a poll is demanded on the election of the chairman, it shall be taken forthwith in accordance with the provisions of the Act, the chairman elected on a show of hands exercising (for the time being) all the powers of the chairman under the said provisions.
- (c) If some other person is elected chairman as a result of the poll, he shall be chairman for the rest of the meeting.

9. Attendance and Voting

- (a) The Debenture Trustee and the directors of the Company and their respective solicitors may attend any meeting but shall not be entitled as such to vote thereat.
- (b) The Debenture Holders may invite observers to attend the meetings, such observers shall be entitled to speak but shall not be entitled to vote at the meeting.
- (c) At any meeting, a resolution put to the vote at the meeting shall be decided on the basis of 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.
- (d) Before or on the declaration of the result on 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 Holders representing not less than one-tenth in value of the Outstanding Principal Amounts of the Debentures, present in person or by proxy.

10. Poll

- (a) A poll demanded on a question of adjournment shall be taken forthwith.
- (b) A poll demanded on any other question (not being a question relating to the election of a chairman) shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as the chairman may direct.

11. Determination of Votes

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

12. Voting; proxies

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

and vote instead of himself.

- (b) In every notice calling the meeting there shall appear with reasonable prominence a statement that a Debenture Holder entitled to attend and vote is entitled to appoint one or more proxies, to attend and vote instead of himself, and that a proxy need not be a Debenture Holder.
- (c) The instrument appointing a proxy and the power of attorney (if any) under which it is signed or a notary certified copy of the power of attorney shall be deposited at the registered office of the Company not less than 48 (forty eight) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in case of a poll, not less than 24 (twenty four) hours before the time appointed for the taking of the poll and in default, the instrument of proxy shall not be treated as valid.
- (d) The instrument appointing a proxy shall:
 - (i) be in writing; and
 - (ii) be signed by the appointer or his attorney duly authorised in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.
- (e) The instrument appointing a proxy shall be substantially in the format set out in Form MGT-11 in the Companies (Management and Administration) Rules, 2014, and shall not be questioned on the ground that it fails to comply with any special requirements specified for such instruments.
- (f) Each Debenture Holder entitled to vote at a meeting of the Debenture Holders of the Company on any resolution to be moved thereat shall be entitled during the period beginning twenty four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 (three) days' notice in writing of the intention so to inspect is given to the Company.
- (g) 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 Debenture in respect of which the proxy is given provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.
- (h) On a poll taken at any meeting of the Debenture Holders, a Debenture Holder entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not if he votes, use all his votes or cast in the same way all the votes he uses.

13. **Scrutiny of Poll**

- (a) When a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him.
- (b) The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and to fill vacancies in the office of scrutineer arising from such removal or from any other cause.
- (c) Of the two scrutineers appointed under this paragraph, one shall always be a Debenture Holder (not being an officer or employee of the Company) present at the meeting, provided such a Debenture Holder is available and willing to be appointed.

14. Result of Poll

- (a) Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken.
- (b) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

15. Joint Holders

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

16. Adjournment

The Chairman of a meeting of the Debenture Holders may, with the consent of the meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

17. Chairman's vote

In the case of equality of votes, whether on a show of hands, or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled to as a Debenture Holder.

18. Transacting of Business

The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

19. Determination by Chairman

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.

20. Powers of Debenture Holders and Exercise Thereof

(a) **General**

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

- (a) power to sanction re-conveyance and release, substitution or exchange of all or any part of the Hypothecated Assets from all or any part of the principal monies and interest owing upon the Debentures;
- (b) power to sanction any compromise or arrangement proposed to be made between the Company and the Debenture Holders;
- (c) power to sanction any modification, alteration or abrogation of any of the rights of the Debenture Holders against the Company or the Hypothecated Assets whether such right shall arise under the Deed or Debentures or otherwise;
- (d) power to assent to any scheme for reconstruction or amalgamation of or by the Company whether by sale or transfer of assets under any power in the Company's memorandum of association or otherwise under the Act or provisions of any Applicable Law;
- (e) power to assent to any modification of the provisions contained in the Deed and to authorise the Debenture Trustee to concur in and execute any supplemental deed embodying any such modification;
- (f) power to remove the existing Debenture Trustee and to appoint new trustee; and
- (g) 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.

