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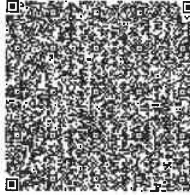
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Certificate Issued Date	: 13-Mar-2024 04:23 PM
Account Reference	: SELFPRINT (PU)/ dl-self/ NEHRU/ DL-DLH
Unique Doc. Reference	: SUBIN-DLDL-SELF76001873645484W
Purchased by	: KUSHAGRA GUPTA
Description of Document	: Article 5 General Agreement
Property Description	: DEBENTURE TRUST DEED
Consideration Price (Rs.)	: 0 (Zero)
First Party	: NAVI FINSERV LIMITED
Second Party	: CATALYST TRUSTEESHIP LIMITED
Stamp Duty Paid By	: NAVI FINSERV LIMITED
Stamp Duty Amount(Rs.)	: 300 (Three Hundred only)

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DATED MARCH 14, 2024

DEBENTURE TRUST DEED

BETWEEN

NAVI FINSERV LIMITED
as the Company

AND

CATALYST TRUSTEESHIP LIMITED
as the Debenture Trustee



cyril amarchand mangaldas
ahead of the curve

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DEBENTURE TRUST DEED

This debenture trust deed (“**Deed**”) is made at New Delhi, India on March 14, 2024 (but effective from Effective Date) between:

1. **NAVI FINSERV LIMITED** (formerly, *Navi Finserv Private Limited*), a company within the meaning of the Companies Act, 2013 (18 of 2013) with its corporate identity number U67190KA2012PLC062537 and having its registered office and corporate office at 2nd Floor, Vaishnavi Tech Square, Iballur Village, Begur Hobli, Bengaluru, Karnataka 560102, India (hereinafter called the “**Company**” or “**Issuer**” which expression shall include its successors and permitted assigns wherever the context or meaning shall so require or permit);

AND

2. **CATALYST TRUSTEESHIP LIMITED**, a company incorporated under Companies Act, 1956 and a company within the meaning of the Companies Act, 2013 (1 of 2013) with its corporate identity number U74999PN1997PLC110262 and having its registered office at GDA House, Plot No. 85, Bhusari Colony (Right) Kothrud, Pune 411 038 and acting through its office at 910-911, 9th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi 110 001 (hereinafter called the “**Trustee**” or “**Debenture Trustee**” which expression shall include its successors and assigns and the Trustees for the time being wherever the context or meaning shall so require or permit).

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

BACKGROUND:

- A. The Company is duly incorporated and validly existing under the laws of India and is, *inter alia*, engaged in various financial services businesses and is registered as a non-deposit taking non-banking financial company with the RBI. The details of the authorised, issued, subscribed and paid-up share capital of the Company as on December 31, 2023 is as under:

Particulars	Amount in (₹)
AUTHORISED SHARE CAPITAL	
600,000,000 Equity Shares of face value of ₹10 each	6,000,000,000
TOTAL	6,000,000,000
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	
285,240,353 Equity Shares of face value of ₹ 10 each	2,852,403,530
TOTAL	2,852,403,530
Securities Premium Account	16,570,243,678

- B. The Company proposes to issue secured, rated, listed, redeemable, non-convertible debentures of face value of INR 1000/- (Rupees Thousand Only) each (“**NCDs**”) for an amount of up to INR 3000,000,000/- (Rupees Three Thousand Million Only) with an

option to retain over subscription up to INR 3000,000,000/- (Rupees Three Thousand Million Only), aggregating to an amount of INR 6000,000,000/- (Rupees Six Thousand Million Only) (“**Issue Size**”) to the public through one or more tranches, within the borrowing limits stipulated under its corporate authorizations including its board and shareholders resolution, provisions of the Companies Act, 2013, and relevant rules, the rules and regulations formulated by Securities and Exchange Board of India (“**SEBI**”), Reserve Bank India (“**RBI**”) and other Applicable Law through public issue, in terms of the draft prospectus (“**Draft Prospectus**”) filed with the Stock Exchange(s) for the purpose of receiving public comments, and with the SEBI for record purposes, in accordance with the terms and conditions set out in the Draft Prospectus (the “**Issue**”) and to seek the listing of the NCDs on BSE Limited and/or National Stock Exchange of India Limited (the “**Stock Exchange**”), for the purpose of onward lending activities, financing and general corporate purposes, subject to applicable statutory and/or regulatory requirements and the prospectus (“**Prospectus**”) which the Company intends to file with the Registrar of Companies, Karnataka at Bengaluru (“**ROC**”), Stock Exchanges, and SEBI, setting out the principal terms under which the NCDs are proposed to be issued. The Draft Prospectus and the Prospectus shall collectively be referred to as the “**Offer Documents**”.

- C. The Company is duly empowered by its memorandum of association and its articles of association and the board of directors of the Company (“**Board**”) have, pursuant to a resolution August 10, 2022 read with the resolution of the Board dated January 19, 2024 , authorized the Issue, in accordance with Applicable Law. The Issue is within the overall borrowing limits of INR 100,000,000,000 (Rupees One Hundred Thousand Million only) which has been approved by the shareholders of the Company under Section 180(1)(c) of the Companies Act, vide resolution dated September 30, 2022. The Company, with the approval of its shareholders in terms of the resolution passed under Section 180(1)(a) of the Companies Act, in its annual general meeting held on September 30, 2022, has provided consent to the Board to create charge on security for the Issue of the NCDs and creation of such security are within the authority of the Board.
- D. The Company has issued the Offer Documents in accordance with the SEBI NCS Regulations and the SEBI NCS Master Circular (*as defined below*) which sets out the broad terms and conditions on which the NCDs (*as defined below*) are proposed to be issued.
- E. The Board has *vide* its resolution dated March 13, 2024 and in accordance with the terms of the Transaction Documents approved the allotment to the successful applicants of 5,249,349 (Five Million Two Hundred Forty-nine Thousand Three Hundred Forty-nine) NCDs having a face value of INR 1,000 (Rupees One Thousand only) each, aggregating to INR 5,249,349,000 (Rupees Five Thousand Two Hundred Forty-nine Million Three Hundred Forty-nine Thousand only).
- F. The NCDs have been/will be issued in dematerialized form and are subject to the provisions of the Depositories Act, 1996 and the rules notified by the National Securities Depository Limited (“**NSDL**”) and Central Depository Services Limited (“**CDSL**”) from time to time. The Company has entered into agreement dated April 25, 2022 with NSDL and agreement dated April 27, 2022 with CDSL for issuing the NCDs in the dematerialized form.

- G. The Company has obtained a credit rating for the NCDs from the Rating Agency, which has affirmed a rating of “CRISIL A/Stable”, to the Issue pursuant to its letter dated January 15, 2024 (“**Rating**”).
- H. The NCDs are proposed to be listed on the debt market segments of the Stock Exchanges (*as defined below*) within the timelines prescribed under the SEBI Listing Timelines Requirements (*as defined below*).
- I. The Debenture Trustee is registered with the SEBI as a debenture trustee under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (as amended, modified or restated from time to time, the “**SEBI Debenture Trustees Regulations**”). The Debenture Trustee and the Company have executed a debenture trustee agreement dated January 25, 2024 (“**Debenture Trustee Agreement**”) 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 NCD Holder(s) for purposes set out therein. Pursuant to the consent letter dated January 24, 2024 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 NCD Holder(s) (*as defined below*) from time to time, and each of their successors and assigns.
- J. The Company shall at all times, in consultation with the Debenture Trustee, ensure that it maintains a security cover amounting to a minimum of 110 % (one hundred and ten per cent) of the Outstanding NCD Amounts (*as defined below*), at any point of time till the Final Settlement Date.
- K. The Company undertakes that the proceeds of the Issue shall be kept in the Public Issue Account (*as defined below*), opened for the purpose, until the Security Documents (*as defined below*) are executed.
- L. One of the terms of the Issue is that the Outstanding NCD Amounts at all times, will be, *inter alia*, secured by way of a first ranking exclusive and continuing charge over the Hypothecated Assets (*as defined below*), in favour of the Debenture Trustee (acting on behalf of and for the benefit of the NCD Holder(s)) on or prior to the Deemed Date of Allotment (*as defined below*).
- M. Under the Debenture Trustee Agreement, the parties have also agreed to execute a debenture trust deed in compliance with the provisions of the Companies Act to record the terms and conditions of the Issue, the appointment of the Debenture Trustee, and the Company’s obligations in respect of the NCDs (including without limitation, the redemption of the NCDs and payment of interest, all costs and expenses thereof).
- N. The Debenture Trustee shall be bound by the duties as stated in the Debenture Trustee Agreement and as per the provisions of the Companies Act and other Applicable Law.
- O. 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 SEBI NCS Regulations, SEBI NCS Master Circular, SEBI Debenture Trustees Regulations and SEBI Master Circular for Debenture Trustees. 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 other miscellaneous provisions in relation to the NCDs.

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) “**Abridged Prospectus**” shall have the meaning ascribed to the term in the Prospectus.
- (2) “**Act**” or “**Companies Act**” means the Companies Act, 2013 (to the extent notified and effective) or Companies Act, 1956 (to the extent applicable), as may be amended from time to time and shall include any statutory amendment or re-enactment or modification thereof from time to time including but not limited to the rules, circulars or orders issued thereunder.
- (3) “**Additional Security**” shall have the meaning ascribed to such term in Clause 6.4.1 (*Additional Security*).
- (4) “**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 for the relevant fiscal period/year and includes the Indian Accounting Standards (IND-AS) and the generally accepted accounting principles in India (Indian GAAP).
- (5) “**Applicable Law**” shall mean any applicable law, statute, by-law, rule, regulation, guideline, circular, order, notification, regulatory policy (including any requirement under, or notice of, any regulatory body), listing agreement with the Stock Exchanges, rule, order or decree of any court, any arbitral authority or any authority or directive, delegated or subordinate legislation in any applicable jurisdiction, inside or outside India, including any applicable securities law in any relevant jurisdiction, including the Securities and Exchange Board of India Act 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities Contracts (Regulation) Rules, 1957, as amended, the Companies Act, the SEBI NCS Regulations, the SEBI NCS Master Circular, the SEBI Master Circular for Debenture Trustees, the SEBI LODR Regulations, the SEBI LODR Master Circular, and rules and regulations thereunder, and the guidelines, instructions, rules, communications, circulars and regulations issued by any Governmental Authority including the RBI.
- (6) “**Applicant**” means a person who has submitted a completed Application Form to the Company.
- (7) “**Application Form**” shall have the meaning ascribed to the term in the Offer Documents.
- (8) “**Application Money**” means the subscription amounts paid by the NCD

Holders at the time of submitting the Application Form.

- (9) “**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.
- (10) “**Beneficial Owners**” means the holders of the NCDs in dematerialised form whose names are recorded as such with the Depository(ies) in the Register of Beneficial Owners.
- (11) “**Board**” has the meaning ascribed to such term in Recital C above.
- (12) “**BSE**” means BSE Limited.
- (13) “**Business Day**” or “**Working Day**” means: (i) all days on which commercial banks in Mumbai are open for business; (ii) in respect of announcement or bid/issue period, all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (iii) in respect of the time period between the bid/issue closing date and the listing of the NCDs on the Stock Exchanges, all trading days of the Stock Exchanges for NCDs, excluding Saturdays, Sundays and bank holidays, as specified by SEBI.
- (14) “**Capital Adequacy Ratio**” means the capital adequacy ratio determined in accordance with the NBFC Directions.
- (15) “**CDSL**” has the meaning ascribed to it in Recital F above.
- (16) “**CERSAI**” means the Central Registry of Securitisation Asset Reconstruction and Security Interest of India.
- (17) “**Conditions Precedent**” means the conditions precedent set out in Schedule I Part A (*Conditions Precedent*).
- (18) “**Conditions Subsequent**” means the conditions subsequent set out in Schedule I Part B (*Conditions Subsequent*).
- (19) “**Consortium Agreement**” shall have the meaning ascribed to the term in the Offer Documents.
- (20) “**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.
- (21) “**Debenture Trustee Agreement**” has the meaning ascribed to it in Recital K above.
- (22) “**Debt**” shall mean aggregate of:
 - (a) all outstanding long-term borrowings (whether secured or unsecured);
 - (b) all contingent liabilities pertaining to corporate and financial guarantees given on behalf of any company, special purpose vehicle, any subsidiary

or affiliate to the extent of the amounts outstanding in respect of such guaranteed debt;

- (c) all outstanding short-term debt borrowings (whether secured or unsecured), availed of in lieu of any long-term debt or by way of bridge financing for a long-term debt;
- (d) all amounts raised by acceptance under any acceptance credit facility;
- (e) all receivables sold or discounted (other than receivables that are sold on a non-recourse basis);
- (f) any obligation under any put option, any shortfall/liquidity support undertaking, any debt service reserve account undertaking, any keep fit letter(s), any letter of comfort issued in favour of any person(s); and
- (g) all amounts raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing,

but shall not include any cash-in-hand and/or any amounts available in the bank accounts of the Company.

- (23) “**Deed of Hypothecation**” has the meaning ascribed to it in Clause 6.1(a) (*Security*).
- (24) “**Deemed Date of Allotment**” means the date on which the Board or a committee approved by the Board approves the allotment of the NCDs for the Issue, in accordance with Applicable Law.
- (25) “**Depositories**” means the depositories with which the Company has made arrangements for dematerialising the NCDs, being NSDL and CDSL, and “**Depository**” shall mean any one of them.
- (26) “**Designated Stock Exchange**” has the meaning ascribed to it in Clause 9 (b) (*Listing of NCDs*).
- (27) “**DRR**” has the meaning ascribed to it in Clause 2.13(a) (*Debenture Redemption Reserve*).
- (28) “**Due Date**” means the date on which any principal amounts, interest, any additional interest, default interest, any liquidated damages, any premature redemption amount and/or any other amounts payable, are due and payable, including but not limited to the Redemption Dates, or any other date on which any payment is to be made by the Company under the Transaction Documents.
- (29) “**Effective Date**” shall mean March 13, 2024.
- (30) “**Equity**” means the means paid up equity share capital of the Company along with securities premium and free reserves excluding revaluation reserve.
- (31) “**Event of Default**” means the event(s) set out in Clause 12.5 (*Events of*

Default).

- (32) “**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 NCD Holders.
- (33) “**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 dematerialized 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 mark-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.
- (34) “**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.

- (35) “**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 organization, established under any Applicable Law.
- (36) “**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.
- (37) “**Hypothecated Assets**” has the meaning given to it in Clause 6.1(a) (*Security*).
- (38) “**Identified Book Debts**” shall mean all principal amounts and interest (including coupon, premium and/or any default / penal interest) owing to or to be received by the Company (including all the accrued Identified Book Debts, both present and future, whether such monies receivable are retained in any of the accounts of the Company or otherwise), in relation to the following loans that have been disbursed or to be disbursed by the Company, in its capacity as a lender, along with all benefit, rights, interest, claims and demands of the Company in, to or in respect of all the aforesaid amounts:
- (a) loans existing as on date, the details of which are provided to the Debenture Trustee on the Effective Date; and
 - (b) loans disbursed and outstanding as on a particular date (as applicable and as more particularly identified by the Company to the Debenture Trustee from time to time),
- such that at all times the aggregate of (a) and (b) shall at least be equal to or greater than the Security Cover.
- (39) “**INR**” means Indian National Rupee.
- (40) “**Interest Payment Dates**” shall have the meaning ascribed to the term in the Offer Documents.
- (41) “**Interest Rate**” shall have the meaning ascribed to the term in the Offer Documents.
- (42) “**Issue**” has the meaning ascribed to it in Recital B above.
- (43) “**Lead Manager**” means **JM FINANCIAL LIMITED**, a company incorporated under the Companies Act, 1956, as amended, and validly existing under the Companies Act, 2013, as amended with corporate identification number L67120MH1986PLC038784 and having its registered office at 7th Floor, Energy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025.
- (44) “**Listing Period**” has the meaning given to it in Clause 9(a) (*Listing of NCDs*).
- (45) “**Majority NCD Holders**” means such number of NCD Holders collectively holding more than 50% (fifty percent) of the value of the then Outstanding Principal Amounts of the NCDs. Provided that following the occurrence of a

“default” (for the purposes of the SEBI Defaults Procedure Requirements) which is continuing, if so required by Applicable Law, for the purposes of enforcement of any security, the term “Majority NCDs Holders” shall be determined in accordance with the provisions of the SEBI Defaults Procedure Requirements.

- (46) “**Majority Resolution**” means a resolution approved by the Majority NCD Holders who are present and voting or if a poll is demanded, by the Majority NCD Holders who are present and voting in such poll.
- (47) “**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 cause a material and adverse effect (in the opinion of Debenture Trustee, acting on/with Majority NCDs Holders’ instructions / approval) 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 NCD Holders hereunder or under any other Transaction Documents;
 - (c) the ability of the Company to perform its obligations under the Transaction Documents or affects the validity of the transaction;
 - (d) legality or validity or enforceability of, or the effectiveness or ranking of any Transaction Security granted or purporting to be granted pursuant to any of, the Security Documents; or
 - (e) the legality, validity or enforceability of any of the Transaction Documents.
- (48) “**NBFC Directions**” means the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 read with the circulars issued by RBI for non-banking financial companies including 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*”, each as amended, modified or restated from time to time.
- (49) “**NCDs**” has the meaning ascribed to it in Recital B above.
- (50) “**NCD Holders**” shall mean the persons who, for the time being and from time to time are the holders of NCDs as also beneficial owners of NCDs where the NCDs are issued in electronic (dematerialised) form, and whose names appear in the Register of NCD Holders or the list of Beneficial Owner(s)/Register of Beneficial Owners prepared, held and given by the Depository, and “**NCD Holder**” means each such person and includes their respective successors/transferees and assigns.
- (51) “**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.