(b) **Resolution of Debenture Holders**

- (i) The powers set out in this Schedule II (*Provisions for the Meetings of the Debenture Holders*) shall be exercisable by a Majority Resolution or a Special Resolution passed at a meeting of the Debenture Holders duly convened and held in accordance with provisions herein contained.
- (ii) A resolution, passed at a general meeting of the Debenture Holders duly convened and held in accordance with these presents shall be binding upon all the Debenture Holders, whether present or not at such meeting, and each of the Debenture Holders shall be bound to give effect thereto accordingly.
- (iii) The passing of any such resolutions shall be conclusive evidence that the circumstances justify the passing thereof, the intention being that it shall rest with the meeting to determine without appeal whether or not the circumstances justify the passing of such resolution.

(c) **Exercise of Powers without meeting**

Notwithstanding anything herein contained, it shall be competent to all the Debenture Holders to exercise the rights, powers and authorities of the Debenture Holders under the Deed by a letter or letters signed by or on behalf of the Majority Debenture Holders or the Special Majority Debenture Holders, as the case may be, without convening a meeting of the Debenture Holders as if such letter or letters constituted a Majority 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.

21. Written Consent of Debenture Holders

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

21A. SEBI Defaults (Procedure) Circular

- (a) If any meeting of the Debenture Holders is proposed to be conducted in respect of any matter prescribed in the SEBI Defaults (Procedure) Circular, the provisions of this paragraph 21A shall apply.
- (b) Any notice for a meeting in respect of the SEBI Defaults (Procedure) Circular shall contain the details prescribed in the SEBI Defaults (Procedure) Circular, including without limitation, the negative consent for proceeding with the enforcement of security, positive consent for signing the inter-creditor agreement, the time period within which the consent needs to be provided, and the date of meeting to be convened.
- (c) The provisions of this Schedule II (*Provisions for the Meetings of the Debenture Holders*) (applicable to meetings of the Debenture Holders) shall apply in respect of any meeting that is conducted under this paragraph 21A.
- (d) Any action of the Debenture Trustee in respect of the occurrence of an Event of Default and the application of the SEBI Defaults (Procedure) Circular shall be in accordance with the decision of the Debenture Holders taken at any meeting convened in accordance with this paragraph 21A, subject to the exceptions (if any) set out in the SEBI Defaults (Procedure) Circular.

- (e) For the purposes of a meeting convened in accordance with this paragraph 21A, in accordance with the SEBI Defaults (Procedure) Circular, all decisions shall require the consent of 75% (seventy five percent) of the Debenture Holders (by value) and 60% (sixty percent) of the Debenture Holders (by number).

22. Minutes

- (a) Minutes of all resolutions and proceedings at every such meeting as aforesaid shall be made and duly entered into books from time to time provided for the purpose by the Debenture Trustee at the expense of the Company.
- (b) Any such minutes as aforesaid, if purported to be signed by the chairman of the meeting at which such resolutions were passed or proceeding held or by the chairman of the adjourned meeting shall be conclusive evidence of the matters therein contained and until the contrary is proved every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed thereat or proceedings taken, to have been duly passed and taken.

**SCHEDULE III
INTEREST PAYMENT AND REDEMPTION SCHEDULE**

PART A

REDEMPTION SCHEDULE (WHERE CALL OPTION IS EXERCISED BY THE COMPANY ON THE INITIAL CALL OPTION PAYMENT DATE)

REDEMPTION DATE	PRINCIPAL AMOUNTS TO BE REDEEMED (IN INR)	INTEREST AMOUNTS (IN INR)**	REDEMPTION PAYMENT (IN INR) <i>(being the aggregate of the Outstanding Principal Amounts and the Interest Amounts)</i>
Initial Call Option Payment Date	15,00,00,000	2,32,41,655	17,32,41,655