- (52) “**Net Worth**” has the meaning ascribed to it in the Companies Act.
- (53) “**New Debenture Trustee**” has the meaning ascribed to it in Clause 4.11 (b) (*Retirement and Removal of Debenture Trustee*).
- (54) “**Nominee Director**” has the meaning ascribed to the term in Clause 4.8 (a) (*Nominee Director*).
- (55) “**Non-Performing Assets**” mean the assets classified as “non-performing assets” in accordance with the NBFC Directions.
- (56) “**NSDL**” has the meaning ascribed to it in Recital F above.
- (57) “**NSE**” means the National Stock Exchange of India Limited.
- (58) “**Outstanding Amounts**” means, at any date, the Outstanding Principal Amounts together with any interest, additional interest, costs, fees, charges, and other amounts accrued and/ or payable by the Company in respect of the NCDs.
- (59) “**Outstanding NCD Amounts**” means, at any date, the Outstanding Principal Amounts together with all interest due and payable on the NCDs.
- (60) “**Outstanding Principal Amounts**” means, at any date, the principal amounts outstanding under the NCDs.
- (61) “**Payment Default**” means the occurrence of the Event of Default set out in Clause 12.5(a) (*Payment Defaults*).
- (62) “**Potential Event of Default**” means any event or circumstance which would, with notice, lapse of time, the making of a determination or any combination thereof, become an Event of Default;
- (63) “**Promoter Group**” has the meaning ascribed to it in the SEBI NCS Regulations.
- (64) “**Promoters**” has the meaning ascribed to it in the SEBI NCS Regulations.
- (65) “**Public Issue Account**” shall have the meaning ascribed to the term in Offer Documents.
- (66) “**Public Issue Account and Sponsor Bank Agreement**” shall have the meaning ascribed to the term in the Offer Documents.
- (67) “**Purpose**” has the meaning ascribed to it in Clause 5 (*Purpose*).
- (68) “**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.

- (69) “**Rating**” has the meaning ascribed to it in Recital G.
- (70) “**Rating Agency**” means CRISIL Ratings Limited.
- (71) “**RBI**” means the Reserve Bank of India.
- (72) “**Record Date**” means the record date for payment of interest in connection with the NCDs or redemption of the NCDs, which shall be 15 (fifteen) Business Days prior to the Interest Payment Date, and/or Redemption Date for NCDs issued under the Offer Documents. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the Record Date and the Redemption Date. In case the Record Date falls on a day when the Stock Exchange are having a trading holiday, the immediate subsequent trading day or a date notified by the Company to the Stock Exchanges, will be deemed as the Record Date.
- (73) “**Recovery Expense Fund**” means a fund which would be deposited by the Company with the Designated Stock Exchange for an amount equal to 0.01% (zero point zero one percent) of the issue size, subject to a maximum of deposit of INR 2,500,000 (Rupees Two Million and Five Hundred Thousand Only) at the time of making the application for listing of NCDs in accordance with the provisions of SEBI NCS Regulations and the SEBI Recovery Expense Fund Requirements.
- (74) “**Redemption Amount**” shall mean, in respect of NCDs allotted to a NCD Holder, repayment of the face value of such NCDs along with interest that may have accrued as on the Redemption Date and as specified in the Offer Documents.
- (75) “**Redemption Dates**” shall mean each date on which the NCDs are required to be redeemed as specified in the Offer Documents.
- (76) “**Register of Beneficial Owners**” means the register of beneficial owners of the NCDs maintained in the records of the Depositories.
- (77) “**Register of NCD Holders**” means the register of NCD Holders maintained by the Company in accordance with Section 88 of the Companies Act.
- (78) “**Registrar**” means the registrar and transfer agent appointed for the issue of NCDs, being Link Intime India Private Limited.
- (79) “**Registrar Agreement**” shall have the meaning ascribed to the term in the Offer Documents.
- (80) “**ROC**” has the meaning ascribed to it in Recital B above.
- (81) “**SEBI**” has the meaning ascribed to it in Recital B above.
- (82) “**SEBI Debenture Trustees Regulations**” has the meaning ascribed to it in Recital I above.
- (83) “**SEBI Defaults Procedure Requirements**” means the requirements in respect of default prescribed in Chapter X (*Breach of Covenants, Defaults and*

Remedies) of the SEBI Master Circular for Debenture Trustees.

- (84) “**SEBI Due Diligence Requirements**” means the requirements in respect of due diligence to be carried out by the debenture trustee at the time of creation of security prescribed in Chapter II (*Due Diligence by Debenture Trustees*) and Chapter VI (*Periodical/Continuous Monitoring by Debenture Trustee*) of the SEBI Master Circular for Debenture Trustees.
- (85) “**SEBI Listed NCDs Circulars**” means, collectively the SEBI NCS Master Circular, the SEBI Master Circular for Debenture Trustees, the SEBI LODR Regulations and the SEBI LODR Master Circular (to the extent applicable).
- (86) “**SEBI Listing Timelines Requirements**” means the requirements in respect of the timelines for listing of debt securities issued by way of a public issue prescribed in Paragraph 12 of Chapter I (*Application process in case of public issues of securities and timelines for listing*) of the SEBI NCS Master Circular.
- (87) “**SEBI LODR Regulations**” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, modified or restated from time to time.
- (88) “**SEBI LODR Master Circular**” means the master circular issued by SEBI bearing the reference number SEBI/HO/DDHS/PoD1/P/CIR/2023/108 dated July 29, 2022 on “*Master Circular for Listing Obligations and Disclosure Requirements for Non-convertible Securities, Securitised Debt Instruments and Commercial Paper*”, as amended, modified, or restated from time to time.
- (89) “**SEBI Master Circular for Debenture Trustees**” means the circular issued by SEBI bearing reference number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023 on “*Master Circular for Debenture Trustees*”, as amended, modified or re-stated from time to time.
- (90) “**SEBI Monitoring Requirements**” means the requirements in respect of periodical monitoring by the debenture trustee prescribed in Chapter VI (*Periodical/Continuous Monitoring by Debenture Trustees*) of the SEBI Master Circular for Debenture Trustees.
- (91) “**SEBI NCS Master Circular**” means the circular issued by SEBI bearing the reference number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 on “*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*”, as amended, modified, or restated from time to time.
- (92) “**SEBI NCS Regulations**” means the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, modified or restated from time to time.
- (93) “**SEBI Recovery Expense Fund Requirements**” means the requirements in respect of recovery expense fund prescribed in Chapter IV (*Recovery Expenses Fund*) of the SEBI Master Circular for Debenture Trustees.

- (94) “**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 NCD Holders or the Debenture Trustee under the Transaction Documents in respect of the NCDs, including without limitation, the making of payment of any interest, redemption of principal amounts, the default interest, additional interest, liquidated damages, indemnity payments and all costs, charges, expenses and other amounts payable by the Company in respect of the NCDs.
- (95) “**Security Cover**” has the meaning ascribed to it in Clause 6.1(b) (*Security*).
- (96) “**Security Cover Testing Date**” shall mean the last calendar day of each quarter in a Financial Year, i.e. 30th June, 30th September, 31st December and 31st March, on which the Security Cover will be tested by the Company;
- (97) “**Security Documents**” shall mean the Deed of Hypothecation and all such documents as may be required for creating and perfecting the Security Interest as may be required to be created in terms of the Transaction Documents, in favour of the Debenture Trustee for the benefit of the NCD Holders (and their successors and assigns from time to time);
- (98) “**Security Interest**” shall mean a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.
- (99) “**Special Majority NCD Holders**” means such number of NCD Holders collectively holding more than 75% (seventy five percent) of the value of the then Outstanding Principal Amounts of the NCDs. Provided that following the occurrence of a “default” (for the purposes of the SEBI Defaults Procedure Requirements which is continuing, if so required by Applicable Law, for the purposes of enforcement of any security), the term “Special Majority NCDs Holders” shall be determined in accordance with the provisions of the SEBI Defaults Procedure Requirements. For sake of clarity, it is clarified that the Special Majority NCD Holders shall be determined under each respective ISIN.
- (100) “**Special Resolution**” means resolution approved by the Special Majority NCD Holders who are present and voting or if a poll is demanded, by the Special Majority NCD Holders who are present and voting in such poll.
- (101) “**Stock Exchanges**” means, collectively, NSE and BSE, and “**Stock Exchange**” shall be construed accordingly.
- (102) “**Stressed Assets Framework**” means, as applicable, 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” or the RBI’s Circular No. DoS.CO.PPG.SEC.7/11.01.005/2021-22 dated December 14, 2021 on “Prompt Corrective Action (PCA) Framework for Non-Banking Financial Companies (NBFCs)”, as amended, modified or restated from time to time.
- (103) “**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.

- (104) “**Tax Deduction**” means a deduction or withholding for or on account of Tax from a payment under a Transaction Document pursuant to Applicable Law.
- (105) “**Tier I Capital**” has the meaning ascribed to it in the NBFC Directions.
- (106) “**Tier II Capital**” has the meaning ascribed to it in the NBFC Directions.
- (107) “**Transaction Documents**” means the documents executed and/or to be executed in relation to the Issue in relation to the NCDs, as amended from time to time, including but not limited to:
 - (a) this Deed;
 - (b) the Debenture Trustee Agreement;
 - (c) the Security Documents;
 - (d) the Offer Documents read with all notices, corrigenda, addenda thereto (if any);
 - (e) the Abridged Prospectus;
 - (f) the Issue Agreement;
 - (g) the Registrar Agreement;
 - (h) the Consortium Agreement;
 - (i) the Public Issue Account and Sponsor Bank Agreement;
 - (j) the Application Form;
 - (k) the letters issued by the, and each memorandum of understanding/agreement entered into with, the Rating Agency, the Debenture Trustee and/or the Registrar;
 - (l) each Tripartite Agreement; and
 - (m) any other document that may be designated as a Transaction Document by the Debenture Trustee,

and “**Transaction Document**” means any of them.

- (108) “**Transaction Security**” has the meaning ascribed to it in Clause 6.1(a) (*Security*).
- (109) “**Tripartite Agreement**” means (i) the tripartite agreement dated April 25, 2022

entered into between the Company, Link Intime India Private Limited and NSDL; and (ii) the tripartite agreement dated April 27, 2022 entered into between the Company, Link Intime India Private Limited and CDSL.

- (110) “**Trust**” has the meaning ascribed to it in Clause 2.8(b) (*Debenture Trustee for the NCD Holders*).

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, authorized, any governmental agency or other entity or authorized (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 authorized 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 Offer 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 Transaction Documents to the Debenture Trustee taking any actions, exercising any powers or rights, executing any documents or instrument or providing any confirmations shall be interpreted at all times as acting on the prior written instructions of the Majority NCD Holders.
 - (r) All references in this Deed and other Transaction Documents to the determination or discretion or opinion to be exercised, in relation to the happening or non-happening of any event or exercise of any rights, would mean, at the determination or discretion or opinion of the NCD Holders (in accordance with a Majority Resolution) or of the Debenture Trustee (in accordance the instructions of the Majority NCD Holders or a Majority Resolution passed by NCD Holders) and such determination shall be final and binding upon the Company.

- (s) All references in this Deed and any other Transaction Documents to the Debenture Trustee taking any step, and/or performing any action shall, in the absence of anything to the contrary, mean the Debenture Trustee acting upon the instructions of the Majority NCD Holders (or a Majority Resolution passed by NCD Holders).
- (t) 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 Majority NCD Holders).
- (u) The terms and conditions contained in Part A of this Deed and Part B 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 Offer Documents, the other Transaction Documents and any other agreement entered into among the Company, the NCD Holders, and/or the Debenture Trustee.
- (b) In case of any inconsistency between the provisions contained in this Deed or those of the Offer Documents or any other Transaction Document, the provisions contained in this Deed shall prevail.

PART A – GENERAL AND STATUTORY TERMS

2. AMOUNT; TERMS OF NCDS

The terms of this Deed shall be binding on the Company, the Debenture Trustee, the NCD 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.

The NCDs are being issued and allotted to the NCD Holders, on public issue basis, in dematerialized form for cash at par in terms of this Deed and other Transaction Documents. The Company shall utilize the monies received from the subscription of the NCDs solely towards the Purpose.

2.1 Amount of NCDs

- (a) ***NCDs***
 - (i) Pursuant to the Offer Documents issued by the Company, the Company will offer to the public, the NCDs.
 - (ii) For the Purpose and at the request of the Company, the successful Applicants in respect of the NCDs (“**NCD Holders**”) have agreed to subscribe to the NCDs by way of public issue, on the terms and conditions contained in the Offer Documents. The details of the NCDs

will be provided by the Company to the Debenture Trustee on the Deemed Date of Allotment. Further, the details of the initial NCD Holders and the NCDs subscribed by them shall be more particularly set out in the return of allotment filed by the Company with the ROC pursuant to Rule 12 of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

- (iii) Each NCD is a secured, senior and fully paid up debt instrument.
- (iv) Each of the NCDs constitute direct, secured, senior and unconditional obligations of the Company (without any preference *inter se* whatsoever on account of date of issue or allotment or otherwise).

(b) ***Security***

The NCDs shall be secured pursuant to the security created by the Company under the Deed of Hypothecation, which is an exclusive, continuing and first ranking security created solely for the benefit of the NCD Holders by way of hypothecation of Identified Book Debts of the Company, with Security Cover of at least 110% (one hundred and ten percent) on the Outstanding Amounts, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Deed of Hypothecation and maintained at all times until the Final Settlement Date.

(c) ***Conditions Precedent and Conditions Subsequent***

- (i) The Conditions Precedent, Conditions Subsequent and other financial covenants and conditions specified in this Deed, shall be binding on the Company and the NCD Holders and all persons claiming by, through or under any of them and shall enure to the benefit of the Debenture Trustee and all persons claiming by, through or under them. The Debenture Trustee shall be entitled to enforce the obligations of the Company under or pursuant to the Conditions Precedent, Conditions Subsequent and other financial covenants and conditions specified in this Deed as if the same were set out and contained in these presents.
- (ii) The subscription to the NCDs by the NCD 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 Trustee unless specifically waived or modified in writing by the Majority NCD Holders.
- (iii) The Company further undertakes to fulfil the Conditions Subsequent to the satisfaction of the Debenture Trustee within the timelines prescribed therein.

(d) ***Covenant to Pay***

- (i) The Company covenants with the Debenture Trustee that it shall pay to the NCD Holders the principal amount of the NCDs on the Redemption Dates and shall also pay the interest (inclusive of penal interest where

applicable) at the applicable Interest Rate in respect of the NCDs on the relevant Due Date(s), and shall also pay all other amounts due in respect of the NCDs 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 Transaction Documents to the respective NCD Holders in proportion to their dues.

Provided that if so called upon by the Debenture Trustee, upon the occurrence of an Event of Default, the Company shall make payments as aforesaid to or to the order of or for the account of the Debenture Trustee and such payment shall be deemed to be in satisfaction of the aforesaid covenant of the Company to make such payments to the NCD Holders. Such payments shall be passed on to the NCD Holders, subject to appropriation in the order of preference mentioned in Clause 2.11 (*Transfer of NCDs*) of this Deed.

- a. The Company shall, at all times until the Secured Obligations have been duly discharged, maintain a bank account bearing no. 50200092257738 with HDFC Bank having its branch at Municipal no. 8/24, Richmond Road, Corporate Division no. 61, Richmond Road, Bangalore, Karnataka 560 025 (“**Account Bank**”), from which it shall pay the Redemption Amount and the outstanding interest. The Company agrees and acknowledges that it shall inform the Debenture Trustee within 1 (one) Business Day of any change in the Account Bank details.
- (ii) A duly executed pre-authorization letter from the Company to the Account Bank is annexed herewith in Part A of Schedule III (*Account Bank and Account Details*) and a duly accepted consent letter from the Account Bank is annexed herewith in Part B of Schedule III (*Account Bank and Account Details*). Further, in case of change of Account Bank, the Debenture Trustee shall accept such change only upon submission of a pre-authorization letter issued by the Company and a duly accepted consent letter from the successor/new account bank, both in formats substantially similar to the letters annexed in Schedule III (*Account Bank and Account Details*).
- (iii) The Company further acknowledges, and agrees, that the Debenture Trustee is authorized to seek redemption payment related details and information from the Account Bank in terms of the extant SEBI regulations. The Company shall enter into suitable arrangements with the Account Bank in relation to redemption payment mechanics and details and provide evidence of having entered into such arrangements to the Debenture Trustee. Further, in case of change of the Account Bank, the Debenture Trustee shall accept such change only upon submission of such documents as mutually agreed between the Company and the Debenture Trustee.

2.2 Form of the NCDs

- (a) The NCDs, shall be issued: (i) by crediting the demat accounts of the NCD

Holders; (ii) by following the procedure stipulated for issuance of the NCDs in demat form, as more particularly described in Part – “B” of the Schedule V (*Procedure to be followed for NCDs issued in electronic (Dematerialized)/Demat Form*); and (iii) generally in compliance with the guidelines issued by the Depository.

- (b) The principal amount of the NCDs, together with interest due, if any, (inclusive of penal interest where applicable) and all other monies hereby secured shall, as between the NCD Holders, inter se rank *pari passu* without any preference or priority whatsoever on account of date of Issue or allotment or otherwise.
- (c) The NCD Holders will be entitled to their NCDs free from equities or cross claims by the Company against the original or any intermediate holders thereof.
- (d) The Company has entered into depository arrangements with the Depository for the Issue of the NCDs in dematerialized form. The NCD Holders who hold the NCDs in dematerialized form will deal with the same as per the provisions of the Depositories Act, 1996, the regulations thereunder and the rules and bye-laws of the Depository.

2.3 Face Value and Issue Price

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

2.4 Allotment of NCDs

- (a) The NCDs shall be allotted/deemed to be allotted to the NCD Holders on the Deemed Date of Allotment. All benefits relating to the NCDs are available to the NCD Holders from the Deemed Date of Allotment.
- (b) If the NCDs are not allotted to the Applicants and/or the Application Money is not unblocked within the time period prescribed by SEBI, the Company shall pay interest at the rate of 15 % (fifteen percent) per annum to the Applicants.

2.5 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 the relevant NCDs; or
- (b) repayment of Application Money within the time period prescribed by SEBI in case the Company is unable to allot the NCDs.

2.6 Minimum Subscription

- (a) In the event the minimum subscription in respect of the NCDs as set out in the Offer Documents is not received, the blocked Application Money shall be unblocked forthwith, and in any case, no later than 8 (eight) Business Days from

the “Issue Closing Date” set out in the Offer Documents or such other time period as may be prescribed by the SEBI.

- (b) If such Application Money is not unblocked within the time period set out in sub-Clause (a) above, the Company shall pay interest at the rate of 15 % (fifteen percent) per annum for the period of delay.
- (c) Without prejudice to sub-Clauses (a) and (b) above, if the minimum subscription in respect of the NCDs as set out in the Offer Documents is not received and the Application Money is not repaid within a period of 15 (fifteen) days from the “Issue Closing Date” set out in the Offer Documents, the directors of the Company who are officers in default shall jointly and severally be liable to repay such Application Money with interest at the rate of 15% (fifteen percent) per annum.

2.7 Oversubscription/Overall Limit

The NCDs do not exceed the Issue limit of INR 6000,000,000/- (Rupees Six Thousand Million only) as prescribed in the Offer Documents.

2.8 Debenture Trustee for the NCD Holders

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

Provided that before initiating any action or exercising any right or performing any duty under this Deed or any Transaction Documents, the Debenture Trustee shall only upon receipt of instructions/approval from the Majority NCD Holders initiate any action, exercise its rights, or perform its duties and obligations under each of the documents, agreements, instruments and certificates referred in these presents.

- (b) The Company hereby settles in trust with the Debenture Trustee the amount of INR 1000/- (Indian Rupees One Thousand only). The Debenture Trustee has

accepted the above amount of INR 1000/- (Indian Rupees One Thousand only) in trust declared and, subject to the terms and conditions in this Deed, agreed to act as trustee for the benefit of the NCD Holders in relation to all amounts received by it in respect of the NCD Holders (“**Trust**”).

- (c) The Debenture Trustee shall act as the trustee for the benefit and interest of the NCD Holders and their successors, transferees and subject to the terms and provisions of this Deed and the other Transaction Documents. The Debenture Trustee shall, at all times, exercise the authority, power and discretion granted to it under this Deed for the benefit and in the best interest of the NCD 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 NCD Holders and the Debenture Trustee under the Transaction Documents.
- (e) The Debenture Trustee shall hold the Transaction Security in Trust on behalf of and for the benefit of the NCD 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 shall apply such proceeds in accordance with Clause 2.9 (*Application of Payments*).
- (g) By signing the Application Form, the NCD Holders shall be deemed to have irrevocably given their consent to the Debenture Trustee or any of their agents or authorized officials to, *inter alia*, do all acts, deeds and things necessary to complete the issuance and allotment of the NCDs offered to the NCD Holders in terms of the Offer Documents, and to do any act or deed on their behalf in accordance with the provisions of the Transaction Documents.
- (h) The terms and conditions set out in the Offer Documents and this Deed shall be binding on the Company and any permitted assignees or successors under Applicable Law.

2.9 Application of Payments

Unless otherwise agreed to by the NCD 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 NCD Holders, or realised from the enforcement of the Transaction Security 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 NCD Holders;
- (c) *thirdly*, towards interest payable to the NCD Holders; and

- (d) *lastly*, towards redemption of the NCDs due and payable under this Deed.

If any amount whether redemption or interest, paid to the NCD Holders in respect of the NCDs is held to be void or set aside on the liquidation or winding up of the Company or otherwise, then for the purpose of this Deed such amount shall not be considered to have been paid.

2.10 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 NCD Holders shall be paid to the NCD Holders by electronic mode of transfer like RTGS/NEFT/direct credit to such bank account within India as the NCD Holders' inform the Company in writing and which details are available with the Registrar. Credit for all payments will be given only on realization.
- (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 Part C of Schedule III (*Account Bank and Account Details*) of this Deed. In relation to foregoing, the Company:
- (i) authorizes the Debenture Trustee to seek details/information from the bank specified in Part C of Schedule III (*Account Bank and Account Details*) in relation to the payment of the Outstanding 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.

2.11 Transfer of NCDs

- (a) The transfer and transmission of the NCDs shall be subject to the Depositories Act, 1996, the rules made thereunder, the bye-laws, rules and regulations of the Depositories (each as amended, modified or restated from time to time).
- (b) Subject to Clause 2.11(c) below, the NCDs shall be freely transferable and transmittable by the NCD Holder(s) in whole or in part without the prior consent of the Company.
- (c) The NCD Holder(s) shall also have the right to novate, transfer or assign its rights and/or the benefits under the Transaction Documents upon such transfer/transmission of the NCDs. The Company shall not assign any of the rights, duties or obligations under this Deed or in relation to the NCDs without the prior written consent of the Debenture Trustee (acting on the instructions of all the NCD Holder(s)).

2.12 Issuance of NCDs

- (a) The NCDs 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 Depositories for the issue of the NCDs in dematerialised form pursuant to the Tripartite Agreements between the Company, the relevant Depository and the Registrar.

- (b) The NCD Holders will hold the NCDs only in dematerialised form and deal with the NCDs in accordance with the provisions of the Depositories Act, 1996 and/or rules as notified by the Depositories from time to time.

2.13 Debenture Redemption Reserve

- (a) The Company shall not be required to create a debenture redemption reserve (“**DRR**”) for the purpose of redemption of the NCDs or in connection with the Issue as pursuant to the amendment to the Companies (Share Capital and Debentures) Rules, 2014, notified on August 16, 2019, the Company is not required to create DRR for the purpose of redemption of the NCDs.
- (b) If during the tenor of the NCDs, 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 in accordance with Applicable Law.
- (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 NCDs maturing in any Financial Year in the manner specified in detail in the Offer Documents.

2.14 Recovery Expense Fund

The Company has established a Recovery Expense Fund in the manner as specified by Chapter IV (*Recovery Expenses Fund*) of the SEBI Master Circular for Debenture Trustees as amended from time to time and Regulation 11 of the SEBI NCS Regulations with the Designated Stock Exchange and informed the Debenture Trustee regarding the creation of such fund. The Recovery Expense Fund may be utilized by Debenture Trustee, in the Event of Default by the Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security and/or to initiate legal proceedings in accordance with Applicable Law.

2.15 Surrender of NCDs on Payment

For payment to the NCD Holders in full discharge of all principal monies and interests due upon their NCDs, the Company shall make the payment of principal amount to the NCD Holders or to any subsequent transferee who is entitled to receive the payment on the relevant Due Date on receipt of the necessary corporate debit action from the NCD Holder.

2.16 Credit Rating

- (a) The NCDs are rated as “CRISIL A/Stable” by the Rating Agency. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.
- (b) The Company agrees that the credit rating shall be reviewed on an annual basis, by a credit rating agency registered by SEBI. Any revision in rating shall be promptly intimated to the Debenture Trustee.

3. GENERAL UNDERTAKINGS OF THE COMPANY

3.1 Filings

Pursuant to the provisions of the Companies 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 Offer Documents, the return of allotment (Form PAS 3), Form CHG-9, and (if so required under Applicable Law) with the ROC and/or SEBI, within the timelines stipulated under the Companies Act and the relevant rules thereunder, and any other Applicable Law including, the SEBI Monitoring Requirements set out in the SEBI Master Circular for Debenture Trustees.

3.2 Register of NCD Holders; Record Date

- (a) A Register of NCD Holders shall be maintained in accordance with Section 88 of the Companies Act. In case of dissolution/bankruptcy/insolvency/winding up of the NCD Holders, the NCDs 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.
- (b) The Register of NCD Holders/the Register of Beneficial Owners, shall be closed on the Record Date. In case the Record Date falls on a day when the Stock Exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by the Company to the Stock Exchanges, will be deemed as the Record Date.
- (c) It is hereby clarified that the trading in the NCDs shall remain suspended between the Record Date in connection with redemption of NCDs and the on the relevant Redemption Dates or as prescribed by the Stock Exchanges, as the case may be.

3.3 Future Borrowings

The Company shall be entitled to make further issue of secured or unsecured debentures and/or raise term loans or raise further funds from time to time from any persons, banks, financial institutions or bodies corporate or any other agency by creating a charge on any Assets: (a) subject to such consents and approvals and other conditions, as may be required under Applicable Law or existing financing agreements, including any intimation, if applicable under the Transaction Documents; and (b) provided the

stipulated Security Cover for the Issue is maintained and compliance with other terms of the Transaction Documents.

3.4 Ranking

- (a) Each NCD constitutes direct, senior and secured obligations of the Company.
- (b) The claims of the NCD Holders shall rank senior to the claims of the Tier I Capital and Tier II Capital investors/lenders of the Company, and any unsecured or subordinated debt of the Company.
- (c) The payment obligations of the Company under the Transaction Documents shall be 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.
- (d) The NCDs shall rank *pari passu inter se* and the Company shall pay and discharge all its liabilities to the NCD Holders under this Deed without preference or priority of one over the other.

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

4.1 Representations and Warranties of the Debenture Trustee

The Debenture Trustee hereby represents and warrants in favour of the Company and the NCD 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 Transaction 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 SEBI 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 Transaction 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 NCD Holders is true and correct and was/is not misleading whether by reason of omission to state a material fact or otherwise.
- (h) The Debenture Trustee:
 - (i) is not an associate of the Company;
 - (ii) does not beneficially hold shares in the Company;
 - (iii) is not a promoter, director or key managerial personnel or any other officer or an employee of the Company or its holding, subsidiary or associate company;
 - (iv) is not beneficially entitled to moneys which are to be paid by the Company otherwise than as remuneration payable to it in relation to the NCDs;
 - (v) is not indebted to the Company, or its subsidiary or its holding or associate company or a subsidiary of such holding company;
 - (vi) has not furnished any guarantee in respect of the principal debts secured by the NCDs or interest thereon;
 - (vii) does not have any pecuniary relationship with the Company amounting to 2% (two percent) or more of its gross turnover or total income or INR5,000,000/- (Rupees Five Million only) or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding Financial Years or during the current Financial Year;
 - (viii) is not a relative of any promoter or any person who is in the employment of the company as a director or key managerial personnel; and
 - (ix) is not likely to have conflict of interest in any other manner.

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 Transaction

Documents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Company or by the Debenture Trustee or otherwise. Any such advice, opinion or information and any communication passing between the Debenture Trustee and their representative or attorney or a Receiver appointed by them may be obtained or sent by letter, telegram, cablegram, telex or facsimile. Where the services of any independent professional are availed by the Debenture Trustee in relation to this Deed and other Transaction Documents, the responsibility for the independent professional shall vest with the Debenture Trustee in accordance with the SEBI Master Circular for Debenture Trustees;

- (b) subject to the approval of the NCD Holders by way of a Special Resolution passed at a meeting of the NCD 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;
- (c) with a view to facilitating any dealing under any provisions of this Deed or the other Transaction Documents, subject to the Debenture Trustee obtaining the consent of the Majority NCD 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 and each receiver, attorney, manager, agent or other person appointed by it shall, subject to the provisions of the Companies 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;
- (e) subject to the approval of the NCD Holder(s) by way of Special Resolution passed at a meeting of NCD 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 of its actions or deeds in relation to the Transaction Documents or 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 and undertakings 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 NCD Holder(s) or by a Majority Resolution duly passed at a meeting of the NCD Holders;
- (f) notwithstanding anything contained to the contrary in this Deed, the Debenture

Trustee shall, before taking any action on behalf of the NCD Holders or providing any consent on behalf of the NCD Holders, obtain the written consent of the Majority NCD Holders;

- (g) the Debenture Trustee shall forward to the NCD Holders copies of any information or documents received from the Company pursuant to this Deed within 2 (two) Business Days of receiving such information or document from the Company; and
- (h) the Debenture Trustee shall, until the Final Settlement Date, adhere to and comply with its obligations and responsibilities under the SEBI Defaults Procedure Requirements and the SEBI Recovery Expense Fund Requirements set out in the SEBI Master Circular for Debenture Trustees.

Provided that nothing contained in this Clause 4.2 (*General Rights, Powers and Discretions*) shall exempt the Debenture Trustee or any receiver, attorney, manager, agent or other person appointed by the Debenture Trustee which has the effect of: (i) limiting or extinguishing the obligations and liabilities of the Debenture Trustee or the Company in relation to any rights or interests of the NCD Holders; (ii) limiting or restricting or waiving the provisions of the Act, the SEBI NCS Regulations, SEBI NCS Master Circular and circulars or guidelines issued by SEBI; or (iii) 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, commission or omission, 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 (*Power of Debenture Trustee to Delegate*) 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 Transaction 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 Transaction 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 NCD 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 NCD 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 Transaction 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 SEBI Debenture Trustees Regulations, on the Board of the Company (hereinafter referred to as the "**Nominee Director**") upon the occurrence of any of the following:
 - (i) 2 (two) consecutive defaults in the payment of interest to the NCD Holders; or
 - (ii) any default in creation of security for the NCDs; or

- (iii) any default on the part of the Company in redemption of the NCDs.
- (b) The Company shall appoint the Nominee Director nominated by the Debenture Trustee in terms of clause (e) of sub-regulation (1) of regulation 15 of the SEBI Debenture Trustees Regulations as described in clause 4.8 (a) above, read with clause (6A) of Regulation 18 of the SEBI NCS Regulations, as a director on its Board of Directors at the earliest and not later than within 1 (one) month from the date of receipt of such nomination from the Debenture Trustee in accordance with the terms of SEBI NCS Regulations.
- (c) The Nominee Director shall not be liable to retire by rotation nor required to hold any qualification shares.
- (d) The Nominee Director shall be entitled to all the rights and privileges of other non-executive directors and the sitting fees (as may be mutually agreed), expenses as payable to other directors on the Board and any other fees, commission, monies or remuneration in any form payable to the non-executive directors, which shall be to the account of the Company.
- (e) The Nominee Director shall be entitled to receive all notices, agenda, etc. and to attend all general meetings of the shareholders of the Company, Board meetings and meetings of any committees of the Board.
- (f) The expenditure incurred in connection with the appointment or directorship (including the cost of attending any meetings) of the Nominee Director shall be borne by the Company.
- (g) If so required, the Company shall take all steps necessary to amend its articles of association, to give effect to this Clause 4.8 (*Nominee Director*).

4.9 Receipt by NCD Holders

The receipt by each NCD Holder, or if there are more than one holder(s) of any such NCDs, then the receipt by the first named NCD Holder or by the survivor(s)/nominee(s), if any, of the NCD Holder(s) of such NCDs of the principal and the interest amounts payable in respect of each of such NCDs, shall be a good discharge to the Debenture Trustee.

4.10 Persons dealing with the Debenture Trustee not put on enquiry

Any person(s) dealing with the Debenture Trustee and/or the receiver appointed by it or its 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; (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 amounts 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 Special Majority NCD 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 NCD Holders and such New Debenture Trustee accepts its appointment pursuant to this Clause 4.11 (*Retirement and Removal of Debenture Trustee*).

The Company shall, upon receipt of notice of resignation issued by the Debenture Trustee, take prompt steps to appoint another entity competent to act as trustee for the NCD Holders in place of the Debenture Trustee with the written consent of the NCD Holders by passing a Special Resolution to that effect. The Debenture Trustee shall continue to act as Debenture Trustee until a successor trustee is appointed.

(b) ***Removal***

- (i) The NCD 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 NCD 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 NCD 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.
- (iv) The Company shall appoint an entity registered as a debenture trustee with SEBI under the SEBI Debenture Trustees Regulations as the successor debenture trustee. Whenever there shall be more than two Debenture Trustees hereof, the majority of such Debenture Trustees shall be entitled to exercise the powers, authorities and discretions hereby vested in the Debenture Trustee.

(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 and the other Transaction Documents 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 March 09, 2023.

- (b) Subject to Clause 15 (*Fees and Costs*), the Company shall pay to the Debenture Trustee all legal, traveling and other costs, charges and expenses incurred by it, its officers, employees, agents in connection with the execution of the Transaction Documents, including costs, charges and expenses of and incidental to the approval and execution of this Deed and the other Transaction Documents and all other documents affecting the NCDs 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 in respect of the NCDs subject to compliance with Regulation 18(5) of the SEBI NCS Regulations.

4.13 Attorney

The Company hereby irrevocably appoints the Debenture Trustee to be the attorney of the Company in the name and on behalf of the Company to, in the event that the Company fails to make any payment due to the NCD Holders, execute, sign and do any deeds, documents, assurances, acts and things which shall in the opinion of the Debenture Trustee be necessary or expedient that the Company should execute, sign and do for the purpose of carrying out any of the trusts or obligations declared or imposed upon the Company by these presents or of giving to the NCD Holders or to the Debenture Trustee on their behalf the full benefit of any of the provisions of these presents and generally to use the name of the Company in the exercise of all or any of the powers hereby conferred upon the Debenture Trustee or any Receiver appointed by them.