*** The determination of the Interest Amounts under this Schedule III Part A assumes that the Reference Index Performance is greater than -80% (minus eighty percent). The determination of the amounts payable/this redemption schedule is provided for illustrative purposes only and does not present all possible outcomes or describe all factors that may affect the interest amounts payable to the Debenture Holders.*

PART B

REDEMPTION SCHEDULE (WHERE CALL OPTION IS NOT EXERCISED BY THE COMPANY ON THE INITIAL CALL OPTION PAYMENT DATE)

REDEMPTION DATE	PRINCIPAL AMOUNTS TO BE REDEEMED (IN INR)	INTEREST AMOUNTS (IN INR)**	REDEMPTION PAYMENT (IN INR) <i>(being the aggregate of the Outstanding Principal Amounts and the Interest Amounts)</i>
Final Redemption Date	15,00,00,000	4,57,95,938	19,57,95,938

*** The determination of the Interest Amounts under this Schedule III Part B assumes the occurrence of a Credit Event (including by way of, inter alia, non-exercise of the Call Option as on the Initial Call Option Date) and applicability of an Annualised Interest Rate of 14.25% (fourteen decimal two five percent) (XIRR), which will be ascertained/calculated/applied with effect from and commencing from the Deemed Date of Allotment.*

This Schedule III (*Interest Payment and Redemption Schedule*) may be updated by the Debenture Trustee pursuant to Clause 8.2 (*Accelerated Redemption (SPV Trustee)*) and/or Clause 11.1(j) (*Revised Repayment Schedule*) read with Clause 19.10 (*Amendments*) of this Deed (including where a Call Option is not exercised by the Company). The Company will be required to make payments in accordance with such modified schedule of payments from time to time.

**SCHEDULE IV
ACCOUNT DETAILS**

NAME OF BENEFICIARY	Dhanvarsha Finvest Limited
BANK NAME	State Bank of India
BRANCH	S. V. Road, Malad (West, Mumbai – 400 064, Maharashtra
BANK ACCOUNT NO	40064624109
IFSC CODE	SBIN0004760

SCHEDULE V
ELIGIBILITY CRITERIA

The Client Loans assigned by the Company to the SPV Trust pursuant Clause 6.2A (*Maintenance of Pool Cover*) above must comply with the following criteria:

- (a) Each Client Loan must be originated by the Company and must be classified as a "gold loan", secured by gold jewelry/gold ornaments.
- (b) Each Client Loan must be unencumbered (other than the Security Interest created/proposed to be created under Transaction Documents), and should not have been previously sold or assigned by the Company.
- (c) Each Client Loan must have been originated by the Company in compliance with the extant "know your customer" norms specified by the RBI.
- (d) Each Client Loan should be classified as "current", and should not have any overdues at the time of assignment.
- (e) No Client Loan should have been terminated or prepaid.
- (f) Each Client Loan must have a maturity date that is at least 1 (one) month prior to the Final Redemption Date.
- (g) The Client Loans with an original maturity of more than 12 (twelve) months should not constitute more than 20% (twenty percent) of the aggregate Client Loans assigned by the Company pursuant to the Transaction Documents.
- (h) The maximum principal amounts sanctioned/disbursed under any Client Loan is INR 10,00,000 (Indian Rupees Ten Lakh). Where amounts in excess of INR 10,00,000 (Indian Rupees Ten Lakh) have been disbursed under a Client Loan, amounts only up to INR 10,00,000 (Indian Rupees Ten Lakh) will be considered for the purposes of ascertaining the Pool Cover.
- (i) The minimum IRR at the time of disbursement in respect of each Client Loan must be 15% (fifteen percent).
- (j) The weighted average IRR at the time of disbursement in respect of the Client Loans is at least 19% (nineteen percent).
- (k) The "loan-to-value" in respect of each Client Loan should be less than or equal to 75% (seventy five percent).
- (l) No more than 1% (one percent) of the aggregate principal amounts outstanding in respect of the Loans comprising the Assigned Assets should be attributable to a single Obligor.