PART B - COMMERCIAL AND TRANSACTION SPECIFIC TERMS

5. PURPOSE

- 5.1** The Company shall utilize the proceeds raised through the Issue, towards: (i) onward lending and financing; (ii) general corporate purposes of the Company; and (iii) issue related expenses.
- 5.2** The Company shall, after deducting the Issue related expenses to the extent payable by the Company (“**Net Proceeds**”) towards the following purposes (“**Purpose**”):
 - (a) At least 75% (seventy five percent) of the Net Proceeds, towards onward lending, financing and repayment of existing loans and borrowings of the Company; and
 - (b) Up to 25% (twenty five percent) of the Net Proceeds, towards the general corporate purposes of the Company.
- 5.3** The funds raised by the Issue shall be utilized 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) investment in the real estate sector/real estate business (including the acquisition/purchase of land);
- (c) any speculative purposes;
- (d) any purpose, that is not eligible for the providing of financing by banks to non-banking financial companies; and
- (e) in contravention of Applicable Law (including without limitation, any guidelines, rules or regulations of the RBI and SEBI).

6. SECURITY

6.1 Security

- (a) The NCDs shall be secured on or prior to the Deemed Date of Allotment by way of a first ranking exclusive and continuing charge to be created in favour of the Debenture Trustee 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**”) over Identified Book Debts (the “**Hypothecated Assets**”) (hereinafter referred to as the “**Transaction Security**”).
- (b) The Identified Book Debts shall, at all times until the Final Settlement Date, be at least 110% (one hundred and ten percent) of the value of the aggregate Outstanding Amounts (the “**Security Cover**”). Without prejudice to the foregoing, the Company hereby agrees and undertakes that it shall ensure and procure that the value of the Hypothecated Assets, shall at all times until the Final Settlement Date be at least equivalent to amounts required to discharge the Secured Obligations.
- (c) The value of the Hypothecated Assets for this purpose (for both initial and subsequent valuations) shall be the amount reflected as the value thereof in the books of accounts of the Company.
- (d) The Company shall create the charge 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 by ensuring and procuring that the Debenture Trustee files Form I with CERSAI in respect thereof within the time period prescribed under the Deed of Hypothecation.

6.2 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 Transaction Document (including the Deed 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 NCD Holders for the due repayment of the Secured

Obligations.

- (b) 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 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 Transaction Documents.

6.3 Further Charge

No charge or encumbrance other than the Security Interest created pursuant to the Transaction Documents can be created in respect of the Hypothecated Assets.

6.4 Additional Security

- 6.7 The Security Cover shall be tested on the Security Cover Testing Date, and in the event Security Cover is not met on the Security Cover Testing Date, the Company shall provide additional security in the form of additional Identified Book Debts (“**Additional Security**”) within 10 (ten) days of the Security Cover Testing Date and notify the Debenture Trustee in writing in accordance with the Security Documents, which notice shall include a description of such Assets being provided as Additional Security. Such notice shall always be accompanied with a written confirmation by a chartered accountant addressed to the Debenture Trustee that the Security Cover for the NCDs shall be reinstated, on providing such Additional Security. Provided however that if the Company for any reason is not able to create the Additional Security within 10 (ten) days of the Security Cover Testing Date as aforesaid and as a result of which the Security Cover for the NCDs has not been reinstated, then the Company shall make payment on proportionate basis to the NCD Holders and shall ensure that the Security Cover is reinstated.
- 6.7 The acknowledgment by the Debenture Trustee of such notice mentioned in Clause 6.4.1 above shall effectuate such addition of the Additional Security (mentioned in the said notice) to the Hypothecated Assets, without any further act, deed or writing and the charge in the nature of hypothecation shall ipso facto extend to the Additional Security. It is clarified that any Additional Security so provided under this Clause 6.4.2 will constitute and shall be deemed always to have constituted a part of the Hypothecated Assets. The description of the Assets comprising the Additional Security specified by the Company to the Debenture Trustee in its letter(s) addressed to the Debenture Trustee shall be deemed to be the description of the Assets which are to form part of the Hypothecated Assets pursuant to this Clause 6.4.2.
- 6.7 The Company shall bear all the costs and expenses in relation to providing any Additional Security under this Clause 6.4.3.

6.5 Continuing Nature of Transaction Security

The Transaction Security is a continuing Security Interest and shall remain in full force and effect from the Deemed Date of Allotment until the Final Settlement Date. The Company hereby undertakes that during the subsistence of the Transaction Security created by the Company in favour of the Debenture Trustee, the Company shall not do

or suffer to be done or be party or privy to any act, deed, matter or thing which may, in anywise prejudicially affect the Transaction Security and the rights created in favour of the Debenture Trustee.

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 Transaction 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 Transaction 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*

The NCD Holders shall be paid interest on Application Money in accordance with the provisions under the Offer Documents.

(b) *Interest on NCDs*

The interest shall accrue at Interest Rate and shall be payable by the Company to the NCD Holders in accordance with the provisions under the Offer Documents.

(c) *Tax Deduction*

(i) All payments to be made by the Company to the NCD Holders under the Transaction 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 Additional Interest

On the occurrence of an Event of Default (including a Payment Default), the Company agrees to pay additional interest at 2% (two percent) per annum over the relevant Interest Rate in respect of the relevant NCDs on the relevant Outstanding Principal Amounts from the date of the occurrence of the Event of Default until such Event of Default is cured or the relevant Secured Obligations are repaid, on each Interest Payment Date occurring during the aforementioned period.

8. REDEMPTION

- (a) **NCDs**
 - (i) Each NCD shall be fully redeemed on a *pari passu* basis by the Company by making the payment of the Outstanding Principal Amounts along with outstanding interest due on the date(s) as specified in the relevant Offer Document.
 - (ii) Without prejudice to anything contained in Clause 7 (*Interest; Additional Interest*) above and this Clause 8 (*Redemption*), the Company shall, on the final Redemption Date, promptly discharge all outstanding Secured Obligations.
- (b) Without the prior written consent of the Majority NCD Holders, the Company shall not redeem (or prematurely redeem) the NCDs in any manner other than in accordance with the terms of this Deed.
- (c) In case the Company fails for any reasons to utilize the proceeds for the Purpose, as specified in the Offer Documents, the NCD Holders will be entitled to rescind/avoid the contract on that ground and to call back the money, if any paid towards subscription of the NCDs.

9. LISTING OF NCDS

- (a) The Company shall submit all duly completed documents to the Stock Exchange(s), SEBI, the ROC or any other Governmental Authority, as are required under Applicable Law and obtain the listing of the NCDs within the timelines prescribed under the SEBI Listing Timelines Requirements (“**Listing**”).

Period”).

- (b) The Company shall ensure that the NCDs are listed on the debt market segments of the BSE and the NSE and continue to be listed on the Stock Exchange(s) until the Final Settlement Date. BSE shall be the designated stock exchange in respect of the NCDs (“**Designated Stock Exchange**”).
- (c) The Company has received an ‘in-principle’ approval from: (i) BSE by way of its letter bearing reference number DCS/BM/PI-BOND/028/23-24 dated February 5, 2024; and (ii) NSE by way of its letter bearing reference number NSE/LIST/D/2024/0057 dated February 6, 2024. The application for listing of the NCDs will be made to the Stock Exchanges at an appropriate stage.
- (d) The Company shall take all steps for making the listing application to the Stock Exchanges and shall receive approval from the Stock Exchanges for the listing of NCDs, within the timelines specified in the SEBI NCS Master Circular (“**Scheduled Listing Date**”). The Designated Stock Exchange shall list the NCDs only upon receipt of a due diligence certificate as per format specified by SEBI in the SEBI Master Circular for Debenture Trustees, from Debenture Trustee confirming creation of charge and execution of the Debenture Trust Deed.
- (e) In the event of failure to obtain the listing of the NCDs within the Scheduled Listing Date, the Application Money received or blocked, in relation to the Issue shall be refunded or unblocked forthwith within 2 (two) Business Days from Scheduled Listing Date to the Applicants through the permissible modes of making refunds and unblocking of funds.
- (f) In case of any delay in providing refund/unblocking of the Application Money beyond the timelines specified under sub-Clause (e) above, the Company shall pay interest at the rate of 15% (fifteen percent) per annum to the Applicants from the Scheduled Listing Date until the date of actual refund/unblocking of the Application Money.

10. SPECIFIED TERMS OF THE NCDs

The specific terms of the NCDs, subject to the terms of the Offer Documents in this regard shall be as follows:

Series	I*	II	III	IV	V
Frequency of Interest Payment	Monthly	Monthly	Annua l	Monthly	Annua l
Minimum Application	₹ 10,000 (10 NCDs) across all series				
In Multiples of thereafter (₹)	₹ 1,000 (1 NCD)				
Face Value/ Issue Price of NCDs (₹/ NCD)	₹ 1,000				
Tenor	18 Month s	27 Month s	27 Month s	36 Month s	36 Month s
Coupon (% per annum) for NCD Holders in all Categories	10.00 %	10.40 %	10.90 %	10.65 %	11.19 %

Effective Yield (% per annum) for NCD Holders in all Categories	10.47 %	10.91 %	10.94 %	11.19 %	11.19 %
Mode of Interest Payment	Through various modes available				
Redemption Amount (₹ / NCD) on Maturity for NCD Holders in all Categories	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000
Maturity/Redemption Date (from the Deemed Date of Allotment)	18 Months	27 Months	27 Months	36 Months	36 Months
Put and Call Option	Not Applicable				
Nature of Indebtedness	Secured				

**The Company shall allocate and allot Series I NCDs (Monthly option) wherein the Applicants have not indicated the choice of the relevant NCD Series*

11. REPRESENTATIONS, WARRANTIES, COVENANTS AND UNDERTAKINGS

11.1 Utilisation of Proceeds of the NCDs

- (a) The Company shall utilise the amounts received towards subscription of the NCDs for the Purpose and procure and furnish to the Debenture Trustee a certificate duly certified by the statutory auditor in respect of the utilization of funds raised by the issue of the NCDs.
- (b) The proceeds of the NCDs will be utilized solely for the Purpose and will not be utilised for any other purpose, as set out in Clause 5 (*Purpose*).

11.2 Representations and Warranties of the Company

The Company makes the representations and warranties set out in this Clause 11.2 (*Representations and Warranties of the Company*) to the Debenture Trustee for the benefit of the NCD Holders on the Effective Date, which representations shall be deemed to be repeated 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-deposit accepting systemically important non-banking financial company registered with the RBI and its only business is that of a non-banking financial company.
 - (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 Transaction 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 Transaction Documents do not and will not conflict with:

- (i) any Applicable Law or order, writ, injunction or decree of any court or Governmental Authority having jurisdiction over the Company;
- (ii) its Constitutional Documents; or
- (iii) any agreement or instrument binding upon it or any of its Assets, including but not limited to any terms and conditions of the existing Financial Indebtedness of the Company.

(d) ***No breach of financial covenants***

The entry into and performance by it of any obligations contemplated under the Transaction Documents do not and will not result in the breach of any financial covenants stipulated under any agreement or instrument binding upon it, including but not limited to any agreement or instrument relating to the existing Financial Indebtedness of the Company.

(e) ***Power and authority***

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

(f) ***Enforceability***

The Transaction Documents to which it is a party are valid and binding obligations of the Company and enforceable against it in accordance with their terms except as such enforceability may be limited by applicable bankruptcy, insolvency, re-organization, moratorium or similar laws affecting creditors' rights generally.

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

Except for consent of the Board and shareholders of the Company and other consents and approvals which are required to be obtained in accordance with the Transaction Documents, which consents and approvals have been obtained on or prior to the date of the relevant Transaction Documents, no consent is required from any Person or any Governmental Authority for the Company to undertake or agree the transactions and obligations contemplated in the Transaction Documents.

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

- (i) to enable it lawfully to enter into, exercise its rights and comply with its obligations under the Transaction Documents to which it is a party;

- (ii) to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation;
- (iii) to enable it to create the Transaction Security expressed to be created by it pursuant to the relevant Security Documents and to ensure that the Security Interest created has the priority and ranking it is expressed to have as of such date of creation;
- (iv) to enable it to avail additional indebtedness by issuance of the NCDs; and
- (v) for it to carry on its business,

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

(h) ***No default***

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

(i) ***Ranking***

The payment obligations of the Company under the Transaction 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.

(j) ***No proceedings pending***

Other than as set out in the Offer Documents, no litigation, arbitration, investigation, or administrative proceedings of or before any court, arbitral body or agency have been commenced or threatened against the Company or its Assets or revenues which would materially and adversely affect its ability to perform its obligations hereunder and the Transaction Documents to which it is a party and as far as the Company is aware there are no circumstances likely to give rise to such proceedings.

(k) ***No misleading information***

All information provided by the Company to the Debenture Trustee/NCD Holders is true and accurate in all respects as on the date it was provided or as on the date (if any) at which it is stated and is not misleading due to omission

of fact or otherwise.

No events have occurred which render a Transaction Document void or voidable, or repudiated or frustrated, for any reason whatsoever, including without limitation, by reason of default, fraud or misrepresentation.

There has been no material adverse change in the financial condition and/or operations of the Company since the date of the most recent audited financial statements.

Nothing which is mandated to be disclosed under the Transaction Documents or Applicable Law, has been omitted from any information provided by the Company to the Debenture Trustee and no information has been given or withheld that results in such information being untrue or misleading in any material respect.

(l) ***No misrepresentation***

The Company certifies that all information whether in writing, electronic form or otherwise or documents furnished to the Debenture Trustee in connection with the conduct of due diligence or preparation of the Offer Documents is true, correct and complete in all respects as on the date on which such information was provided, and is not false or misleading in any respect nor incomplete by omitting to state any fact necessary to make such information not misleading.

(m) ***Compliance***

- (i) The Company has complied with Applicable Law (including but not limited to taxation related laws for the Company to carry on its business, all directions issued by the RBI to non-banking financial companies).
- (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.
- (iii) No notice or other communication from any Governmental Authority has been issued or is outstanding or 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 Stock Exchange(s), CERSAI and the ROC and obtain all consents and approvals required for the completion of the Issue.

(n) ***Assets***

Except for the Security interests and encumbrances created and recorded with the ROC, the Company has, free from any Security Interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all material

Assets necessary for the conduct of its business as it is being, and is proposed to be, conducted. The Security Interest created pursuant to the Security Documents is exclusive, first ranking and shall at all times rank *pari passu inter se* among the NCD Holders and is in priority to the claims of all of its other secured and/or unsecured creditors.

(o) ***Financial statements***

- (i) Its audited financial statements most recently supplied to the Debenture Trustee as of March 31, 2023 and unaudited financial statements as of December 31, 2023 were prepared in accordance with Applicable Accounting Standards consistently applied save to the extent expressly disclosed in such financial statements.
- (ii) Its audited financial statements as of March 31, 2023 and unaudited financial statements as of December 31, 2023 provided to the Debenture Trustee, give a true and fair view and represent its financial condition and operations during the Financial Year.

(p) ***Solvency***

- (i) The Company is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts and it has not been deemed by a court to be unable to pay its debts for the purposes of Applicable Law, nor will it become unable to pay its debts for the purposes of Applicable Law as a consequence of entering into this Deed or any other Transaction Document.
- (ii) The Company, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling its Financial Indebtedness.
- (iii) The value of the Assets of the Company is more than its liabilities and it has sufficient capital to carry on its business.
- (iv) The Company has not received any written notice of the appointment of a receiver in respect of the Company (of which the Company has notice), or in respect of all or any of their Assets.
- (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 moratorium has been, or may, in the reasonably foreseeable future be, declared in respect of any indebtedness of the Company.
- (vii) No insolvency or bankruptcy process has commenced or has been initiated in respect of the Company and no steps have been taken or legal proceedings have been started or any notice received by the Company under Applicable Law (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).

- (viii) 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).

(q) ***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) All consents and approvals required by the Company from its creditors or any Governmental Authority or any other person in relation to the creation of security over the Hypothecated Assets have been obtained.
- (iii) The Transaction 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 NCD 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 and where applicable, has been created, duly perfected and registered so as to be in full force and effect in accordance with the terms thereof.
- (iv) There is no payment outstanding to any revenue department(s) such as income-tax, sales tax etc., which could directly or remotely constitute a charge/lien on the Hypothecated Assets or otherwise adversely prejudice or affect the transaction herein.
- (v) No power of attorney to deal with the Hypothecated Assets has been granted by the Company in favour of any third party.

(r) ***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 Transaction Documents or the issuance of the NCDs.

(s) ***Illegality***

It is not unlawful or illegal for the Company to perform any of its obligations under the Transaction Documents.

(t) ***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) 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;
- (ii) filing of the Offer Documents with SEBI/the relevant Stock Exchange(s);
- (iii) filing of Form CHG 9 with the ROC within the time period set out in the Deed of Hypothecation; and
- (iv) filing of Form I with CERSAI within the time period set out in the Deed of Hypothecation.

(u) ***Confirmations pursuant to the SEBI NCS Regulations***

With effect from the date of filing of the Draft Prospectus with the Stock Exchange(s), as on the date of filing of the draft Prospectus with the Stock Exchange(s) in accordance with the SEBI NCS Regulations:

- (i) the Company, the Promoter of the Company, the Promoter Group of the Company or the directors of the Company have not been debarred from accessing the securities market or dealing in securities by SEBI;
- (ii) no Promoter of the Company or director of the Company is a promoter or director of any another company which is debarred from accessing the securities market or dealing in securities by SEBI;
- (iii) the Company, the Promoter or any of its promoters or directors are not wilful defaulters;
- (iv) none of the Promoters or whole-time directors of the Company is a promoter or whole-time director of another company, which is a wilful defaulter;
- (v) no Promoter of the Company or director of the Company is a fugitive economic offender; and
- (vi) no fines or penalties levied by SEBI or any of the Stock Exchanges is pending to be paid by the Company.

(v) ***SCORES Authentication***

The Company has received the Securities and Exchange Board of India Complaints Redress System (SCORES) authentication prior to the Deemed Date of Allotment.

(w) ***Compliance with SEBI requirements for public issue***

- (i) The Lead Manager is not an associate of the Company as provided under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.
- (ii) The Company has not been in default of payment of interest or repayment of principal amounts in respect of any non-convertible securities issued by it.
- (iii) Without prejudice to (i) and (ii) above, the Company is in compliance with all provisions applicable to the public issuance of non-convertible debt securities, as prescribed under the SEBI NCS Regulations, the SEBI NCS Master Circular and the SEBI Master Circular for Debenture Trustees, and has provided all relevant document to the Lead Manager and/or the Debenture Trustee as required thereunder.

(x) ***Authorized Signatory***

Each Person specified as an authorized signatory of the Company in any Transaction Document to which it is a party or in any documents delivered to the Debenture Trustee, is subject to any notice to the contrary delivered to the Debenture Trustee, authorized to sign all documents and notices on behalf of the Company.

(y) ***Title***

The Company has good and marketable title to, or valid leases and licences of or is otherwise entitled to use, all material Assets necessary or desirable for it to carry on its business as it is being or is proposed to be conducted.

(z) ***No immunity***

The Company's Assets are not entitled to immunity from suit, execution, attachment or other legal process in India and the exercise of its rights and performance of and compliance with its obligations under this Deed and other Transaction Documents to which it is a party will constitute, private and commercial acts done and performed for private and commercial purposes.

The Company is not entitled for any immunity in respect of any legal proceedings that may be undertaken with respect to this Deed and the other Transaction Documents to which it is a party.

(aa) ***Approvals***

The Company hereby confirms that all approvals necessary under Applicable Law with respect to the business of the Company, have been taken by it and the same are valid and subsisting as at the date hereof. The issuance of the NCDs is in the ordinary course of business of the Company in accordance with the terms of the financing documents of the existing Financial Indebtedness of the Company and does not affect the rights of any lender or debenture trustee in relation to any existing Financial Indebtedness of the Company.

(bb) ***Consents***

The Company hereby confirms that all consents and approvals required to be obtained by the Company under Applicable Law in relation to the creation of security over the Hypothecated Assets and the issuance of NCDs have been obtained. The consent and/or clarification regarding the terms of the existing Financial Indebtedness documents provided by certain relevant lenders of the Company through emails have been provided by the authorized representatives of such lenders.

(cc) ***Defaulter's List***

The names of the Company and/ or its directors do not figure in any list of defaulters circulated by the RBI or any bank or financial institution nor do the names of its directors appear in caution list issued by RBI/Export Credit Guarantee Corporation/Director General of Foreign Trade etc.

11.3 Financial Covenants

(a) Until the Final Settlement Date, the Company shall:

- (i) maintain a standalone Net Worth of at least INR 9500,000,000 (Rupees Nine Thousand Five Hundred Million only);
- (ii) maintain a Capital Adequacy Ratio, which is 2% (two percent) higher than the Capital Adequacy Ratio as may be prescribed by the RBI from time to time;
- (iii) ensure that its Net NPA does not exceed 4% (four percent) of the net advances as of the last day of the relevant period;
- (iv) maintain a standalone debt equity ratio of A:B of not more than 5 (five) times, where A is the aggregate Debt of the Company (excluding any inter-corporate deposits availed by the Company from its holding company), and B is the Equity of the Company; and
- (v) Mr. Sachin Bansal to, directly or indirectly, at all times, until the Final Settlement Date, own a minimum of 51% (fifty-one per cent.) of the equity share capital of the Company (on a fully diluted basis).

(b) The financial covenants set out in this Clause 11.3 (*Financial Covenants*) shall be tested, until the Final Settlement Date, on a quarterly basis on the Quarterly Dates, on the basis of standalone financial statements of the Company. The first date of testing in respect of the covenants set out herein shall be March 31, 2024. The financial covenants set out in this Clause 11.3 (*Financial Covenants*) shall be certified within the time periods prescribed under and in accordance with Clause 11.4 (*Reporting Covenants*) below.

(c) The Debenture Trustee may approve any application for waiver of, or deviation from, any of the financial covenants set out under this Clause 11.3 (*Financial Covenants*), if Special Majority NCD Holders' do not vote against granting waiver 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.

- (d) The Company further covenants that it shall, now and until the Final Settlement Date, comply with the financial covenants stipulated under any agreement or instrument binding upon it, including but not limited to any agreement or instrument relating to the existing Financial Indebtedness of the Company.

11.4 Reporting Undertakings

- (a) The Company shall at the end of every calendar quarter within 45 (forty-five) days of the respective quarter or within 7 (seven) days of the relevant Board meeting whichever is earlier, submit to the Debenture Trustee a report confirming /certificate confirming the following:
 - (i) Updated list of names and addresses of all the NCD Holders and the number of NCDs held by the NCD Holders;
 - (ii) Details of interest due but unpaid, if any, and reasons for the same;
 - (iii) Details of payment of interest made on the NCDs in the immediately preceding calendar quarter;
 - (iv) The number of grievances pending at the beginning of the quarter, the number and nature of grievances received from the NCD Holders during the quarter, resolved/disposed of by the Company in the quarter and those remaining unresolved by the Company and the reasons for the same; and
 - (v) Statement that the Hypothecated Assets is sufficient to discharge the claims of the NCD Holders as and when they become due and as mentioned in the Security Cover certificate.
- (b) The Company shall promptly submit to the Debenture Trustee any information, as required by the Debenture Trustee including but not limited to the following:
 - (i) Upon complete utilisation of all proceeds of any Issue, a certificate from the statutory auditors confirming such complete utilization of such Issue proceeds, and until such complete utilisation, a certificate from an independent chartered accountant confirming status of utilization of funds on a quarterly basis;
 - (ii) by no later than 30 (thirty) days from the Deemed Date of Allotment or within such timelines as prescribed under Applicable Law, a certificate signed by an authorized officer of the Company confirming credit of dematerialized NCDs into the depository accounts of the NCD Holders within the timelines prescribed under the Applicable Laws;
 - (iii) at the end of every year from the Deemed Date of Allotment, a certificate from a practicing chartered accountant providing the security cover certificate, and a half-yearly certificate along with half yearly results

- from the statutory auditor regarding maintenance of hundred percent security cover or Security Cover as per the terms of Offer Documents and/or this Deed, including compliance with all the covenants and undertakings, in respect of listed non-convertible debt securities, by the statutory auditor, along with the half-yearly financial results;
- (iv) upon there being any change in the Rating assigned to the NCDs, promptly thereafter, a letter notifying the Debenture Trustee of such change in the credit rating of the NCDs, and further also inform the Debenture Trustee promptly in case there is any default in timely payment of interest or Redemption Amount or both, or there is a failure to create Security Interest on the Hypothecated Asset, or there is a breach of any covenants, undertakings, terms or conditions by the Company in relation to the NCDs under any Transaction Documents;
 - (v) a copy of all notices, resolutions and circulars relating to:
 - a. new issue of non-convertible debt securities at the same time as they are sent to shareholders/holders of non-convertible debt securities; and/or
 - b. 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.
 - (vi) intimation to the Debenture Trustee (along with the Stock Exchange) if any of the following proposals being placed before the Board, at least 11 (eleven) Business Days in advance:
 - a. any alteration in the form or nature or rights or privileges of the NCDs;
 - b. any alteration in the Due Dates on which interest on the NCDs or the Redemption Amount is payable; and/or
 - c. any other matter affecting the rights and interests of the NCD Holders is proposed to be considered.
 - (c) The Company shall promptly inform the Stock Exchanges and the Debenture Trustee all information having bearing on the performance/operation of the Company, any price sensitive information or any action that may affect the payment of interest or redemption of the NCDs in terms of Regulation 51(2) of the SEBI LODR Regulations.
 - (d) The Company shall give prior intimation to the Stock Exchanges with a copy to the Debenture Trustee at least 2 (two) Business Days in advance, excluding the date of the intimation and date of the meeting of the Board, about the Board meeting in which any of the following proposals is to be considered: (i) an alteration in the form or nature of the NCDs or in the rights or privileges of the NCD Holders; (ii) an alteration in the

Interest Payment Date or the Redemption Date; (iii) financial results, i.e., quarterly or annual, as the case may be; (iv) fund raising by way of further issuance of non-convertible securities; or (v) any matter affecting the rights or interests of NCD Holders.

- (e) The Company shall promptly inform the Debenture Trustee the status of payment (whether in part or full) of NCDs within 1 (one) Business Day of the payment/redemption. While intimating the Debenture Trustee, the Company shall also confirm whether they have informed the status of payment or otherwise to the Stock Exchanges and Depository.
- (f) Promptly within 1 (one) day of the interest or principal or both becoming due, the Company shall submit a certificate to the Stock Exchanges along with the Debenture Trustee, that it has made timely payment of interests or principal obligations or both in respect of the NCDs and also upload the information on its website.
- (g) If default in payment of NCDs is continuing, the Company shall inform the Debenture Trustee the updated status of payment latest by the 2nd (second) Business Day of April of each Financial Year, along with the intimation on the updated status of payment to the Stock Exchanges and the Depository. Further, the Company shall also intimate the development, if any, that impacts the status of default of the NCDs (including restructuring, insolvency proceedings, repayment, etc.) to the Stock Exchange, Depository and Debenture Trustee within 1 (one) Business Day of such development. The aforementioned intimations shall be submitted until the Secured Obligations are fully discharged or satisfied.
- (h) The Company shall promptly inform the Debenture Trustee the following details (if any):
 - a. resolution plan/restructuring in relation to the Financial Indebtedness of the Company, including the following details: (i) decision to initiate resolution of Financial Indebtedness; (ii) signing of inter-creditor agreement by lenders; (iii) finalization of resolution plan; (iv) implementation of resolution plan; and (v) salient features, not involving commercial secrets, of the resolution/restructuring plan as decided by the lenders;
 - b. fraud/defaults by promoter or key managerial personnel or by Company or arrest of key managerial personnel or promoter; and/or
 - c. reference to National Company Law Tribunal or insolvency petitions (if any) filed by any creditor of the Company.
- (i) The Company shall submit to the Stock Exchanges for dissemination, along with the quarterly/annual financial results, the following information and submit the financial statements to the Debenture Trustee on the same day:

- (a) Debt-equity ratio;
- (b) DRR;
- (c) Net Worth;
- (d) Net profit after tax;
- (e) earnings per share;
- (f) current ratio;
- (g) long term debt to working capital;
- (h) bad debts to account receivable ratio;
- (i) current liability ratio;
- (j) total debts to total assets;
- (k) debtors turnover;
- (l) inventory turnover;
- (m) operating margin (%);
- (n) net profit margin (%);

Provided that if the information mentioned in Clause 11.4(i) above is not applicable to the Company, it shall disclose such other ratio/equivalent financial information, as may be required to be maintained under Applicable Law, if any.

- (j) A statement indicating material deviations, if any in utilization of the proceeds of the NCDs.
- (k) The Company shall notify the Debenture Trustee of any Event of Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.
- (l) The Company shall furnish to the Debenture Trustee details of all grievances received from the NCD Holders and the steps taken by the Company to redress the same. At the request of any NCD Holders, the Debenture Trustee shall, by notice to the Company call upon the Company to take appropriate steps to redress such grievance and shall, if necessary, at the request of any NCD Holders representing not less than one-tenth in value of the nominal amount of the NCDs for the time being outstanding, call a meeting of the NCD Holders.
- (m) To provide relevant documents/ information, as applicable, to enable the Debenture Trustee(s) to conduct continuous and periodic due diligence and monitoring of the Security Interest over the Hypothecated Assets,

the Company shall submit the following reports/ certification within the timelines mentioned below:

Reports/Certificates	Timelines for submission requirements by Company to Debenture Trustee	Timeline for submission of reports/ certifications by Debenture Trustee to Stock Exchanges
Security cover certificate	Quarterly basis within 30 (thirty) days from end of each quarter or within such timelines as prescribed under Applicable Law	Quarterly basis within 75 (seventy-five) days from end of each quarter, except the last quarter of the financial year, or within such timelines as prescribed under Applicable Law. For the last quarter in a financial year, the timeline for submission shall be 90 (ninety) days from the end of such quarter.
A statement of value of pledged securities, if any		
A statement of value for Debt Service Reserve Account or any other form of security offered, if applicable		
Net worth certificate of guarantor (secured by way of personal guarantee), if applicable	Half yearly basis within 30 (thirty) days from end of each half-year or within such timelines as prescribed under Applicable Law	Half yearly basis within 75 (seventy-five) 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), if applicable	Annual basis within 45 (forty-five) days from end of each Financial Year or within such timelines as prescribed under Applicable Law.	Annual basis within 75 (seventy-five) 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, if applicable	Once in 3 (three) years within 45 (forty-five) days from the end of the Financial Year or within such timelines as prescribed under Applicable Law.	Once in 3 (three) years within 75 (seventy-five) days from the end of the Financial Year or within such timelines as prescribed under

Reports/Certificates	Timelines for submission requirements by Company to Debenture Trustee	Timeline for submission of reports/certifications by Debenture Trustee to Stock Exchanges
		Applicable Law.

- (n) The Company shall promptly inform the Debenture Trustee of any major or significant change in composition of its Board, which may amount to change in control as defined in the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- (o) The Company shall inform the Debenture Trustee, of any amalgamation, demerger, merger or corporate restructuring or reconstruction scheme proposed by the Company.
- (p) The Company shall promptly supply certified copies to the Debenture Trustee of any authorisation required under any law or regulation to enable it to perform its obligations under the Transaction Documents (including, without limitation, in connection with any payment to be made hereunder) and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of the Transaction Documents.
- (q) The Company shall supply to the Debenture Trustee a copy of annual report, at the end of each year from the Deemed Date of Allotment, till the time the funds from the Issue are fully utilized. In case the NCDs are issued for financing working capital or general corporate purposes or for capital raising purposes, copy of the auditor's certificate may be submitted at the end of each financial year till the funds have been fully utilised or the purpose for which these funds were intended has been achieved.
- (r) The Company shall supply to the Debenture Trustee (sufficient copies for all NCD Holders if the Debenture Trustee so requests) half yearly financial results within 45 (forty-five) days from the end of the each half year.
- (s) 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 fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available; and
 - b. 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, if any.

- (t) The Company shall promptly provide or inform the Debenture Trustee the details of all the material orders, directions, notices, of any court/tribunal affecting or likely to affect the Hypothecated Asset.
- (u) The Company shall submit to the Debenture Trustee, Stock Exchanges and the NCD Holders correct and adequate information (in the manner and format as requested by them or as required by Applicable Law) and within the time lines and procedures specified in the SEBI Regulations, Act, circulars, directives and/or any other Applicable Law.
- (v) The Company shall furnish the following to the Debenture Trustee:
 - a. its duly audited annual accounts, at the same time as it is issued along with a copy of certificate from the Company's auditors in respect of utilization of funds. Provided that in the case of NCDs issued for financing working capital or general corporate purposes or for capital raising purposes the copy of the auditor's certificate may be submitted at the end of each Financial Year till the funds have been fully utilized or the purpose for which these funds were intended has been achieved;
 - b. copy of the un-audited or audited financial results on a half yearly basis on the same day the information is submitted to Stock Exchanges i.e. within 45 (forty five) days from the end of the half year or within such timelines as prescribed under Applicable Law;
 - c. a one-time certificate from the statutory auditor of the Company with respect to the use of the proceeds raised through the Issue as and when such proceeds have been completely deployed toward the proposed end-uses;
 - d. such information in relation to the Hypothecated Asset that the Debenture Trustee may reasonably request (in a format which shall be provided by the Debenture Trustee from time to time) for the purpose of quarterly diligence by the Debenture Trustee to monitor the required Security Cover and shall also submit to the Debenture Trustee a certificate from the director/managing director of the Company on half-yearly basis, certifying the value of the identified as agreed in the Transaction Documents; and
 - e. all information/ documents required to be submitted to the Debenture Trustee, to enable it to carry out the due diligence in terms of SEBI Due Diligence Requirements.
- (w) The Company shall:
 - a. supply to the Debenture Trustee (with sufficient copies for all NCD Holders if the Debenture Trustee so requests) all documents dispatched by it to its shareholders (or any class of

them) or its creditors generally at the same time as they are dispatched;

- b. promptly upon becoming aware, supply to the Debenture Trustee (and sufficient copies for all NCD Holders if the Debenture Trustee so requests), the details of any event which may have a Material Adverse Effect;
 - c. promptly upon becoming aware, supply to the Debenture Trustee (and sufficient copies for all NCD Holders if the Debenture Trustee so requests), the details of the existence of any event or condition or claim which permits, or with the passage of time, will permit, the Company to abandon the business;
 - d. at the end of every Financial Year, supply to the Debenture Trustee (and sufficient copies for all NCD Holders if the Debenture Trustee so requests), a certificate from a statutory auditor confirming the due maintenance of a DRR as per the provisions of Applicable Law;
 - e. promptly, supply to the Debenture Trustee (and sufficient copies for all NCD Holders if the Debenture Trustee so requests), notice of any change in its authorised signatories (in connection with the Transaction Documents), signed by one of its directors or its company secretary, whose specimen signature has previously been provided to the Debenture Trustee, accompanied (where relevant) by a specimen signature of each new signatory; and
 - f. forthwith give, notice in writing to the Debenture Trustee of commencement of any proceedings directly affecting the Hypothecated Asset.
- (x) within 60 (sixty) calendar days after each Quarterly Date:
- a. a certificate signed by the chief financial officer of the Company or any other authorized signatory of the Company stating that the Company is in compliance with all the financial covenants prescribed in Clause 11.3 (*Financial Covenants*). Provided that in respect of the financial quarter ending on March 31 of each Financial Year, the certificate confirming the compliance with the financial covenants prescribed in Clause 11.3 (*Financial Covenants*) will be provided in accordance with Clause 11.4 (*Reporting Undertakings*) below;
 - b. the details of any change in control from that prevailing as on the Effective Date; and
 - c. such portfolio information in respect of the Company in the formats as may be prescribed by the Debenture Trustee.
- (y) on a semi-annual basis, a half yearly certificate on each relevant

Quarterly Date providing 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 an independent chartered accountant and/or an authorized signatory of the Company, confirming the value of the Hypothecated Assets, and the compliance of the Company with all the financial covenants and other covenants and undertakings prescribed under the Transaction Documents.