**SCHEDULE VI
FORM OF CONFIRMATION**

[On the letterhead of the Debenture Trustee]

FROM:
CATALYST TRUSTEESHIP LIMITED ("Debenture Trustee")
GDA House, Plot No. 85, Bhusari Colony
Paud Road, Pune, Maharashtra - 411038

TO:
CATALYST TRUSTEESHIP LIMITED ("SPV Trustee")
810, 8th Floor, Kailash Building, 26
Kasturba Gandhi Marg, New Delhi - 110001, India

TO:
DHANVARSHA FINVEST LIMITED ("Company")
[]

CC:
[Name of the Debentures Holder(s)]
[Address of the Debentures Holder(s)]

Date: []

Dear Sir/Ma'am,

RE: 1,50,000 (one lakh fifty thousand) rated, secured, senior, transferable, listed, redeemable, principal protected market linked non-convertible debentures denominated in Indian Rupees ("**INR**") each having a face value of INR 1,000 (Indian Rupees One Thousand) aggregating to a face value of INR 15,00,00,000 (Indian Rupees Fifteen Crore) ("**Debentures**") issued by the Company pursuant to the debenture trust deed dated [] ("**DTD**") executed between the Company and the Debenture Trustee

1. Pursuant to Clause 11.2 (*Credit Events*) of the DTD, a Credit Event (as defined in the DTD) has occurred as on [] ("**Credit Event Date**"), and each of the Company and the SPV Trustee are required to take such steps and actions as are prescribed under the DTD (including Clause 11.1 (*Consequences and Remedies of a Credit Event*) of the DTD) and the other Transaction Documents.
2. In view of the occurrence of a Credit Event, please note that, on and from the Credit Event Date:
 - (a) the SPV Guarantee stands invoked in accordance with the terms of the SPV Guarantee;
 - (b) the SPV Trustee is required to make all payments in accordance with Clause 2.6A (*Designated Account and Payment Mechanism*) of the DTD and the SPV Guarantee in respect of the obligations of the Company under the DTD and the other Debenture Documents; and

- (c) the SPV Trustee and the Company are required to take all other steps and actions as are prescribed under the Cover Pool Documents and/or as are required by the Debenture Trustee/Debenture Holders.
- 3. Capitalised terms used herein have the meanings given to them under the DTD.
- 4. This confirmation letter is a Debenture Document and a Cover Pool Document.

Yours faithfully,

For and on behalf of

CATALYST TRUSTEESHIP LIMITED

the withinnamed Debenture Trustee

SCHEDULE VII
LISTING AND MONITORING REQUIREMENTS

1. Monitoring

The Company will provide all such assistance to the Debenture Trustee as may be required by it, to carry out the necessary due diligence and monitor the asset cover in the manner as may be specified by SEBI from time to time. In this regard, in accordance with the SEBI's circular bearing reference number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/23 dated November 12, 2020 on "*Monitoring and Disclosures by Debenture Trustee(s)*", the Company undertakes and agrees to provide all relevant documents/information, as applicable, to enable the Debenture Trustee to submit the following reports/certifications to BSE in accordance with the SEBI Monitoring Circular:

- (a) an asset cover certificate on a quarterly basis, within 60 (sixty) days from each Quarterly Date in the format prescribed in the SEBI Monitoring Circular;
- (b) (to the extent applicable) a statement of the value of the pledged securities on a quarterly basis, within 60 (sixty) days from each Quarterly Date;
- (c) (to the extent applicable) a statement of the value of the debt service reserve account or any other form of security offered on a quarterly basis, within 60 (sixty) days from each Quarterly date;
- (d) (to the extent applicable) a net worth certificate of the guarantor who has provided a personal guarantee in respect of the Debentures on a half yearly basis, within 60 (sixty) days from the end of each financial half-year;
- (e) (to the extent applicable) the financials/value of guarantor prepared on the basis of audited financial statement etc. of the guarantor who has provided a corporate guarantee in respect of the Debentures on an annual basis, within 75 (seventy five) days from the end of each Financial Year; and
- (f) (to the extent applicable) the valuation report and title search report for the immovable/movable assets, as applicable, on an annual basis, within 75 (seventy five) days from the end of each Financial Year.