- (z) promptly, and in any event within 10 (ten) Business Days of the occurrence of any change in the Constitutional Documents of the Company, which prejudicially affects the rights of the Debenture Trustee under the Transaction Documents.
- (aa) promptly, 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.
- (bb) promptly, and in any event within 10 (ten) Business Days after the Company obtains actual knowledge thereof, any notices, orders or directions any court or tribunal in relation to any dispute, litigation, investigation or other proceeding affecting the Company or its property or operations (included the Hypothecated Assets), which, if adversely determined, could result in a Material Adverse Effect.
- (cc) promptly, and in any event within 10 (ten) Business Days after the Company obtains actual knowledge thereof, notice of the occurrence of any Event of Default or Potential Event of Default including any steps taken to cure such event.
- (dd) promptly, and in any event within 10 (ten) Business Days, upon the occurrence of any mandatory 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.
- (ee) promptly, 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.
- (ff) promptly, and in any event within 2 (two) Business Days of receiving any notice of any application for winding up/insolvency having been made or any notice of winding up or insolvency under the provisions of

the Companies Act or the (Indian) Insolvency and Bankruptcy Code, 2016 or any other statute relating to winding up/insolvency or otherwise of any suit or other legal process intended to be filed or initiated against the Company.

- (gg) without prejudice to Clause 11.4(b) (*Reporting Undertakings*), within 120 (one hundred and twenty) calendar days after each Financial Year, a certification from the chief financial officer of the Company or any other authorized signatory of the Company confirming compliance with the financial covenants set out in Clause 11.3 (*Financial Covenants*).
- (hh) within 15 (fifteen) days of each Quarterly Date, a certificate from an authorized officer of the Company certifying/confirming that no Potential Event of Default or Event of Default has occurred.
- (ii) the Company shall also submit a certificate from a statutory auditor and authorized officer of the Company for every second fiscal quarter and fourth fiscal quarter certifying the value of Identified Book Debts and maintenance of the Security Cover, as per the terms of the SEBI Monitoring Requirements, as applicable, the Offer Documents and this Deed including compliance with the covenants of the Offer Documents and any other covenants and undertakings in respect of listed non-convertible debt securities in the manner as may be specified by SEBI from time to time.
- (jj) without prejudice to sub-Clauses (kk) and (ll) below, 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 Transaction Document, including but not limited to the copies of all reports, balance sheets and the profit and loss account of the Company.
- (kk) without prejudice to sub-Clause (jj) above and sub-Clause (ll) below, promptly 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 NCD Holders, may reasonably request from time to time.
- (ll) 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 SEBI Debenture Trustees Regulations, the SEBI Master Circular for Debenture Trustees and the Companies (Share Capital and Debentures) Rules, 2014.
- (mm) promptly, and in any event within 20 (twenty) Business Days after the end of each month, a report on Security Cover in the format prescribed under Applicable Law.

11.5 Affirmative Undertakings

The Company shall:

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

use the proceeds of the Issue only for the Purpose and in accordance with Applicable Law and the Transaction Documents;

(b) ***Loss or Damage by Uncovered Risks***

promptly inform the Debenture Trustee and the NCD Holders of any 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 NCD Holders' interests, including traveling and other allowances and such Taxes, duties, costs, charges and expenses in connection with or relating to the NCDs 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, authorizations, consents, permissions, rules, regulations, orders and directions of any Governmental Authority; and

(iii) 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 Debenture 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 in accordance with Applicable Law and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation;
- (iii) provide to the Debenture Trustee or its nominee(s)/agent(s) such information/copies of relevant extracts as they may require for the purpose of filing any relevant forms with any Governmental Authority (including but not limited to the CERSAI) in relation to the NCDs and the Hypothecated Assets; and
- (iv) inform and provide the Debenture Trustee with applicable documents in respect of the following:
 - (A) notice of any Event of Default; and
 - (B) any and all information required to be provided to the NCD Holders under Applicable Law and the listing agreement to be entered into between the Company and the Stock Exchange(s);

(h) ***Redressal of Grievances***

promptly and expeditiously attend to and redress the grievances, if any, of the NCD 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;

(i) ***Comply with Investor Education and Protection Fund Requirements***

comply with the provisions of the Companies Act relating to transfer of unclaimed/ unpaid amounts of interest on NCDs and redemption of NCDs to Investor Education and Protection Fund, 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;

(j) ***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 other Governmental Authority) and the fair practices code prescribed by the RBI;

(k) ***Further Assurances***

- (i) provide details of any litigation, arbitration or administrative proceedings that if determined adversely could have a Material Adverse Effect on the Company;
- (ii) comply with any monitoring and/or servicing requests from the Debenture Trustee;
- (iii) 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;
- (iv) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations and licenses 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;
- (v) comply with:
 - (A) all Applicable Law (including but not limited to the Companies Act, the SEBI Listed NCDs Circulars, the environmental, social and taxation related laws, all directions issued by the RBI to non-banking financial companies), as applicable in respect of the NCDs and obtain such regulatory approvals as may be required from time to time;
 - (B) the SEBI Debenture Trustees Regulations as in force from time to time, in so far as they are applicable to the NCDs 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 of the SEBI Debenture Trustees Regulations thereof in performance of their duties in accordance therewith to the extent applicable to the NCDs;
 - (C) the provisions of the Companies Act in relation to the Issue;
 - (D) procure that the NCDs are rated and continue to be rated until the Final Settlement Date;
 - (E) ensure that, at time of making any payment of interest or repayment of the principal amount of the NCDs in full or in part, the Company shall do so in the manner that is most tax efficient

for the NCD 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 NCD Holders;

- (F) ensure, and/or cause the Registrar to forward the details of NCD Holders to the Debenture Trustee at the time of allotment and thereafter by the 7th (seventh) Business Day of every next month in order to enable Debenture Trustee to keep its records updated and to communicate effectively with the NCD Holders, especially in situations where Events of Default have occurred; and
 - (G) if so required, the requirements prescribed under Chapter XI (*Operational framework for transactions in defaulted debt securities post maturity date/redemption date*) of the SEBI NCS Master Circular, and provide all details/intimations to the Debenture Trustee, the Depositories, and the Stock Exchange(s) (as the case may be) in accordance with the aforementioned requirements;
- (vi) to the extent applicable, 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 Identified Book Debts including compliance with all the covenants set out in the Offer Documents in such manner as may be specified by SEBI from time to time;
 - (vii) agrees, undertakes and acknowledges that in the event the Company has failed to make a timely repayment of the Secured Obligations or to create Security Interest on the Hypothecated Asset or there is a revision of Rating assigned to the NCDs, the Debenture Trustee shall, in accordance with Applicable Law, be entitled to disclose such information to the NCD Holders and the general public by issuing a press release, placing the same on their websites, with the credit rating agencies and updating the distributed ledger technology system in accordance with Chapter III (*Security and Covenant Monitoring System*) of the SEBI Master Circular for Debenture Trustees; and
 - (viii) it will provide all necessary assistance and cooperation to, and permit the Debenture Trustee to conduct periodical checks, verifications, due diligence and other inspections (at such frequency and within such timelines as may be determined by the Debenture Trustee) in respect of the books and accounts of the Company and the Hypothecated Assets;

(l) ***Security***

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

- (i) the NCDs shall be secured by a first ranking exclusive and continuing security by way of a first ranking exclusive and continuing charge on

the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the NCD Holders on or prior to the Deemed Date of Allotment;

- (ii) all the Hypothecated Assets that will be charged to the Debenture Trustee under the Deed of Hypothecation 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;
- (iii) the Company shall not create any charge, lien or other encumbrance upon or over the Hypothecated Assets or any part thereof except in favour of the Debenture Trustee nor will it do or allow anything that may prejudice the Transaction Security;
- (iv) 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;
- (v) to create the Security Interest over the Hypothecated Assets as contemplated in the Transaction Documents on or prior to the Deemed Date of Allotment by executing the duly stamped Deed of Hypothecation;
- (vi) 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 in accordance with the timelines set out in the Deed of Hypothecation;
- (vii) the Company shall, at the time periods set out in the Deed of Hypothecation, provide a list of the Hypothecated Assets to the Debenture Trustee over which charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the NCD Holders) and sufficient to maintain the Security Cover;
- (viii) the Company shall, within the timelines prescribed under the Deed of Hypothecation, add fresh Identified Book Debts to the Hypothecated Assets so as to ensure that the Security Cover is maintained or replace such Hypothecated Assets that do not satisfy the eligibility criteria prescribed in the Transaction Documents;
- (ix) 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;
- (x) 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;

- (xi) furnish and execute all necessary documents to give effect to the Hypothecated Assets;
- (xii) the Security Interest created on the Hypothecated Assets shall be a continuing security;
- (xiii) the Hypothecated Assets shall fulfil the eligibility criteria set out in the Deed of Hypothecation;
- (xiv) nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/or the NCD 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 NCD Holders;
- (xv) the NCD 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 NCD Amounts under this Deed; and
- (xvi) 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;

(m) ***Execution of Transaction Documents***

in the event of any delay in the execution of any Transaction Document (including this Deed or the Deed of Hypothecation) or the creation of security in terms thereof, the Company will, at the option of the NCD Holders, either:

- (i) if so required by the NCD Holders, refund the Application Money together with interest (including interest accrued) at the applicable Interest Rate/discharge the Secured Obligations; and/or
- (ii) pay to the NCD Holders additional interest at the rate of 2% (two percent) per annum on the Outstanding Principal Amounts in addition to the applicable Interest Rate until the relevant Transaction Document is duly executed or the security is duly created in terms thereof or the Secured Obligations are discharged (whichever is earlier);

(n) ***Internal Control***

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;

(o) ***Audit and Inspection***

permit visits and inspection of books of records, documents and accounts to the Debenture Trustee and other representatives of the NCD Holders as and when required by them;

(p) ***Records***

keep proper books of account as required by the Act and make true and proper entries therein of all dealings and transactions of and in relation to the Hypothecated Asset and the business of the Company and keep the said books of account and all other books, registers and other documents relating to the affairs of the Company at its registered office or, where permitted by law, at other place or places where the books of account and documents of a similar nature may be kept and the Company will ensure that all entries in the same relating to the Hypothecated Asset and the business of the Company shall at reasonable times be open for inspection of the Debenture Trustee and such person or persons, as the Debenture Trustee shall, from time to time, in writing for that purpose appoint;

(q) ***Register of NCD Holders***

keep at its registered office, a Register of the NCD Holders or ensure that the Depository maintains a Register of Beneficial Owners of the dematerialized NCDs in their records. For the above purpose, the Company shall request the Registrar of the issuance or the Depository, in case of dematerialized NCDs, to provide a list of NCD Holders as at the end of day on the day falling on the Record Date. The Debenture Trustee and/or the NCD Holders or any of them or any other Person shall, as provided in the Act, be entitled to inspect the said Register of NCD Holders and to take copies of or extracts from the same or any part thereof during usual business hours;

(r) ***FATCA***

ensure compliance with the provisions of the Foreign Account Tax Compliance Act (“FATCA”) at all times during the currency of the NCDs. The Company agrees to provide the respective authorities with any documentation or information requested relating to self or beneficiary or related Tax entity to the extent required by the Debenture Trustee for meeting its compliances. The Company agrees that it will provide a copy of the documents provided to the Tax authorities to the Debenture Trustee for its records. Further, the Company shall indemnify and hold harmless the Debenture Trustee for any penal consequence arising due to non-compliance of the aforesaid provision by the Company;

(s) ***Listing and Monitoring Requirements***

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

(t) ***General Undertakings***

The Company undertakes that it shall:

- (i) at all times, obtain and maintain, or cause to be obtained and maintained, in full force and effect (or where appropriate, renew) all necessary declarations, reporting and filings (including with any Governmental Authority in India) required for: (A) the purposes of the business, except such declaration, reporting or filing which would not, or would not reasonably be expected to, result in a Material Adverse Effect; and (B) all transactions as contemplated by the Transaction Documents;
- (ii) create the Security Interest on the Hypothecated Assets and execute all the Security Documents within the applicable regulatory timeframe and as may be required by the Debenture Trustee as per the terms hereof and shall ensure that all Transaction Documents, when executed, shall constitute its legal, valid and binding obligations under Applicable Law;
- (iii) attend to the complaints received in respect of the NCDs expeditiously and satisfactorily;
- (iv) if any of the Directors of the Company are added to any defaulter's list by any Governmental Authority, take immediate steps forthwith to remove such person from its Board;
- (v) duly cause these presents to be registered in all respects so as to comply with the provisions of the Act and also cause these presents to be registered in conformity with the provisions of the Indian Registration Act, 1908 or any act, ordinance or regulation applicable in any part of India, within which any portion of the Hypothecated Asset are or may be situated, by which the registration of deeds is required and generally do all other acts (if any) necessary for the purpose of assuring the legal validity of these presents;
- (vi) have no objection and hereby agrees, confirms and undertakes that in the event the Company has failed to make a timely repayment of the Secured Obligations, the Debenture Trustee shall, as the Debenture Trustee may deem appropriate and necessary, be entitled to disclose all or any:
 - (A) information and data relating to the Company,
 - (B) information or data relating to this Deed; and
 - (C) default committed by the Company in discharge of the obligations under the Transaction Documents, to TransUnion CIBIL Limited ("CIBIL") and any other agency authorised in this behalf by RBI;
- (vii) have no objection and hereby agrees, confirms and undertakes that in the event the Company has failed to make a timely repayment of the Secured Obligations, the Debenture Trustee shall, as the Debenture Trustee may deem appropriate and necessary, be entitled to disclose to CIBIL and/or any other agency so authorised may use, process the aforesaid information and data disclosed by the Debenture Trustee in the

manner as deemed fit by them;

- (viii) have no objection and hereby agrees, confirms and undertakes that in the event the Company has failed to make a timely repayment of the Secured Obligations, the Debenture Trustee shall, as the Debenture Trustee may deem appropriate and necessary, be entitled to disclose to CIBIL and/or any other agency so authorised may furnish for consideration, the processed information and data or products thereof prepared by them, to the Debenture Trustee, and other credit grantors or registered users, as may be specified by RBI in this behalf;
- (ix) have no objection and hereby agrees, confirms and undertakes that in the event the Company has failed to make a timely repayment of the Secured Obligations, the Debenture Trustee and/or RBI will have an unqualified right to disclose or publish the details of the default and the name of the guarantor (including its directors) as the case may be, as defaulters, in such manner and through such medium as the Debenture Trustee or RBI in their absolute discretion may think fit;
- (x) no immunity (if acquired) shall be claimed by it or on its behalf with respect to its Assets in any proceedings in relation to its obligations under the Transaction Documents and shall waive any such right of immunity which it or its Assets has or may acquire. The execution of this Deed constitutes, and the exercise of its rights and performance of and compliance with its obligations under this Deed will constitute, private and commercial acts done and performed for private and commercial purposes; and
- (xi) it has obtained the necessary permissions as may be required, for entering into the Transaction Documents, and shall execute the same within the time frame prescribed under the relevant SEBI regulations and circulars and furthermore, shall submit such Transaction Documents, as applicable, to the relevant Stock Exchanges for uploading on its website (as applicable), within 5 (five) days of execution of the same.

11.6 Negative Undertakings

The Company shall not take any action in relation to the items set out in this Clause 11.6 (*Negative Undertakings*) without the prior written consent of the Debenture Trustee (acting on the instructions of the Majority NCD Holders).

(a) *Change of Business; Constitutional Documents*

- (i) change the general nature of its business from that which is permitted as a non-deposit accepting non-banking financial company registered with the RBI; or
- (ii) any changes, amendments, or modifications to its Constitutional Documents which would impact the consummation of the transactions contemplated under the Transaction Documents or otherwise prejudice/

adversely impact the rights/interest of the NCD Holders or in any manner alter the terms of the NCDs.

(b) ***Dividend***

- (i) declare or pay any dividend to its shareholders (including holders of preference shares) during any Financial Year unless it has paid or made arrangements to pay (to the satisfaction of the Debenture Trustee) all the dues to the NCD Holders/Debenture Trustee up to the date on which the dividend is proposed to be declared or paid or has made satisfactory provisions thereof; or
- (ii) if an Event of Default has occurred and is continuing, declare or pay any dividend to its shareholders (including holders of preference shares).

(c) ***Disposal of Assets***

sell, transfer, or otherwise dispose of in any manner whatsoever any Transaction Security, 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 including any securitization/portfolio sale of the Transaction Security.

(d) ***Insolvency***

The Company shall not, without the prior consent of the Debenture Trustee, voluntarily wind up or liquidate or dissolve its affairs or make any filing for initiation of corporate insolvency resolution process or liquidation under the Insolvency and Bankruptcy Code, 2016 or under any other Applicable Laws.

(e) ***NCD Terms***

The Company shall not make any modification to the structure of the NCDs in terms of coupon, conversion, redemption, or otherwise without the prior approval of the Stock Exchanges and such prior approval of the Stock Exchanges would be obtained only after: (a) approval of the Board and the Debenture Trustee; and (b) complying with the provisions of Act including approval of the requisite majority of NCD Holders. Further, any proposal of restructuring received by Debenture Trustee shall be communicated to NCD Holders immediately.