2. Recovery Expense Fund

- (a) The Company hereby undertakes and confirms that it shall, within the time period prescribed under the SEBI Recovery Expense Fund Circular, establish, maintain and utilize the Recovery Expense Fund in such manner/mode as is prescribed under the SEBI Recovery Expense Fund Circular, to enable the Debenture Trustee to take prompt action in relation to the enforcement of the security under the Transaction Documents.
- (b) The Company shall deposit cash or cash equivalents including bank guarantees towards the contribution to Recovery Expense Fund with the designated stock exchange and submit relevant documents evidencing the same to the Debenture Trustee from time to time.

- (c) The Company shall ensure that any bank guarantees provided in respect of the Recovery Expense Fund remain valid for a period of 6 (six) months following the maturity date of the Debentures. The Company shall keep the bank guarantees in force and renew the bank guarantees at least 7 (seven) working days before its expiry, failing which the designated stock exchange may invoke such bank guarantee.
- (d) On the occurrence of any Event of Default, the Debenture Trustee shall obtain the consent of Debenture Holders for enforcement of security and shall inform the designated stock exchange of such occurrence and the obtaining of any consent in respect thereof (if any). The amount lying in the Recovery Expense Fund may be released to the Debenture Trustee within such time period and such manner as may be prescribed under the SEBI Recovery Expense Fund Circular. The Debenture Trustee shall keep a proper account of all expenses incurred out of the funds received from Recovery Expense Fund towards enforcement of the security under the Transaction Documents.
- (e) The amounts in the Recovery Expense Fund shall be refunded to the Company on repayment/redemption of the Debentures, following which a "no objection certificate" shall be issued by the Debenture Trustee(s) to the designated stock exchange. The Debenture Trustee shall ensure that there is no default on any other listed debt securities of the Company before issuing such "no objection certificate".

3. Filings; Compliance with BSE Requirements

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

- (a) while submitting half yearly/annual financial results in accordance with Regulation 52 of the LODR Regulations, the Company shall file with the BSE for dissemination, along with a noting certificate of the Debenture Trustee, containing, *inter alia*, the following information:
 - (1) credit rating (and any change thereto);
 - (2) asset cover;
 - (3) debt to equity ratio accompanied with a certificate of a practicing chartered accountant confirming such debt to equity ratio;
 - (4) previous Due Date for the payment of interest/principal and whether the same has been paid or not;
 - (5) next Due Date for the payment of interest/principal;
 - (6) debt service coverage ratio (if required);
 - (7) interest service coverage ratio (if required);
 - (8) outstanding redeemable preference shares (quantity and value);
 - (9) debenture redemption reserve;

- (10) net worth;
 - (11) net profit after tax; and
 - (12) earnings per share;
- (b) in accordance with Regulation 52 of the LODR Regulations, the Company shall file with the BSE the prescribed statements, financial statements and noting certificate of the Debenture Trustee within the timelines prescribed therein;
- (c) in accordance with Regulation 56 of the LODR Regulations, the Company shall submit the following to the Debenture Trustee:
- (1) a copy of the annual report at the same time as it is issued and a copy of the certificate from the Company's auditors in respect of utilisation of funds raised by the issue of the Debentures, at the same time or at the end of each Financial Year until such funds have been fully utilized or the purpose for which such funds were intended has been achieved;
 - (2) a copy of all notices, resolutions and circulars relating to any new issue of non-convertible debt securities (at the same time as they are sent to shareholders/holders of non-convertible debt securities), the meetings of holders of non-convertible debt securities (at the same time as they are sent to the holders of non-convertible debt securities or advertised in the media including those relating to proceedings of the meetings);
 - (3) intimations regarding any revision in the rating or any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities issued by the Company or any failure to create charge on the assets;
 - (4) a half-yearly certificate regarding maintenance of 100% (one hundred percent) asset cover, or asset cover as per the terms of the Debenture Documents, including compliance with all the covenants, in respect of listed non-convertible debt securities, by the statutory auditor, along with the half-yearly financial results; and
 - (5) a copy of the statement, if any filed with the BSE in compliance of Regulation 52(7) of the LODR Regulations indicating material deviations, if any, in the use of funds raised by the issue of the Debentures from the object stated in the Information Memorandum; and
- (d) in accordance with Regulation 58 of the LODR Regulations, the Company shall furnish the following to the Debenture Holders in the manner prescribed therein:
- (1) physical copies of full annual reports to those Debenture Holders who request the same;
 - (2) notice of all meetings of the Debenture Holders specifically stating that the provisions for appointment of proxy in accordance with Section 105 of the

Companies Act, 2013 shall be applicable for such meeting; and

- (3) proxy forms for the Debenture Holders clearly providing the Debenture Holders to vote for each resolution in such a manner that they may vote either for or against each resolution;
- (e) it will submit to the Debenture Trustee, on a half yearly basis, a certificate from the statutory auditor of the Company giving the value of receivables/book debts including compliance with the covenants set out in the Information Memorandum in such manner as may be specified by SEBI from time to time; and
- (f) it will provide all necessary assistance and cooperation to, and permit the Structurer to conduct periodical checks, verifications, due diligence and other inspections (at such frequency and within such timelines as may be determined by the Structurer) in respect of the books and accounts of the Company and the Hypothecated Assets. In this respect, the Structurer is authorized by the Debenture Trustee to perform the aforementioned checks, verifications and due diligences.

4. **Due Diligence**

- (a) The Company acknowledges, understands, and confirms that:
 - (i) the Debenture Trustee shall carry out due diligence on continuous basis to ensure compliance by the Company, with the provisions of the Act, the LODR Regulations, the Debt Listing Regulations, the Debenture Trustees Regulations, the listing agreement of the stock exchange(s) where the Debentures are listed, the Transaction Documents, and any other regulations issued by SEBI pertaining to the Issue;
 - (ii) for the purposes of carrying out the due diligence as required in terms of the SEBI Listed Debenture Circulars, the Debenture Trustee, either through itself or its agents, advisors, consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors, valuers, consultants, lawyers, technical experts, management consultants appointed by the Debenture Trustee; and
 - (iii) the Debenture Trustee may at any time through its authorized representatives and agents, inspect books of account, records, registers of Company and the trust property (as set out in this Deed) to the extent necessary for discharging its obligations. The Company shall provide full and unimpeded access to the records, registers and books of accounts and facilitate in the inspection and due diligence process. Any fees, costs expenses incurred in conducting such inspection/due diligence process shall be fully borne by the Company. In the event, any fees, costs expenses are borne by the Debenture Trustee, the above shall be reimbursed forthwith by the Company upon request.
- (b) The Company shall submit documents/ information as the Debenture Trustee may require to conduct continuous and periodical due diligence and monitoring of Security

created/assets on which security interest/ charge is created, which shall inter alia include:

- (i) periodical status/ performance reports from the Company within seven days of the relevant board meeting of the Company or within 45 (forty five) days of the respective quarter, whichever is earlier;
 - (ii) details with respect to defaults, if any, with regard to payment of interest or redemption of Debentures;
 - (iii) details with respect to the implementation of the conditions regarding creation of the Transaction Security for the Debentures, debenture redemption reserve and Recovery Expense Fund;
 - (iv) details with respect to the assets of the Company and of the guarantors (if any) (including the Guarantors) to ensure that they are sufficient to discharge the interest and principal amount at all times and that such assets are free from any other encumbrances except those which are specifically agreed to by the Debenture Holders;
 - (v) reports on the utilization of funds raised by the issue of Debentures;
 - (vi) details with respect to conversion or redemption of the Debentures;
 - (vii) (to the extent applicable) details with respect to dispatch of the debenture certificates and interest warrants, credit of the debentures in the demat account of the Debenture Holders and payment of monies upon redemption of Debentures to the Debenture Holders due to them within the stipulated time period in accordance with the Applicable Law;
 - (viii) (to the extent applicable) reports from the lead bank regarding the progress of the project relating to the proceeds of the Issue;
 - (ix) details regarding monitoring of utilisation of funds raised in the issue of the Debentures;
 - (x) (to the extent applicable) certificate from the statutory auditors of the Company (i) in respect of utilisation of funds during the implementation period of the project relating to the proceeds of the Issue, and (ii) in the case of Debentures issued for financing working capital, at the end of each accounting year; and
 - (xi) such other documents or information as may be required by the Debenture Trustee in accordance with the Applicable Law.
- (c) Without prejudice to any other provision of this Deed and the other Transaction Documents, the Company shall:
- (i) provide such documents/information and assistance to the Debenture Trustee as may be required by the Debenture Trustee to carry out the