(f) ***Investments***

The Company shall not, without the prior consent of the Debenture Trustee, make any investment by way of deposits, loans, bonds, share capital, or in any other form upon the occurrence of any Event of Default. Provided that, upon the occurrence of an Events of Default specified in Clauses 12.5(b) to (v) (*Events of Default*), i.e. a non-payment Event of Default, the Company shall be permitted to infuse monies in Chaitanya India Fin Credit Private Limited and temporarily invest funds in high quality interest/ non- interest bearing liquid instruments, subject to the Company continuing to maintain the Security Cover under the Transaction Documents, even upon occurrence of such Event(s) of

Default. Such investment would be in accordance with the investment policy of the Company approved by the Board of Directors or any committee thereof from time to time.

(g) ***Encumbrance***

The Company shall not, without the prior consent of the Debenture Trustee, create or permit to subsist any encumbrance on any Hypothecated Assets (including, without limitations, on the Identified Book Debts).

12. EVENTS OF DEFAULT

12.1 Consequences and Remedies of an Event of Default

On and at any time after the occurrence of an Event of Default, the Debenture Trustee may, on the instructions of the Special Majority NCD Holders in accordance with this Deed, by a notice in writing to the Company initiate the following course of action:

- (a) require the Company to mandatorily redeem the NCDs and repay the Outstanding Amounts including the accrued but unpaid interest and other costs, charges and expenses incurred under or in connection with this Deed and the other Transaction Documents;
- (b) accelerate the redemption of the NCDs and declare all or any of the NCDs to be due and payable immediately (or on such date(s) as may be prescribed by the Debenture Trustee), whereupon it shall become so due and payable;
- (c) enforce the Security Interest created under the Transaction Documents (including in respect of the Transaction Security) in accordance with the terms of the Transaction Documents;
- (d) appoint any independent agency to inspect and examine the working of the Company and give a report to the NCD 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;
- (e) to appoint a Nominee Director as per the SEBI Debenture Trustee Regulations on the Board, in the manner more particularly set out in Clause 4.8 (*Nominee Director*) of this Deed;
- (f) to initiate any enforcement action including without limitation under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, Insolvency and Bankruptcy Code, 2016 (wherever applicable), sale without intervention of Court under Section 69 of Transfer of Property Act, 1882 or any other Applicable Law;
- (g) to levy default interest on overdue amounts as per the terms of the Issue;
- (h) inform the Stock Exchanges seeking release of the Recovery Expense Fund in accordance with the procedure set out under Applicable Law for utilisation of the Recovery Expense Fund;

- (i) take any actions in respect of the SEBI Defaults Procedure Requirements set out in the SEBI Master Circular for Debenture Trustees; and/or
 - (j) take all such other action, and exercise such other right as is permitted under this Deed, the other Transaction Documents or under Applicable Law, including any action that may be required for the purposes of protecting the interests of the NCD Holders.
- 12.2** If any Event of Default or any event which, after the notice, or lapse of time, or both, would constitute an Event of Default has occurred, the Company shall, promptly give notice thereof to the Debenture Trustee, in writing, specifying the nature of such Event of Default.
- 12.3** Upon occurrence of an Event of Default, the Debenture Trustee shall follow the process including seeking consent from the NCD Holders for enforcement of Transaction Security and/or entering into Inter-Creditors Agreement (“ICA”) as per the SEBI Defaults Procedure Requirements as set out in the SEBI Master Circular for Debenture Trustees.
- 12.4** All expenses over and above those met from the Recovery Expense Fund incurred by the NCD Holders or the Debenture Trustee after an Event of Default has occurred in connection with: (i) preservation of the Hypothecated Asset (whether then or thereafter existing); and (ii) collection of amounts due under this Deed, shall be payable by the Company.

12.5 Events of Default

Each of the events or circumstances set out in this Clause 12.5 (*Events of Default*) below is an Event of Default.

(a) *Payment Defaults*

The Company does not pay on any Due Date (including on the respective Redemption Date(s)) any installment of interest or Redemption Amount or any other amount payable pursuant to this Deed and the NCDs at the place and in the currency in which it is expressed to be payable.

(b) *Material Adverse Effect*

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

(c) *Cross Default*

- (i) The Company 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) The Company defaults in the compliance or performance of any agreement or condition relating to any Financial Indebtedness exceeding INR 10,000,000 (Rupees Ten Million only) 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, and such Financial Indebtedness of the Company is declared to be due and payable; or

- (iii) If 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, prior to the stated maturity thereof.

(d) ***Misrepresentation***

Any representation or warranty made by the Company in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/NCD Holders by the Company shall prove to have been incorrect, false or misleading in any respect when made or deemed made.

(e) ***Unlawfulness***

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

(f) ***Repudiation***

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

(g) ***Transaction Documents***

This Deed or any other Transaction 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.

(h) ***Delisting***

The NCDs are, delisted or cease to be listed on any of the Stock Exchange(s) for any reason whatsoever (whether or not attributable to any action of the Company) at any time prior to the Final Settlement Date.

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

- (i) Failure by the Company to meet the requirements under Applicable Law with respect to data integrity and such failure, if in the reasonable opinion of the Debenture Trustee (acting on the instructions of the Majority NCD Holders) is capable of remedy, is not cured within 30 (thirty) days.
- (ii) Failure of the Company to meet the standards of corporate governance as required under Applicable Law which has a Material Adverse Effect.

(j) ***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 NCD Holders), may impair the Company's ability to perform its obligations undertaken in terms of the Transaction Documents or which has a Material Adverse Effect.

(k) ***Creditors' Process and Expropriation***

Any step is taken by Governmental Authority or agency or any other competent authority, in respect of attachment, seizure, compulsory acquisition, expropriation, nationalisation garnishee, sequestration, distress or execution of all or (in the opinion of the Debenture Trustee) a material part of the Assets of the Company.

(l) ***Authorizations; Licenses***

Any material authorizations, licenses (including operating licenses), consents and approvals required by the Company under Applicable Law to enable it to perform its obligations under the Transaction Documents, to ensure the legality, validity, enforceability or admissibility of the Transaction Documents, and to enable it to carry on its business as a non-banking financial company are revoked or suspended or cancelled in any manner.

(m) ***Insolvency/Inability to Pay Debts***

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

(n) ***Liquidation, Insolvency or Dissolution of the Company/Appointment of Receiver, Resolution Professional 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;
- (iii) an order is made or an effective resolution passed for the winding-up or dissolution, judicial management or administration of the Company, or the Company ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by a Special Resolution of the NCD

Holders;

- (iv) the appointment of a liquidator, receiver, resolution professional, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Company;
 - (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) filing of an application for 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, except where an application for initiation of corporate insolvency resolution process in respect of the Company filed by an operational creditor or financial creditor of the Company is, disputed by the Company and gets dismissed or stayed within 30 (thirty) days or lesser time as allowed under the Insolvency and Bankruptcy Code, 2016 (as amended from time to time) from the date of first listing of such application;
 - (vii) enforcement of any security over any Assets of the Company or any analogous procedure or step is taken in any jurisdiction;
 - (viii) initiation of voluntary proceeding by the Company under any applicable bankruptcy, insolvency, winding up or other similar law now or hereafter in effect, or consent to the entry of an order for relief in an involuntary proceeding under any such law, or consent to the appointment or taking possession by a receiver, liquidator, assignee (or similar official) for any or a substantial part of its property or take any action towards its reorganisation, liquidation or dissolution; or
 - (ix) any other event occurs or proceeding instituted under any Applicable Law that would have an effect analogous to any of the events listed in (i) to (vi) above.
- (o) ***Security in Jeopardy***
- In the opinion of the Debenture Trustee any of the Hypothecated Assets are in jeopardy or if: (a) an attachment or distraint is levied on the Hypothecated Assets or any part thereof; or (b) an encumbrancer, receiver or liquidator has been appointed or allowed to be appointed to take possession of the Hypothecated Assets or any part thereof.
- (p) ***Security***

- (i) The Company fails to create and perfect Security Interest over the Hypothecated Assets within the timelines prescribed in the Transaction Documents and/or in the manner prescribed in the Transaction Documents.
- (ii) The value of the Hypothecated Assets 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 timelines prescribed in the relevant Transaction 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 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, without the prior consent of the Debenture Trustee.

(q) ***Business***

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

(r) ***Failure to Certify***

The Company:

- (i) fails to provide a certificate from an authorized officer of the Company certifying/confirming that no Event of Default (other than any Event of Default due to any non-compliance with any financial covenants set out in Clause 11.3 (*Financial Covenants*)) has occurred, within the timelines and the manner prescribed under Clause 11.4 (*Reporting Undertakings*); and/or
- (ii) fails to provide a certificate from a director or the chief financial officer of the Company certifying/confirming the compliance with the financial covenants prescribed under Clause 11.3 (*Financial Covenants*) in accordance with the timelines provided under Clause 11.4 (*Reporting Undertakings*).

(s) ***Breach of Negative Undertakings***

Any breach of any of the negative undertakings set out in Clause 11.6 (*Negative Undertakings*).

(t) ***Breach of Financial Covenants***

Any breach of any of the financial covenants set out in Clause 11.3 (*Financial Covenants*).

(u) ***Breach of Reporting Undertakings***

Any breach of any of the reporting undertakings set out in Clause 11.4 (*Reporting Undertakings*) required or mandated in accordance with Applicable Law, which default is incapable of remedy or, if in the reasonable opinion of the Debenture Trustee (acting on the instructions of the Majority NCD Holders) is capable of remedy, is not remedied within the time period provided under the relevant Applicable Law.

Any breach of any of the reporting undertakings set out in Clause 11.4 (*Reporting Undertakings*) not specified or mandated in accordance with Applicable Law, which default is incapable of remedy or, if in the reasonable opinion of the Debenture Trustee (acting on the instructions of the Majority NCD Holders) is capable of remedy, is not remedied within 30 (thirty) days of such default.

(v) ***Breach of other Covenants and Undertakings***

Any breach of any covenant or undertaking of the Company in the Transaction Documents (other than (a) to (u) above), which default is incapable of remedy or, if in the reasonable opinion of the Debenture Trustee (acting on the instructions of the Majority NCD Holders) is capable of remedy, is not remedied within 30 (thirty) days of written notice of such default being provided to the Company by the Debenture Trustee.

12.6 Notice on the Occurrence of an Event of Default

- (a) If any Event of Default or any event which, after the notice, or lapse of time, or both, would constitute an Event of Default, has occurred, the Company shall, forthwith give notice thereof to the NCD Holders and the Debenture Trustee in writing specifying the nature of such event or Event of Default.
- (b) In addition to the foregoing, in accordance with the SEBI Defaults Procedure Requirements, the Debenture Trustee shall send a notice to the NCD Holders within 1 (one) day 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 NCD 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 Requirements.

12.7 Additional obligations of the Debenture Trustee

In respect of the SEBI Defaults Procedure Requirements, 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 Requirements (including without limitation, the resolution plan being finalised within the time period prescribed in the SEBI Defaults Procedure Requirements, and exiting of the inter-creditor agreement on the occurrence of the matters prescribed under the SEBI Defaults Procedure Requirements).

13. COMPUTATION OF INTEREST; BUSINESS DAY CONVENTION

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

14. OTHER TERMS OF THE NCDS

14.1 NCDs Free from Equity

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

14.2 NCD Holders not Entitled to Shareholders' Rights

The NCD 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 NCDs is placed before the shareholders, such resolution will first be placed before the NCD Holders for their consideration.

14.3 Variation in NCD Holders' Rights

The rights, privileges, terms and conditions attached to the NCDs may be varied in accordance with Clause 20.10 (*Amendments*) of this Deed.

15. 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, the other Transaction Documents and the NCDs, all transfer fees and applicable charges, legal advisors' fees and expenses, listing fees, fees of the Debenture Trustee,

fees of the Rating Agency, fees of valuation agencies, and any other fees or expenses incurred in the preparation of the Transaction Documents or in relation to any transactions or matters contemplated under this Deed and any other Transaction Documents (including any action to preserve any rights in respect thereof).

- (b) Notwithstanding anything else provided in the Transaction 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 Transaction Documents (whether then or thereafter existing);
 - (ii) collection of amounts due under the Transaction Documents;
 - (iii) engaging all intermediaries (including any accountants, auditors, custodial services);
 - (iv) legal costs and stamp duty payable on any Transaction Documents; or
 - (v) any other expenses in relation to the Issue,

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

16. INDEMNITY

- (a) The Company shall, within 10 (ten) calendar days of demand, indemnify the NCD 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/NCD Holders as a result of:
 - (i) the occurrence of any 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 Transaction Documents (including without limitation, any demand from stamp duty arising because any Transaction Document has been taken or has been received (whether by way of facsimile, photocopy or electronic record) in any state other than the state in which it has been executed; and
 - (iii) a failure by the Company to pay any amount due under any Transaction 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/NCD Holders or deductible by the Company on such payment.
- (c) The indemnification rights of the Debenture Trustee/NCD Holders under this

Deed are independent of, and in addition to, such other rights and remedies as the Debenture Trustee/NCD 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 16 (*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.

17. PROVISIONS FOR MEETING OF NCD HOLDERS

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

18. 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 any disputes which may arise out of or in connection with this Deed.
- (ii) Nothing contained in this Clause 18(b) (*Jurisdiction*) shall limit any right of the Debenture Trustee to take any legal action or proceeding arising out of this Deed in any other court or tribunal of competent jurisdiction, nor shall the taking of proceedings in one or more jurisdictions preclude the taking of any legal action or proceeding arising out of this Deed in any other jurisdiction whether concurrently or not and the Company irrevocably submits to and accepts the jurisdiction of such court or tribunal.

19. NOTICES

19.1 Communications in writing

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

19.2 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

Transaction 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	2 nd Floor, Vaishnavi Tech Square, Iballur Village, Begur Hobli, Bengaluru, Karnataka 560102
Fax	N.A
Telephone	+91 80 4511 3400
Attention	Thomas Joseph
Email address	secretarial@navi.com

If to the Debenture Trustee:

Address	910-911, 9th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi – 110 001
Telephone	+91 (22) 4922 0555
Attention	Umesh Salvi
E-mail	ComplianceCTL-Mumbai@ctltrustee.com

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

19.3 Delivery

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

- (a) if by way of fax, when received in legible form on a Business Day during business hours;
- (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,

and, if a particular department or officer is specified as part of its address details provided under Clause 19.2 (*Addresses*), if addressed to that department or officer.

19.4 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 19.2 (*Addresses*) or changing its own address, fax number or e-mail address, either Party shall notify the other Parties.

19.5 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.

19.6 Reliance

- (a) Any notice sent under this Clause 19 (*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.

19.7 English Language

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

20. MISCELLANEOUS

20.1 Effectiveness

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

20.2 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.

20.3 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, undertakings and provisions contained in this Deed (including any breach by the Company of the covenants, undertakings 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.

20.4 Lien or pledge of NCDs

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

20.5 Joint Holders

Where two or more persons are holders of any NCDs, 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.

20.6 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 NCD 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.

20.7 Custody Arrangement

The Debenture Trustee may keep this Deed and the other Transaction Documents obtained by it pursuant to this Deed, at New Delhi, 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 Transaction Document.

20.8 Registrar and Transfer Agent

The Company has appointed Link Intime India Private Limited as the registrar and transfer agent for the NCDs.

20.9 Inspection of Deed

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

20.10 Amendments

This Deed may be modified or amended with the written consent of the Debenture Trustee (acting on the instructions of the Majority NCD Holders) by way of an instrument in writing executed by the Company and the Debenture Trustee.

20.11 Counterparts

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

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SCHEDULE I

PART A

CONDITIONS PRECEDENT

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

CONSTITUTIONAL DOCUMENTS AND AUTHORISATIONS

- (a) a copy of the Company's Constitutional Documents certified as correct, complete and in full force and effect by an appropriate officer of the Company;
- (b) a copy of resolution of the Company's Board /committee of the Company's Board: (i) authorizing the execution, delivery and performance of the Transaction Documents; (ii) appointing Catalyst Trusteeship Limited as the Debenture Trustee; (iii) authorizing the creation of Security Interest over Hypothecated Assets in relation to the Issue; and (iv) authorizing the issue and allotment of the NCDs and authorizing certain officials of the Company named therein to execute all documents in relation to the Issue, certified as correct, complete and in full force and effect by an appropriate officer of the Company;
- (c) a copy of resolution of the Company's Board/committee of the Company's Board: authorizing the specific terms of the Issue and the Offer Documents in accordance with the Board resolution referred to above; and
- (d) copies of the resolutions 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;

TRANSACTION DOCUMENTS

- (e) execution, delivery and stamping of the Offer Documents and the other Transaction Documents in a form and manner satisfactory to the Debenture Trustee;

INTERMEDIARY DOCUMENTS

- (f) a copy of the credit rating letter and/or the rating rationale issued in relation to the NCDs;
- (g) a copy of the consent from the Debenture Trustee to act as the debenture trustee for the Issue;
- (h) a copy of the consent of Link Intime India Private Limited to act as the registrar and transfer agent for the Issue;
- (i) a copy of the Tripartite Agreement;
- (j) appointment of the Registrar to the Issue; and
- (k) appointment of the Debenture Trustee to the Issue;

OTHERS

- (l) the audited financial statements of the Company for the Financial Year ended March 31, 2023;
- (m) a certificate from the authorized signatory(ies) of the Company addressed to the Debenture Trustee confirming that the relevant Identified Book Debts are free from any encumbrances, in a form and manner satisfactory to the Debenture Trustee;
- (n) copy(ies) of the in-principle approval(s) provided by the BSE and/or NSE in respect of the listing of the NCDs;
- (o) receipt of the ISIN from the Depository for the issuance of the NCDs;
- (p) independent auditor's certificate indicating Security Cover ratio;
- (q) passport size photographs of all signatories executing any of the Transaction Documents in relation to Issue;
- (r) specimen signature of all the signatories executing any of the documentation in relation to the Issue, duly certified by a director or the authorized signatory;
- (s) filing of certified true copy of the resolutions of the Board/committee of Board with the ROC by the Company;
- (t) a copy of its amended articles of association recording and requiring the Company to complete the appointment of the Nominee Director nominated by the Debenture Trustee in terms of clause (e) of sub-regulation (1) of regulation 15 of the SEBI Debenture Trustees Regulations, as a director on its Board of Directors, within 1 (one) month from the date of receipt of such nomination from the Debenture Trustee; and
- (u) such other information, documents, certificates, opinions and instruments as the NCD Holders/Debenture Trustee may reasonably request.