necessary due diligence and monitor the asset cover on a quarterly basis in the manner as may be specified by SEBI from time to time;

- (ii) submit a certificate from the statutory auditor on a half-yearly basis, giving the value of receivables/book debts, and maintenance of asset cover in accordance with the terms of the Debt Disclosure Documents and the other Transaction Documents including compliance with the covenants of the Debt Disclosure Documents and the other Transaction Documents in the manner as may be specified by SEBI from time to time;
- (iii) the Company shall submit the following reports/certification to the Debenture Trustee within the timelines mentioned below:

Reports/Certificates	Timelines for submission requirements to the Debenture Trustee	Timeline for submission of reports/certifications by Debenture Trustee
Asset cover Certificate	Quarterly basis within 30 days from end of each quarter or within such timelines as prescribed under Applicable Law	Quarterly basis within 60 days from end of each quarter or within such timelines as prescribed under Applicable Law
A statement of value of pledged securities		
A statement of value for Debt Service Reserve Account or any other form of security offered		
Net worth certificate of guarantor (secured by way of personal guarantee)	Half yearly basis within 30 days from end of each half-year or within such timelines as prescribed under Applicable Law	Half yearly basis within 60 days from end of each half-year or within such timelines as prescribed under Applicable Law.
Financials/value of guarantor prepared on basis of audited financial statement etc. of the guarantor (secured by way of corporate guarantee)	Annual basis within 45 days from end of each financial year or within such timelines as prescribed under Applicable Law.	Annual basis within 75 days from end of each financial year or within such timelines as prescribed under Applicable Law.
Valuation report and title search report for the immovable/movable assets, as applicable		

5. Forensic Audit

In case of initiation of forensic audit (by whatever name called) in respect of the Company, the Company shall provide following information and make requisite disclosures to the stock exchanges:

- (a) the details of initiation of forensic audit along-with name of entity initiating the audit

and reasons for such forensic audit, if available; and

- (b) the final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the Company along with comments of the management of the Company, if any.

6. Others

- (a) The Company shall ensure due compliance and adherence to the SEBI Listed Debenture Circulars in letter and spirit.
- (b) To the extent applicable and required in terms of the SEBI Defaults (Procedure) Circular, the Debenture Trustee shall execute an "inter creditor agreement" in the manner prescribed under the SEBI Defaults (Procedure) Circular.
- (c) To the extent required/applicable, the Company shall provide intimation to the Debenture Trustee regarding (i) any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities issued by the Company, and (ii) all covenants of the issue (including side letters, event of default provisions/clauses etc.).
- (d) The Company shall promptly disclose and furnish to the Debenture Trustee, all documents/ information about or in relation to the Company or the Debentures, as requested by the Debenture Trustee to fulfil its obligations hereunder or to comply with any Applicable Law, including in relation to filing of its reports/ certification to stock exchange within the prescribed timelines.

SIGNED AND DELIVERED BY
CATALYST TRUSTEESHIP LIMITED
the within named **Debenture Trustee**
by its duly authorised signatory

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For CATALYST TRUSTEESHIP LIMITED



Authorised Signatory