SCHEDULE I

PART B

CONDITIONS SUBSEQUENT

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

- (a) within 1 (one) day from the Deemed Date of Allotment, certified true copy of all corporate actions for approving and allotting the NCDs;
- (b) within 2 (two) days of each of the Deemed Date of Allotment, the Company shall ensure that the NCDs are allotted to the respective NCD Holders and are credited into the demat accounts of the relevant NCD Holders;
- (c) within 6 (six) Business Days from each of the Issue Closing Date, copy of application for listing the NCDs on the Stock Exchange;
- (d) within 15 (fifteen) days of the allotment of the NCDs, 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 NCD Holders and with the prescribed fee;
- (e) the Company shall in respect of the Transaction Security, file Form CHG-9 with the relevant registrar of companies 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 creation of the Transaction Security;
- (f) within 1 (one) day of the filing of charges by way of CHG-9 above, a copy of the payment challan issued by the ROC;
- (g) the Company shall make the application for listing of the NCDs and obtain listing of the NCDs within the time period prescribed under the SEBI Listing Timelines Requirements;
- (h) entry of names of the NCD Holders into the Register of NCD Holders maintained by the Company in accordance with Section 88 of the Act;
- (i) a certificate of the Company (signed by an authorized signatory of the Company) confirming, inter alia, that as on the Deemed Date of Allotment: (i) no Event of Default (as may be defined in the Transaction Documents) has occurred and/or is continuing; (ii) the Company is and will be, after issuance of the NCDs, in full compliance with all provisions of the Transaction Documents, its Constitutional Documents, any document to which it is a party or by which it is bound, and any Applicable Law and regulations applicable to it; and (iii) the proceeds of the NCDs are within the authorized borrowing limits of the Company specified under the special resolution of the shareholders of the Company passed under Section 180(1)(a) and Section 180(1)(c) of the Act, and are needed by the Company for the purpose specified in the Transaction Documents;
- (j) confirmation on payment of stamp duty in connection with the issuance of NCDs;

- (k) confirmation from the bank with which the Public Issue Account is being maintained that the proceeds from the issue of NCDs have been transferred to Company's account only after receipt of confirmation in this regard from Debenture Trustee, together with the certified true copy of the account statement;
- (l) upon complete utilization of all proceeds of the Issue, a certificate from the statutory auditors confirming such complete utilization of the Issue proceeds, and until such complete utilization, a certificate from an independent chartered accountant confirming status of utilization of funds on a quarterly basis;
- (m) details of the Recovery Expense Fund created by the Company in terms of the Regulation 11 of the SEBI NCS Regulations, in the manner as may be specified by the SEBI from time to time; and
- (n) comply with such other condition and provide such other information and documents as the NCD Holders/Debenture Trustee may reasonably request, or as may be required under Applicable Law.

SCHEDULE II

PROVISIONS FOR THE MEETINGS OF THE NCD HOLDERS

The following provisions shall apply to the meetings of the NCD 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 NCD Holders, or at the request in writing of the NCD Holders representing not less than one-tenth in value of the Outstanding Principal Amounts of the NCDs, convene a meeting of the NCD 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 NCD Holders

- (a) A meeting of the NCD 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 Requirements set out in the SEBI Master Circular for Debenture Trustees shall be in accordance with paragraph 21A (*SEBI Defaults Procedure Requirements*) below.
- (c) A meeting of the NCD Holders may be called after giving shorter notice than that specified in sub-paragraph (a) above, if consent is accorded thereto by Majority NCD Holders.

3. Notice of Meeting of the NCD Holders

- (a) Each notice of a meeting of the NCD 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 Requirements set out in the SEBI Master Circular for Debenture Trustees shall be in accordance with paragraph 21A (*SEBI Defaults Procedure Requirements*) below.
- (c) Notice of every meeting of the NCD Holders shall be given to:
 - (i) each NCD Holder in the manner provided in this Deed;
 - (ii) the persons entitled to a NCD in consequence of death or insolvency of a NCD 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 NCD Holders' meetings may be held by tele-conference or video-conference.

5. Adoption of Resolutions

Subject to Applicable Law, the NCD Holders' shall be entitled to adopt resolutions without holding a NCD Holders' meeting provided such resolutions are approved by Majority NCD 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 NCD 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 NCD Holders, personally present shall be the quorum for the meeting of the NCD 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 NCD Holders, a quorum is not present, the meeting, if called upon the requisition of the NCD 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 NCD Holders present shall be the quorum.

8. Chairman of the Meeting of the NCD Holders

- (a) The nominee of the Debenture Trustee shall be the chairman of the meeting and in his absence the NCD 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 Companies 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 NCD 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 NCD Holders representing not less than one-tenth in value of the Outstanding Principal Amounts of the NCDs, 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 NCD 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 NCD of which he is a holder in respect of which he is entitled to vote.

12. **Voting; proxies**

- (a) Any NCD Holder entitled to attend and vote at the meeting shall be entitled to appoint another person (whether a NCD 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 NCD 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 NCD 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 authorized in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.
- (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 NCD Holder entitled to vote at a meeting of the NCD 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 NCD 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 NCD Holders, a NCD 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 NCD Holder (not being an officer or employee of the Company) present at the meeting, provided such a NCD Holder is available and willing to be appointed.

14. Result of Poll

- (a) Subject to the provisions of the Companies 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 NCD 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 NCD 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 NCD 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 note 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 NCD Holders and Exercise Thereof**

(a) ***General***

A meeting of the NCD Holders shall, *inter alia*, have the following powers exercisable in the manner hereinafter specified in this Schedule II (*Provisions for the Meeting of the NCD Holders*):

- (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 NCDs;
- (b) power to sanction any compromise or arrangement proposed to be made between the Company and the NCD Holders;
- (c) power to sanction any modification, alteration or abrogation of any of the rights of the NCD Holders against the Company or the Hypothecated Assets whether such right shall arise under the Deed or NCDs 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 Companies Act or provisions of any Applicable Law;
- (e) power to assent to any modification of the provisions contained in the Deed and to authorize 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 Majority Resolution or a Special Resolution or a unanimous resolution.

(b) ***Resolution of NCD Holders***

- (i) The powers set out in this Schedule II (*Provisions for the Meeting of the NCD Holders*) shall be exercisable by a Majority Resolution or a Special Resolution or a unanimous resolution passed at a meeting of the NCD Holders duly convened and held in accordance with provisions herein contained.
- (ii) A resolution, passed at a general meeting of the NCD Holders duly convened and held in accordance with these presents shall be binding upon all the NCD Holders, whether present or not at such meeting, and each of the NCD 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***

- (i) Notwithstanding anything herein contained, any rights, powers and authorities under the Deed by a letter or letters signed by or on behalf of the Majority NCD Holders or the Special Majority NCD Holders or all NCD Holders, as the case may be, without convening a meeting of such NCD Holders as if such letter or letters constituted a Majority Resolution or a Special Resolution or a unanimous resolution, as the case may be, passed at a meeting duly convened and held as aforesaid and shall have effect accordingly.

21. Written Consent of NCD Holders

- (a) For any written consent of the NCD Holders, the Debenture Trustee (or as applicable, the Company or a NCD Holder) shall provide a notice in writing to the last available address of each NCD 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 NCD Holders can ratify any shorter notice depending on the reasons given/prevaling circumstances on a case to case basis.
- (e) The NCD Holders can submit their consent only in written form to the Debenture Trustee.

21A. SEBI Defaults Procedure Requirements

- (a) If any meeting of the NCD Holders is proposed to be conducted in respect of any matter prescribed in the SEBI Defaults Procedure Requirements as set out in the SEBI Master Circular for Debenture Trustees, the provisions of this paragraph 21A (*SEBI Defaults Procedure Requirements*) shall apply.
- (b) Any notice for a meeting in respect of the SEBI Defaults Procedure Requirements shall contain the details prescribed in the SEBI Defaults Procedure Requirements, 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 Meeting of the NCD Holders*) (applicable to meetings of the NCD Holders) shall apply in respect of any meeting that is conducted under this paragraph 21A (*SEBI Defaults Procedure Requirements*).

- (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 Requirements shall be in accordance with the decision of the NCD Holders taken at any meeting convened in accordance with this paragraph 21A (*SEBI Defaults Procedure Requirements*), subject to the exceptions (if any) set out in the SEBI Defaults Procedure Requirements.
- (e) For the purposes of a meeting convened in accordance with this paragraph 21A (*SEBI Defaults Procedure Requirements*), in accordance with the SEBI Defaults Procedure Requirements, all decisions shall require the consent of 75% (seventy five percent) of the NCD Holders (by value) and 60% (sixty percent) of the NCD 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
ACCOUNT BANK AND ACCOUNT DETAILS

PART A

(Attached separately)

PART B

(Attached separately)

PART C

NAME OF BENEFICIARY & ADDRESS	NFL NCD III – Repayment Account, 2 nd Flr Survey No. 14/2 of Ibballur Village, Vaishnavi Tech Square, Begur Hobli, Bengaluru
BANK NAME	HDFC Bank Ltd.
BRANCH ADDRESS	Municipal no. 8/24, Richmond Road, Corporate Division no. 61, Richmond Road, Bangalore, Karnataka - 560025
BANK ACCOUNT NO	50200092257738
IFSC CODE	HDFC0000523

SCHEDULE IV

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 Security Cover in the manner as may be specified by SEBI from time to time. In this regard, in accordance with the SEBI Monitoring Requirements, the Company undertakes and agrees to provide all relevant documents/information, as applicable, to enable the Debenture Trustee to submit to the Stock Exchange(s), the Security Cover certificate on a quarterly basis, within 75 (seventy five) days from each Quarterly Date in the format prescribed in the SEBI Master Circular for Debenture Trustees, and such other documents/certificates that may be required pursuant to the SEBI Monitoring Requirements.

2. RECOVERY EXPENSES FUND

- (a) The Company hereby undertakes and confirms that it shall, within the time period prescribed under the SEBI Recovery Expense Fund Requirements, establish, maintain and utilize the Recovery Expense Fund in such manner/mode as is prescribed under the SEBI Recovery Expense Fund Requirements, to enable the Debenture Trustee to take prompt action in relation to the enforcement of the security under the Transaction Documents.
- (b) The Company has deposited/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, to the extent applicable, any bank guarantees provided in respect of the Recovery Expense Fund shall remain valid for a period of 6 (six) months following the maturity date of the NCDs. 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 NCD 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 Requirements. 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 NCDs, 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. **SEBI LODR REGULATIONS**

The Company hereby further agrees, declares, undertakes and covenants with the Debenture Trustee that it will comply with all requirements applicable to it as prescribed in the SEBI LODR Regulation read with the SEBI LODR Master Circular (including without limitation, Chapter IV of the SEBI LODR Regulations (to the extent applicable) and Chapter V of the SEBI LODR Regulations (to the extent applicable)).

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 Companies Act, the SEBI LODR Regulations, the SEBI LODR Master Circular, the SEBI NCS Regulations, the SEBI Debenture Trustees Regulations, the SEBI Master Circular for Debenture Trustees, the listing agreement of the Stock Exchange(s) where the NCDs 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 NCDs 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 the Transaction Security or the 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 NCDs;
 - (iii) details with respect to the implementation of the conditions regarding creation of the Transaction Security for the NCDs, DRR and Recovery Expense Fund;
 - (iv) details with respect to the Assets of the Company and of the guarantors (if any) to ensure that they are sufficient to discharge the interest and principal amount at all times and that such Assets are free from any other encumbrances except those which are specifically agreed to by the NCD Holders;
 - (v) reports on the utilization of funds raised by the issue of NCDs;
 - (vi) details with respect to conversion or redemption of the NCDs;
 - (vii) (to the extent applicable) details with respect to dispatch of the debenture certificates and interest warrants, credit of the NCDs in the demat account of the NCD Holders and payment of amounts upon redemption of NCDs to the NCD Holders due to them within the stipulated time period in accordance with the Applicable Law;
 - (viii) details regarding monitoring of utilisation of funds raised in the issue of the NCDs;
 - (ix) (to the extent applicable) certificate from the statutory auditors of the Company in respect of utilisation of funds/proceeds of the Issue; and
 - (x) 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 Security Cover on a quarterly basis in the manner as may be specified by SEBI from time to time;
 - (ii) to the extent applicable, submit a certificate from the statutory auditor on a half-yearly basis, giving the value of Identified Book Debts, and maintenance of Security Cover in accordance with the terms of the Offer Documents and the other Transaction Documents including compliance with all the covenants of the Offer Documents and the other Transaction Documents in the manner as may be specified by SEBI from time to time; and
 - (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 DEBENTURE TRUSTEE	TIMELINE FOR SUBMISSION OF REPORTS/ CERTIFICATIONS BY DEBENTURE TRUSTEE
Security Cover Certificate	Quarterly basis within 30 (thirty) days from end of each quarter or within such timelines as prescribed under Applicable Law.	Quarterly basis within 75 (seventy-five) days from end of each quarter or within such timelines as prescribed under Applicable Law.

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 NCDs Circulars in letter and spirit.
- (b) To the extent applicable and required in terms of the SEBI Defaults Procedure Requirements, the Debenture Trustee shall execute an “inter creditor agreement” in the manner prescribed under the SEBI Defaults Procedure Requirements.
- (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 and undertakings of the issue (including side letters, event of default provisions/clauses etc.).
- (d) The Company shall, in accordance with the terms of Chapter XI of the SEBI NCS Master Circular, provide pre-authorization to the Debenture Trustee to seek debt redemption payment related information from its bank.
- (e) The Company shall promptly disclose and furnish to the Debenture Trustee, all

documents/information about or in relation to the Company or the NCDs, 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(s) within the prescribed timelines.

SCHEDULE V

(Procedure to be followed for NCDs issued in Electronic (Dematerialized)/Demat Form)

1. The NCD Holders will share the details of their relevant depository participant/client ID and beneficiary demat account number with the Company. The NCDs in the dematerialized form will be credited to such beneficiary demat account of the NCD Holders in accordance with a separate agreement entered into by the Company with the Depository, under advice to the NCD Holders.
2. The Company will enter into depository arrangements with the Depository for dematerialization of the NCDs. The NCD Holder has to necessarily hold the NCDs in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996 (as amended from time to time). The normal procedures followed for transfer of securities held in dematerialized form shall be followed for transfer of these NCDs held in electronic form.
3. The NCDs being issued in dematerialized mode, every eligible applicant should apply only if they have a depository account with any of the Depositories. Transfer of NCDs in dematerialized form would be in accordance with the rules/procedures as prescribed by the Depository. Transfer of these NCDs is permitted only between categories eligible for subscription as mentioned in the respective Offer Document.
4. The depository account of the investors with the Depository will be credited within 30 (thirty) days from the Deemed Date of Allotment or within such timelines as prescribed under Applicable Law. The initial credit in the account will be akin to the letter of allotment. On the completion of all statutory formalities, such credit will be substituted with the number of NCDs allotted.
5. The NCDs held in the dematerialized form shall be taken as redeemed on payment of the Redemption Amount by the Company on maturity to the registered NCD Holders whose name appears in the list of NCD Holders on the Record Date. Such payment will be a legal discharge of the liability of the Company towards the NCD Holders. On such payments being made, the Company will inform the Depository and accordingly the account of the NCD Holders with the Depository will be adjusted.
6. A list of NCD Holders containing all relevant particulars, as maintained by the Depository, shall be kept by the Company at its registered office and such list shall be updated on a weekly basis.
7. Transfer of NCDs in dematerialized form would be in accordance with the rules/procedures as prescribed by the Depository. Transfer of these NCDs is permitted only between categories eligible for subscription as mentioned in the respective Offer Document. All requests for transfer should be submitted to the Company/Registrar prior to the Record Date for payment of interest/principal.
8. The Company shall accept the requests received from the NCDs Holders for rematerializing the NCDs in accordance with the rules and procedures prescribed by Depositories Act, 1996. All costs arising from the request of re-materialisation shall be borne by the person requesting such re-materialization.

9. Upon re-materialization of the NCDs held by the NCD Holders, the Company shall maintain a Register of NCD Holders containing all relevant particulars at its registered office or such other place in accordance with the provisions of the Act and shall accordingly comply with all such rules, regulations and provisions as are stipulated for physical form of debentures.
10. Nothing provided herein shall prejudice any power of the Company to register as NCD Holders any person to whom the right to any NCD of the Company has been transmitted by operation of law.

SIGNATURE PAGE

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

SIGNED AND DELIVERED by the within named)

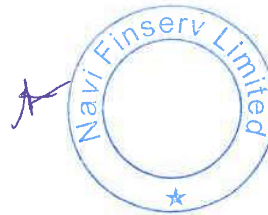
NAVI FINSERV LIMITED)

being the Company abovenamed)

by the hand of)

Mr. Ankit Agarwal,)

an authorised representative of the Company)



SIGNED AND DELIVERED by the within named)

CATALYST TRUSTEESHIP LIMITED)

in its capacity as Debenture Trustee)

by the hand of)

Alister Glena, an authorised)

representative of the Debenture Trustee.)

For CATALYST TRUSTEESHIP LIMITED

Alister Glena
Authorised Signatory